

is coal supplies are sufficient to last into the indefinite future. But the industry is operating at about 22 percent below the 1957 level and thousands of miners are out of work.

The Federal Government apparently is placing its reliance and staking the future of the country upon oil and gas. Oil supplies of the Middle East, upon which this country is more dependent each year, are subject to the whims of Middle East politics. Growing Arab nationalism could, it is recognized officially, cut off this oil supply from the United States and the West.

## SENATE

WEDNESDAY, JUNE 18, 1958

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

Almighty God, from whom all thoughts of truth and peace proceed, Thou hast taught us that in quietness and confidence shall be our strength. By the might of Thy spirit lift us, we pray Thee, to Thy presence, where we may be still and know that Thou art God. In paths beyond our human eye to discover, lead us on to the concord which is the fruit of righteousness. In this great hour, save us from the madness of man's mistaken plans. Make us big enough for these great days. Cast down our pride—national, racial, personal. Join us to those who labor to bring sense and system to this disordered globe, and grant that our eyes may yet look upon a world that has found a pathway leading to the plains of universal peace,

When all men's good shall be each man's rule  
Through all the circle of the golden years.

We ask it in the dear 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, June 17, 1958, was dispensed with.

### 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. 803. An act for the relief of Claudio Guillen;  
S. 2168. An act for the relief of Armas Edwin Jansson-Viik;  
S. 2239. An act for the relief of Wadiha Salime Hamade;  
S. 2251. An act for the relief of Manley Francis Burton;  
S. 2493. An act for the relief of Maria G. Aslanis; and

As for gas, the supply is not inexhaustible. Should the day ever come when coal becomes unavailable because Government policies have made it uneconomical to mine, this country will face a bleak future indeed.

Mr. Speaker, coal can compete with other fuels if the Government permits it to compete on an equal basis. It cannot compete if Government policies deny it access to major markets.

I have been criticized in some quarters because of the emphasis I place upon the coal industry. Yet, I do not see how

anyone representing the Fifth District of West Virginia can ignore the tremendous importance of coal to the economy of our district and to the entire State.

It is highly significant that the crisis in which the coal industry finds itself has brought about close cooperation between labor and management. This has been a healthy development. When the coal industry speaks with one voice, it is listened to more carefully in Washington. I congratulate both labor and management for this fine progressive attitude.

S. 2319. An act for the relief of Mrs. Hermine Melamed.

The message also announced that the House had disagreed to the amendments of the Senate to the bill (H. R. 12428) making appropriations for the Departments of State and Justice, the judiciary, and related agencies for the fiscal year ending June 30, 1959, and for other purposes; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. ROONEY, Mr. PRESTON, Mr. SIKES, Mr. MAGNUSON, Mr. CANNON, Mr. COUDERT, Mr. Bow, Mr. CLEVENGER, and Mr. TABER were appointed managers on the part of the House at the conference.

The message further announced that the House had disagreed to the amendment of the Senate to the bill (H. R. 12575) to provide for research into problems of flight within and outside the earth's atmosphere, and for other purposes; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. McCORMACK, Mr. BROOKS of Louisiana, Mr. HAYS of Arkansas, Mr. O'BRIEN, Mr. METCALF, Mr. McDONOUGH, Mr. FULTON, Mr. KEATING, and Mr. FORD were appointed managers on the part of the House at the conference.

The message also announced that the House had passed the following bills and joint resolutions, in which it requested the concurrence of the Senate:

H. R. 1691. An act for the relief of Margherita Conca;  
H. R. 2759. An act for the relief of Josephine Shelby;  
H. R. 3140. An act for the relief of Erika Gorenstein;  
H. R. 4330. An act for the relief of Lucia (Castaneda) Sayaan and Gloria (Castaneda) Sayaan;  
H. R. 7330. An act for the relief of Demetrius Daskalakis;  
H. R. 7725. An act for the relief of Shizuko Sese Sheveland;  
H. R. 7826. An act for the relief of Israel Baird Poskanzer;  
H. R. 11518. An act to authorize the construction of modern naval vessels;  
H. J. Res. 595. Joint resolution for the relief of certain aliens;  
H. J. Res. 609. Joint resolution for the relief of certain aliens;  
H. J. Res. 610. Joint resolution to facilitate the admission into the United States of certain aliens;  
H. J. Res. 611. Joint resolution to waive certain provisions of section 212 (a) of the Immigration and Nationality Act in behalf of certain aliens;

H. J. Res. 613. Joint resolution to waive certain provisions of section 212 (a) of the Immigration and Nationality Act in behalf of certain aliens;

H. J. Res. 619. Joint resolution to facilitate the admission into the United States of certain aliens; and

H. J. Res. 620. Joint resolution for the relief of certain aliens.

The message further announced that the House had agreed to a concurrent resolution (H. Con. Res. 321) approving the granting of the status of permanent residence to certain aliens, in which it requested the concurrence of the Senate.

### ENROLLED BILLS SIGNED

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

H. R. 10589. An act making appropriations for the Executive Office of the President and sundry general Government agencies for the fiscal year ending June 30, 1959, and for other purposes; and

H. R. 12540. An act making appropriations for the Department of Commerce and related agencies for the fiscal year ending June 30, 1959, and for other purposes.

### 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. 1691. An act for the relief of Margherita Conca;

H. R. 2759. An act for the relief of Josephine Shelby;

H. R. 3140. An act for the relief of Erika Gorenstein;

H. R. 4330. An act for the relief of Lucia (Castaneda) Sayaan and Gloria (Castaneda) Sayaan;

H. R. 7330. An act for the relief of Demetrius Daskalakis;

H. R. 7725. An act for the relief of Shizuko Sese Sheveland;

H. R. 7826. An act for the relief of Israel Baird Poskanzer;

H. J. Res. 595. Joint resolution for the relief of certain aliens;

H. J. Res. 609. Joint resolution for the relief of certain aliens;

H. J. Res. 610. Joint resolution to facilitate the admission into the United States of certain aliens;

H. J. Res. 611. Joint resolution to waive certain provisions of section 212 (a) of the Immigration and Nationality Act in behalf of certain aliens;

H. J. Res. 618. Joint resolution to waive certain provisions of section 212 (a) of the

Immigration and Nationality Act in behalf of certain aliens;

H. J. Res. 619. Joint resolution to facilitate the admission into the United States of certain aliens; and

H. J. Res. 620. Joint resolution for the relief of certain aliens; to the Committee on the Judiciary.

H. R. 11518. An act to authorize the construction of modern naval vessels; to the Committee on Armed Services.

#### HOUSE CONCURRENT RESOLUTION REFERRED

The concurrent resolution (H. Con. Res. 321) approving the granting of the status of permanent residence to certain aliens, was referred to the Committee on the Judiciary, as follows:

*Resolved by the House of Representatives (the Senate concurring),* That the Congress approves the granting of the status of permanent residence in the case of each alien hereinafter named, in which case the Attorney General has determined that such alien is qualified under the provisions of section 6 of the Refugee Relief Act of 1953, as amended (67 Stat. 403; 68 Stat. 1044):

A-8153600, Basch, Herman.  
A-10255826, Bilici, Stefan.  
A-10256997, Boulien, Eugenie (nee Eugenia Melania Trumauer).

A-10073241, Chang, Chi Hsuan.  
A-6987266, Chao, Yao-Ting or Irene Yao-Ting Chao.

A-9526176, Chee, Lok.  
A-7462164, Chen, Frank Ming-Chen.  
A-6992028, Chen, Stephen Shu-Hua.

A-7777045, Ching, Peter Pan-Shih or Peter P. S. Ching.

A-7071963, Chiou, Hsuei Chen or Sister Theresa Mary Chiou.

A-6904319, Chou, Carl Nai Wen.  
A-6848623, Chou, Pei Chi.  
0300-464138, Chow, Wei Teh.

A-6083902, Diao, Kai-I also known as Kenneth Dia.

A-9518855, Ding, Ngiam Hai also known as Ngiam Ah Hai.

A-5993457, Fok, Wai Yuen also known as Fok Wai-Yuen.

A-7386136, Fung, Choi-Kai Joyce (now Hung).

A-6281490, Gi-Ming, Shien.  
A-7476728, Gregory, Evelyn Alexander.

A-7828957, Hamza, Milos.  
A-7828958, Hamza, Jirina.

A-9730789, Heng, Loy Wang.  
A-3653325, Ho, Ching or Ho Ching.

A-6973660, Hsi, Leo Leonard Te-Kee or Te-Kee Hsi.

A-7463500, Huang, Chang Chiang.  
A-7436710, Huang, Ching Wai.

A-10634040, Huang, Tso Chiu.  
A-8935458, Huang, Hsin Chou.

A-4380982, Klikos, Miroslav Antonin.  
A-9825359, Kreft, Frank.

A-8877776, Krneta, Jovo alias Girolamo Baldi.

A-9757090, Kudrawcew, Jerzy alias Piotr Wodrogowski.

A-10060228, Lechich, Dominick.  
A-8153698, Lee, Maria Pao-Hsin.

A-8457466, Lee, Si Yu aka Francis S. Y. Lee.

A-7071962, Li, Chun Hsia or Sister Elizabeth Ann Li.

A-6904311, Li, Min Hsin.  
A-7197265, Lichtman, Lester formerly Ladislaw Lichtman.

A-6275288, Lin, Teh Ping.  
A-6987743, Lin, Shih-Chia Chen.

A-7357783, Liu, Hsien Chou.  
A-6904312, Liu, Tse Chi.

A-9653780, Loy, Chong or Loy Chong.

A-7457664, Meszaros, Julia.

A-7962334, Moscovic, Dora.

A-9564547, Ning, Bai Ah.

A-6848119, Pan, Huo-Hsi.

A-7073694, Phares, Olga (nee Kosciukiewicz).

A-10255990, Puss, Vendelin.

A-9702528, Slew, Wao or Sang Siow or Siew Sang.

A-10125287, Soon, Chin Wing.

A-6083861, Tang, Yung-Chien.

A-9769869, Tew, Tan Boon.

A-7250897, Ting, Robert Chin-Yao.

A-10135655, Tomson, Martin.

A-6877782, Tung, Shao E.

A-9542545, Wan, Lee Lin.

A-7282998, Wang, Sally Bei-Fong or Sally Wang.

A-6847731, Wang, Tien Chuan.

A-7850781, Wang, Chan-Pao Hsu.

A-8103726, Chen, Franklin Yueh-Kun.

A-7462163, Chen, William Ming-Cheh.

A-7879901, Chu, Yang Ming.

A-10054867, Goldblat, Fajwel also known as Felix Fibich.

A-10256870, Goldblat, Judyta Berg also known as Judith Fibich.

A-7298907, Huang, Yen Yu.

A-6752079, Kleinberger, Salomon.

A-6752080, Kleinberger, Blima Blanca.

A-6967294, Lu, Kuang-Huan.

A-7052508, Ma, John Ta-Jen also known as John T. Ma or Ta-Jen Ma.

A-7961399, Pao, Shih Kuo also known as James Shih-Kuo Pao.

A-6848682, Sih, Nan Sze.

A-6624714, Sze, Wei Tseng.

A-7948622, Tang, Yun Shou or Edward Tang or Edward Y. S. Tang.

A-7247117, Teitelbaum, Isak.

A-5094926, Wang, Chuan Yuang also known as Tanner Wang.

A-7456033, Werdyger, David.

A-10256483, Werdyger, Malvina.

A-7274347, Woo, Henry Kuo Chuan.

A-10259861, Wu, Cheng Tsu.

A-7368967, Wu, Marjory Min-Yen.

A-6975565, Wu, Te-Heng.

A-6855615, Yao, Ven Chen.

A-10143707, Yee, Ting Sun.

A-10143708, Wong, Lan Coke.

A-10143709, Yee, Kock Chue.

A-10143712, Yee, Kock Wei.

A-10143713, Yee, Wei Goon.

A-10143715, Yee, Kock Lan.

A-6986480, Yeh, Frances Tsu-Yi Cheng.

A-6694194, Ying, Tao Chen also known as Stephen Tao Chen Ying.

A-6819620, Ying, Mildred Wu (nee Mildred Chien Hwa) Wu.

A-10053774, Yong, Lai or For Yong or Lai Lung.

A-10135610, Yu, Chin Ziangu, also known as Charles Yu.

A-7366164, Yuan, Tung Li.

A-7366165, Yuan, Hui Hsi.

A-7193592, Zissu, Iancu.

A-6976769, Zissu, Eugenia (nee Wentrab).

A-10259134, Chao, Lee Sih.

A-7288302, Cheng, Samuel or Kuo Yue Cheng.

A-7133245, Chin, Yang Sih also known as Steve S. C. Yang, or Sih Chin Yang.

A-6811398, Jankowski, Zbigniew.

A-9657674, San, Lam.

A-6958601, Yee, Rose or Gum-Yuen Yee.

A-5839760, Ivanac Krist.

A-7389499, Wel, Charles Whua-Fu.

A-6881735, Wu Tien Hsiang Tu also known as Julia Tu Wu.

A-6778645, Morel, Emilio Antonio.

A-6626309, Morel, Marta.

A-6627930, Morel, Isabel.

A-7099115, Cheng, Yi-Jong or Yi Jong Cheng or John Tung Cheng.

A-6918487, Dobroluboff, Victor John also known as Victor J. Doberly.

A-6918488, Dobroluboff, Helen (nee Helen Antonoff) also known as Helen Doberly.

A-8091959, Tung, Shih-Tsin.

A-10491938, Tung, Nei-Chu.

A-10491940, Tung, Pao-Ho.

A-7285976, Chang, Chien-Hsin.

A-10245366, Hsu, Kan also known as Ko Ding Hsu also known as Chang Sang.

A-10236079, Shun, Chu also known as Chiu Mo Cheong.

A-10044761, Yenovkian, Leonora Levon.

A-6958651, Kwang, Ching-Wen.

A-6967576, Liu, Yung-Tsu.

A-11046594, Mow, Sun Wah.

A-9733991, Shio, Han-Sun.

A-6033416, Wang, Tien Shan.

A-9753687, Yue, Tsing-See.

A-10135748, Chan, Siu-Ching.

A-9245733, Ching, Pui.

A-6903682, Jakab, Salomon.

A-7395167, Tang, Robert Cheng-Wei.

A-5927903, Wong, Ah Sai.

A-6712037, Hu, Kwoh Hsien.

A-7910399, Kao, Hans Chuan.

A-6737210, Lee, Thomas Ming-Lung.

A-7865355, Keh, (Edward) Shou Shreue.

A-7865356, Keh, Martha Mei Sing (nee Chen).

A-6848016, Teng, Paul or Paul Chien Yao Teng.

A-9801087, Yin, Chow Kwong.

A-6967269, Chow, Tsing Tai also known as Howard T. Chow.

A-6967273, Ku, Anna Marie.

A-10290389, Tung, Chang Chien.

A-6081266, Hsu, James Pei-Chung.

A-8091343, Sing, Leung or Leung Sui Wah Chan.

A-7210285, Olas, Pavol Jozef.

#### COMMITTEE MEETING DURING SENATE SESSION

On request of Mr. JOHNSON of Texas, and by unanimous consent, the Subcommittee on the Judiciary of the Committee on the Judiciary was authorized to meet during the session of the Senate today.

#### LIMITATION OF DEBATE DURING MORNING HOUR

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

The PRESIDENT pro tempore. Without objection, it is so ordered.

#### EXECUTIVE SESSION

Mr. JOHNSON of Texas. 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 REPORT OF A COMMITTEE

The following favorable report of a nomination was submitted:

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

John B. Hussey, of Louisiana, to be a member of the Federal Power Commission.

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

#### DIPLOMATIC AND FOREIGN SERVICE

The Chief Clerk read the nomination of Edward T. Wailes, of the District of Columbia, to be Ambassador Extraordi-

dinary and Plenipotentiary of the United States of America to Iran.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

#### IN THE ARMY

The Chief Clerk proceeded to read sundry nominations in the Army.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the nominations in the Army be considered en bloc.

The PRESIDENT pro tempore. Without objection, the nominations will be considered en bloc; and, without objection, they are confirmed.

#### IN THE NAVY

The Chief Clerk proceeded to read sundry nominations in the Navy.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that these nominations be considered en bloc.

The PRESIDENT pro tempore. Without objection, the nominations will be considered en bloc; and, without objection, they are confirmed.

#### IN THE AIR FORCE

The Chief Clerk proceeded to read sundry nominations in the Air Force.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that these nominations be considered en bloc.

The PRESIDENT pro tempore. Without objection, the nominations will be considered en bloc; and, without objection, they are confirmed.

#### NOMINATIONS IN THE ARMY, THE AIR FORCE, AND THE NAVY AND MARINE CORPS, PREVIOUSLY PLACED ON THE VICE PRESIDENT'S DESK

The Chief Clerk proceeded to read sundry nominations in the Army, the Air Force, and the Navy and Marine Corps, which previously had been placed on the Vice President's desk, for the information of Senators.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that all these nominations be considered en bloc.

The PRESIDENT pro tempore. Without objection, the nominations will be considered en bloc; and, without objection, they are confirmed.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the President be notified immediately of the confirmation of all these nominations.

The PRESIDENT pro tempore. 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.

#### JOINT MEETING OF THE TWO HOUSES TO HEAR ADDRESS BY PRESIDENT OF PHILIPPINE REPUBLIC

Mr. JOHNSON of Texas. Mr. President, I announce that, under the order previously entered, at 12:20 the Senate will take a recess, subject to the call of the Chair. At that time we expect to have the Senate proceed to the other body for the joint meeting. At about 12:13 or 12:15 I shall suggest the absence of a quorum. I hope that any Senator who may then be occupying the floor will at that time yield to me for that purpose.

#### EXECUTIVE COMMUNICATIONS, ETC.

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

##### APPROPRIATIONS FOR INTERNATIONAL EDUCATIONAL EXCHANGE ACTIVITIES

A letter from the Chairman, United States Advisory Commission on Educational Exchange, relating to Senate Report No. 1633 concerning the appropriations for international educational exchange activities; to the Committee on Appropriations.

##### PROPOSED DONATION BY NAVY DEPARTMENT OF CERTAIN BOATS TO VOLUNTEER LIFE SAVINGS CORPS

A letter from the Under Secretary of the Navy, relating to the proposed donation by Department of two plane personnel boats to the United States Volunteer Life Savings Corps, for use in rescue and educational training of its junior membership; to the Committee on Armed Services.

##### CERTIFICATION OF ADEQUATE SOIL SURVEY AND LAND CLASSIFICATION, CROOKED RIVER PROJECT, OREGON

A letter from the Acting Secretary of the Interior, reporting, pursuant to law, that an adequate soil survey and land classification has been made of the lands in the Crooked River project, Oregon., and that the lands to be irrigated are susceptible to the production of agricultural crops by means of irrigation; to the Committee on Interior and Insular Affairs.

##### REPORTS OF RECEIPT OF PROJECT PROPOSALS UNDER SMALL RECLAMATION PROJECTS ACT OF 1956

A letter from the Acting Secretary of the Interior, reporting, pursuant to law, that the Georgetown Divide Public Utility District of Georgetown, Calif., had applied for a loan of \$3,877,670 for project works estimated to cost \$4,695,620; to the Committee on Interior and Insular Affairs.

A letter from the Acting Secretary of the Interior, reporting, pursuant to law, that the South Sutter Water District of East Nicolaus, Calif., had applied for a loan of \$4,875,600 for project works estimated to cost \$6,102,000; to the Committee on Interior and Insular Affairs.

##### SUSPENSION OF DEPORTATION OF CERTAIN ALIENS

Three letters from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting, pursuant to law, copies of orders suspending deportation of certain aliens, together with a statement of the facts and pertinent provisions of law pertaining to each alien, and the reasons for ordering such suspension (with accompanying papers); to the Committee on the Judiciary.

#### GRANTING OF STATUS OF PERMANENT RESIDENCE TO CERTAIN ALIENS

A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting, pursuant to law, copies of orders granting the applications for permanent residence filed by certain aliens, together with a statement of the facts and pertinent provisions of law as to each alien, and the reasons for granting such applications (with accompanying papers); to the Committee on the Judiciary.

#### AMENDMENT OF ATOMIC ENERGY ACT OF 1954, AS AMENDED

A letter from the Chairman, Atomic Energy Commission, Washington, D. C., transmitting a draft of proposed legislation to amend the Atomic Energy Act of 1954, as amended (with accompanying papers); to the Joint Committee on Atomic Energy.

#### PETITIONS AND MEMORIALS

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

By the PRESIDENT pro tempore:

A resolution adopted by the board of social and economic relations of the Methodist Church, Chicago, Ill., relating to civil liberties and Congressional investigating committees; to the Committee on the Judiciary.

Petitions signed by sundry citizens of West Covina, Calif., relating to the Presidential veto of the omnibus rivers and harbors bill, and the completion of the comprehensive plan for conservation and control of floodwaters in the county of Los Angeles; to the Committee on Public Works.

#### REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. GREEN, from the Committee on Foreign Relations, with an amendment:

S. 3680. A bill to provide for participation of the United States in the World Science-Pan Pacific Exposition to be held at Seattle, Wash., in 1962, and for other purposes (Rept. No. 1721).

By Mr. O'MAHONEY, from the Committee on Interior and Insular Affairs, with amendments:

S. 1790. A bill to fix the boundary of Everglades National Park, Fla., to authorize the Secretary of the Interior to acquire land therein, and to provide for the transfer of certain land not included within said boundary, and for other purposes (Rept. No. 1722).

By Mr. HOLLAND, from the Committee on Agriculture and Forestry, with an amendment:

H. R. 11424. An act to extend the authority of the Secretary of Agriculture to extend special livestock loans, and for other purposes (Rept. No. 1723).

By Mr. ELLENDER, from the Committee on Agriculture and Forestry, with amendments:

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 (Rept. No. 1724).

By Mr. JOHNSTON of South Carolina, from the Committee on Agriculture and Forestry, without amendment:

H. R. 11058. An act to amend section 313 (g) of the Agricultural Adjustment Act of 1938, as amended, relating to tobacco acreage allotments (Rept. No. 1725); and

H. R. 12164. An act to permit use of Federal surplus foods in nonprofit summer camps for children (Rept. No. 1726).

**EXPRESSION OF INDIGNATION AT EXECUTION OF CERTAIN HUNGARIAN LEADERS—REPORT OF A COMMITTEE—ADDITIONAL CO-SPONSOR OF CONCURRENT RESOLUTION (S. REPT. NO. 1727)**

Mr. HUMPHREY. Mr. President, from the Committee on Foreign Relations, I report favorably, with amendments, the concurrent resolution (S. Con. Res. 94) expressing indignation at the execution of certain leaders of the recent revolt in Hungary. The action on the concurrent resolution by the committee was unanimous.

I ask unanimous consent that the name of the senior Senator from California [Mr. KNOWLAND] be listed as a cosponsor of the concurrent resolution with the junior Senator from Minnesota.

The PRESIDENT pro tempore. The report will be received and the concurrent resolution will be placed on the calendar; and, without objection, the name of the Senator from California [Mr. KNOWLAND] will be listed as a co-sponsor of the resolution.

**BILLS INTRODUCED**

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

By Mrs. SMITH of Maine:

S. 4026. A bill to authorize and direct the Secretary of the Treasury to cause the vessel *Edith Q*, owned by James O. Quinn, of Sunset, Maine, to be documented as a vessel of the United States with full coastwise privileges; to the Committee on Interstate and Foreign Commerce.

By Mr. BARRETT:

S. 4027. A bill for the relief of the estate of George E. Williams; to the Committee on the Judiciary.

By Mr. HUMPHREY (for himself, Mr. NEUBERGER, and Mr. DOUGLAS):

S. 4028. A bill to establish a National Wilderness Preservation System for the permanent good of the whole people, and for other purposes; to the Committee on Interior and Insular Affairs.

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

By Mr. KEFAUVER:

S. 4029. A bill for the relief of Aldo Martini, Lino Santi, and Dinora Santi; to the Committee on the Judiciary.

By Mr. EASTLAND:

S. 4030. A bill to establish policy respecting the issuance of passports and to provide passport review procedure; to the Committee on the Judiciary.

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

By Mr. YARBOROUGH:

S. 4031. A bill to amend section 223 of the Veterans' Readjustment Assistance Act of 1952, as amended, relating to change of educational or training program by an eligible veteran; to the Committee on Labor and Public Welfare.

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

By Mr. DIRKSEN (by request):

S. 4032. A bill for the relief of Mercedes Valdi; to the Committee on the Judiciary.

**ADDITIONAL EXPENDITURES BY COMMITTEE ON APPROPRIATIONS**

Mr. HAYDEN submitted the following resolution (S. Res. 315), which was referred to the Committee on Rules and Administration:

*Resolved*, That the Committee on Appropriations hereby is authorized to expend from the contingent fund of the Senate, during the 85th Congress, \$15,000 in addition to the amounts, and for the same purposes, specified in section 134 (a) of the Legislative Reorganization Act, approved August 2, 1946; Senate Resolution 154, agreed to August 6, 1957; and Senate Resolution 187, agreed to August 26, 1957.

**SHORTAGE OF COLLEGE PHYSICS TEACHERS**

Mr. PROXMIRE. Mr. President, this morning's New York Times reports that the American Institute of Physics has warned that a serious shortage of college physics teachers could imperil the country. The facts are that 451 of 490 institutions—or more than 90 percent—with 4-year undergraduate major programs in physics are unable to meet their need for qualified teachers. What is more alarming, the outlook for physics teaching is going to get worse, instead of better. The director of the Institute of Physics estimates that America's colleges and universities will need 750 new physics teachers each year, for the next 10 years. Only about 500 persons a year, however, will earn doctorates in physics, and 59 percent of these will not go into college teaching.

Mr. President, it may be that much of the discussion that has been going on in the country since the launching of Sputnik I, in October of last year, has failed to convince the American people that education is directly related to our military defense and, therefore, to our very survival. There can be no question, however, that in an age of military science, physics and the understanding of physics by gifted American young people can very possibly make a difference between survival and failure.

Mr. President, here is one more compelling reason why the Hill-Elliott bill, which provides for a major increase in higher education for scientists and other scholars, should be enacted at this session. Here is another reason why the relatively minor sum—as compared to military expenditures—that the Hill-Elliott bill calls upon the Nation to put into education, especially into education in the sciences, represents the best investment in defense that America could possibly make.

Mr. President, I ask unanimous consent that the article from the New York Times be printed at this point in the body of the RECORD, following my remarks.

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

**LACK OF TEACHERS IN PHYSICS SCORED—INSTITUTE SEES PERIL TO UNITED STATES—FOUR HUNDRED AND FIFTY-ONE COLLEGES IN SURVEY REPORT A SHORTAGE**

The serious shortage of college physics teachers could imperil the country, the American Institute of Physics warned yesterday.

The statement was made at a news conference at which the institute announced the findings of a recent survey of teachers.

It found that 451 of 490 institutions with 4-year undergraduate major programs in physics, were not able to meet their needs for qualified teachers. Forty-six other institutions with major physics programs did not answer the questionnaire.

Institute officials took the position that physics is the kingpin science in a scientific age and that in an intellectual race with the Soviet Union, every American citizen should have a physics course.

But, they said, the outlook for physics teaching is going to get worse instead of better.

Dr. Elmer Hutchisson, director of the institute, said the Nation's colleges and universities needed 750 new physics teachers with doctor's degrees each year for the next 10 years. However, he declared, only about 500 persons a year earned doctorates in physics and 59 percent of these went into fields other than college teaching.

Dr. Hutchisson said that the shortage could potentially affect 100,000 college students each year who were not majoring in physics, and 16,000 who were.

Among the survey findings were these:

Although administrators provided funds during the current academic year sufficient to employ 403 new Ph. D. physicists, only 254 could be obtained.

Forty-nine percent of the institutions reported that because of the shortage their physics teachers were doing more teaching than is considered good practice. Another 30 percent reported that graduate and undergraduate assistants were being relied upon to an undesirable degree in teaching.

Forty-six percent of the institutions reported that the time available to physicists for research and other scholarly activities have been markedly reduced because of the teaching loads.

Twenty-one percent of the institutions reported canceled classes.

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

The PRESIDENT pro tempore. The clerk 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 PRESIDENT pro tempore. Without objection, it is so ordered.

**LEGISLATIVE PROGRAM—CONSIDERATION OF SENATE BILL 3817 AND CALL OF THE CALENDAR**

Mr. JOHNSON of Texas. Mr. President, I should like the RECORD to show that as soon as we dispose of the present unfinished business, we expect to proceed to the consideration of Calendar No. 1717, S. 3817, to provide a program for the development of the mineral resources of the United States, which has been reported unanimously from the Committee on Interior and Insular Affairs, and which has a deadline against it.

I should also like to announce that we anticipate having a calendar call when we dispose of the unfinished business.

**RECESS**

Mr. JOHNSON of Texas. Mr. President, pursuant to the order entered on

yesterday, I suggest that the Senate take a recess.

The PRESIDENT pro tempore. The hour of 12:20 p. m. having arrived, the Senate will stand in recess and will then proceed to the Hall of the House of Representatives to hear the address to be delivered by the President of the Philippines.

Thereupon, at 12 o'clock and 20 minutes p. m., pursuant to the order entered on yesterday, the Senate took a recess, subject to the call of the Chair.

**JOINT MEETING OF THE TWO HOUSES—ADDRESS BY THE HONORABLE CARLOS P. GARCIA, PRESIDENT OF THE REPUBLIC OF THE PHILIPPINES**

The Senate, preceded by the Secretary (Felton M. Johnston), the Sergeant at Arms (Joseph C. Duke), the Vice President, and the President pro tempore, proceeded to the Hall of the House of Representatives for the purpose of attending the joint meeting of the two Houses to hear the address to be delivered by the Honorable Carlos P. Garcia, President of the Republic of the Philippines.

(For the address delivered by the President of the Republic of the Philippines, see the House proceedings of today's CONGRESSIONAL RECORD.)

**RESUMPTION OF LEGISLATIVE SESSION**

The Senate returned to its Chamber at 1 o'clock and 14 minutes p. m. and reassembled when called to order by the President pro tempore.

**MORNING BUSINESS**

The PRESIDENT pro tempore. Morning business is still in order.

**NATIONAL WILDERNESS PRESERVATION SYSTEM**

Mr. HUMPHREY. Mr. President, I am about to introduce a bill, and I ask unanimous consent that I may speak on it in excess of the 3 minutes allowed under the order which has been entered.

The PRESIDENT pro tempore. Without objection, the Senator from Minnesota may proceed.

Mr. HUMPHREY. Mr. President, 2 years ago, as the 84th Congress was entering its final months, I introduced, in behalf of myself and a bipartisan group of sponsors from coast to coast, a bill to establish a national wilderness preservation system—a bill to give Congressional sanction to a policy that has long been a reality in the mind of the American people, but has never yet been given expression in basic law.

That bill has come to be known as the wilderness bill. It has been attracting ever-increasing interest and support, not only among the many specially interested conservation organizations and individuals, but also from the general public and the press.

Ever since it was first introduced, I have been endeavoring to refine and perfect the measure to a point where it could gain the widest possible acceptance. We now have ready the product of that work and study—the bill in a new and revised form, embodying many improvements.

In my opinion, and the opinion of many others, it represents an outstanding conservation opportunity for this 85th Congress.

As the eminent and effectual conservationist from Oregon, that State's junior Senator and a prominent co-sponsor of the bill [Mr. NEUBERGER], pointed out to the Senate on April 15 of this year, we have had an excellent opportunity to clarify and improve the bill—and we have been meeting this challenge. The Committee on Interior and Insular Affairs, under the effective leadership of its chairman, the senior Senator from Montana [Mr. MURRAY], has been diligent and cooperative toward this objective.

We have made much progress. We have had hearings. We have had executive agency reports. We have had criticisms and suggestions. And we have heeded them, while clinging to our objective.

**EXPERIENCE IN MINNESOTA**

I suppose that nowhere has the discussion on this bill been more lively and interesting than in my own State of Minnesota. That is certainly understandable, for there we have our wonderful canoe wilderness in the Superior National Forest, in the heart of a region that has many business interests in our national forests, as well as recreational and esthetic interests.

Some of those responsible for success of these business enterprises so vital to our economy grew anxious when they heard about the Wilderness bill, because what they heard about it included mistaken and misinterpreted information. We had considerable correspondence, endeavoring to clarify our objectives.

Finally, I went to Minnesota and held a meeting at which the facts about the bill and our intentions in sponsoring it were thoroughly explained. I came away from this meeting reassured, but also determined to perfect the language to avoid such misunderstandings. I was not only pleased at reactions in favor of my interest in this measure, but I also felt good to have had our democratic processes demonstrated again. My confidence in the judgment of the people again deepened. Give Americans the facts, and they can be counted on to act right.

I mention this experience in my own State of Minnesota partly because it is my own State, but also because it has seemed to me typical of a great deal of our experience with this Wilderness bill.

We found ourselves greeted in several quarters with considerable suspicion. We were misunderstood. We were misinterpreted. And yet we also were criticized in statements that revealed valid objections to certain features of our proposal. We were able to meet some of these objections—once we learned what they were. We clarified what was misun-

derstood. We explained the misinterpretations. We did not argue. We conferred, clarified, and revised. For this is important legislation, and we wanted it carefully prepared and understood.

**REVISIONS IN COMMITTEE PRINTS**

When I went to the meeting in Minnesota to which I referred a moment ago, for example. I took with me the first revision of the bill that had clarified what our Minnesota friends had misunderstood and had met the valid objections they had pointed out to us.

This was a revision which the Committee on Interior and Insular Affairs had issued as committee print No. 1. That was dated December 4, 1957. Of course, it included more than the revisions we had made with reference to our wilderness canoe country problems. It incorporated many clarifications, corrections, and improvements. Most of these had been the result of the hearings held last June 19 and 20 by the Committee on Interior and Insular Affairs.

Committee print No. 1 not only incorporated these revisions that had been suggested at that time, and agreed upon by all concerned. It also became an important aid to us in dealing further with critics of the measure, and as a basis for discussion with officials of the land-management bureaus with whom we were endeavoring to cooperate. By taking this committee print No. 1 to officials of the Forest Service, the Park Service, and other Government agencies, and by discussing it also with critics of the wilderness bill outside the Government, the proponents of the bill were able to confirm the wisdom of changes already made and suggest others.

This proved to be a welcome assistance to the committee, and the results of these further discussions were incorporated last February 11 in a committee print No. 2.

As the introductory note on this committee print said, the changes had been worked out in cooperation with the sponsors. It incorporated more revisions and clarifications suggested at the hearings. As the committee's preamble note pointed out, these revisions included provisions from a substitute bill suggested by the Forest Service, and extension of the measure, as suggested by the Bureau of the Budget, to deal with, and I quote from the committee print introduction, "The problems of preservation of natural wilderness assets in a general and uniform statute applicable to all affected agencies." It also incorporated additional revisions in accordance with suggestions received following widespread distribution of committee print No. 1 for study.

On April 15, the Senator from Oregon [Mr. NEUBERGER] obtained unanimous consent to have committee print No. 2 printed in the CONGRESSIONAL RECORD. It appears on page 6340, along with comments by the Senator from Oregon and some remarks which I also was pleased to make at that time. Included likewise in the CONGRESSIONAL RECORD at that time was a statement on the committee print—an analysis and interpretation—prepared on request by Howard Zahniser,

executive secretary of the Wilderness Society and Washington representative of Trustees for Conservation. Dr. Zahniser reviewed what he called the cooperative and constructive attitude taken toward this legislation by its proponents. I call attention now to these statements in the RECORD for April 15. I do not propose to repeat them today.

I do not know when I have worked with a more willingly cooperative group of proponents of legislation than these conservationists who are so earnestly endeavoring in the public interest to see established a sound wilderness preservation policy. Their patient and cooperative attitude toward representatives of other interests, their sincere, and intelligent broad public interest, their willingness to accept criticism, and to develop their proposal into a new and better measure—all have made for harmonious and constructive progress.

The results of this kind of cooperation have also included many revisions. Further conferences with officials in the executive branch—for whose cooperation I also am most thankful—have resulted in clarifications and other revisions even beyond those consolidated in committee print No. 2. These all add up to a considerable number of changes in our original bill, S. 1176, introduced on February 11, 1957. If the committee were to report this bill with all the deletions printed in stricken type and all the substitutions and additions in italics, we would indeed have a striking demonstration of how legislation is improved through revision. But we also would have an unwieldy document for our further consideration.

In order to spare the committee the labor of the preparation of such a revision and also to spare ourselves the unnecessary confusion and length of a document incorporating within itself both discarded and revised language, I am happy, Mr. President, to accept a suggestion of my colleague and cosponsor of this measure, the chairman of the Committee on Interior and Insular Affairs, and reintroduce the wilderness bill in its revised form as a separate measure.

Accordingly, Mr. President, on behalf of myself, the Senator from Oregon [Mr. NEUBERGER], and the Senator from Illinois [Mr. DOUGLAS], I introduce, for appropriate reference, a bill to establish a national wilderness preservation system for the permanent good of the whole people. I ask unanimous consent that the bill may be printed in the RECORD.

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

The bill (S. 4028) to establish a national wilderness preservation system for the permanent good of the whole people, and for other purposes, introduced by Mr. HUMPHREY (for himself, Mr. NEUBERGER, and Mr. DOUGLAS), was received, read twice by its title, referred to the Committee on Interior and Insular Affairs, and ordered to be printed in the RECORD, as follows:

*Be it enacted, etc.*, That (a), in order to secure for the American people of present and future generations the benefits of an

enduring resource of wilderness, there is hereby established a national wilderness preservation system. As hereinafter provided, this system shall be composed of federally owned or controlled areas in the United States and its Territories and possessions, retaining their primeval environment and influence and being managed for purposes consistent with their continued preservation as wilderness, which areas shall serve the public purposes of recreational, scenic, scientific, educational, conservation, and historical use and enjoyment by the people in such manner as will leave them unimpaired for future use and enjoyment as wilderness.

(b) The Congress recognizes that an increasing population, accompanied by expanding settlement and growing mechanization, is destined to occupy and modify all areas within the United States, its Territories, and possessions except those that are designated for preservation and protection in their natural condition. The preservation of such designated areas of wilderness is recognized as a desirable policy of the Government of the United States of America for the health, welfare, knowledge, and happiness of its citizens of present and future generations, particularly for those uses of such areas that facilitate recreation and the preservation or restoration of health.

(c) It is accordingly declared to be the policy of Congress (1) to secure the dedication of an adequate system of areas of wilderness to serve the recreational, scenic, scientific, educational, conservation, and historical needs of the people, and (2) to provide for the protection of these areas and for the gathering and dissemination of information regarding their use and enjoyment as wilderness. Pursuant to this policy the Congress gives sanction to the continued preservation as wilderness of those areas federally owned or controlled that are within national parks, national forests, national wildlife refuges, or other public lands, and that have so far retained under their Federal administration the principal attributes of their primeval character. It is pursuant to this policy and sanction that the national wilderness preservation system is established. Within the units of this system designated for inclusion by this act, and in those that may later be designated in accordance with its provisions, the preservation of wilderness shall be paramount.

(d) In establishing thus a national wilderness preservation system to include units within the national forests it is further declared to be the policy of Congress to administer the national forests with the general objectives of multiple use and sustained yield, and in order to carry out this policy the Secretary of Agriculture is accordingly directed to administer the national forests on a multiple use basis so that the resources therof will be used and developed to produce a sustained yield of products and services, including the establishment and maintenance of wilderness areas, for the benefit of all the people of this and future generations. The purposes of this act are further declared to be within and supplemental to but not in interference with the purposes for which national forests are established as set forth in the Act of June 4, 1897 (30 Stat. 34, 35; U. S. C. 475, 551).

(e) A wilderness, in contrast with those areas where man and his works dominate the landscape, is hereby recognized as an area where the earth and its community of life are untrammeled by man, where man himself is a visitor who does not remain. For the purposes of this act the term "wilderness" shall include the areas provided for in section 2 of this act and such other areas as shall be designated for inclusion in the national wilderness preservation system in accordance with the provisions of this act.

#### NATIONAL WILDERNESS PRESERVATION SYSTEM

SEC. 2. The national wilderness preservation system (hereafter referred to in this act as the wilderness system) shall comprise (subject to existing private rights, if any) the federally owned or controlled areas of land and water provided for in this section and the related airspace reservations.

#### NATIONAL FOREST AREAS

(a) The wilderness system shall include the areas within the national forests classified on June 1, 1958, by the Department of Agriculture or the Forest Service as wilderness, wild, primitive, or roadless: *Provided*, That the wilderness system shall not include any primitive area which the Secretary of Agriculture shall determine to be not predominantly of wilderness value, and each primitive area included in the wilderness system shall be subject to such boundary modification as the Secretary shall determine to be needed to exclude any portions not predominantly of wilderness value or to add any adjacent national forest lands predominantly of wilderness value. Determinations regarding national forest areas classified as primitive shall be made within 10 years after the date of this act, and any such area regarding which such determinations have not been made shall, with the exception of any roads, motor trails, structures or other installations then existing, automatically then become a part of the wilderness system.

Additional areas for inclusion in the wilderness system may be designated within national forests by the Secretary of Agriculture, after not less than 90 days public notice and the holding of a public hearing, if there is a demand for such a hearing, and such designations shall take effect as provided in subsection (f) below. The publication of a notice of a proposal to add any national forest area or part thereof to the wilderness system shall segregate the public lands involved from any or all appropriations under the public-land laws to the extent deemed necessary by the Secretary of Agriculture.

#### NATIONAL PARK SYSTEM AREAS

(b) At the times and in the manner hereinafter provided for, the wilderness system shall include each park and monument in the National Park System on June 1, 1958, embracing a continuous area of five thousand acres or more without roads, and such additional units of the National Park System as the Secretary of the Interior shall designate.

Not later than 10 years after the date of this act, or within 2 years after the unit has been added to the wilderness system, whichever is later, and 90 days after giving public notice in accordance with section 4 of the Administrative Procedure Act of 1946 (60 Stat. 238; 5 U. S. C. 1003) the Secretary of the Interior shall designate within each unit of the National Park System included in the wilderness system such area or areas as he shall determine to be required for roads, motor trails, buildings, accommodations for visitors, and administrative installations. Each such unit shall become a part of the wilderness system when the designation of such area or areas has been made. Should the Secretary fail to make such a designation within the time limits specified, each such unit, with the exception of roads, motor trails, buildings, accommodations for visitors, and administrative installations then in existence, shall automatically then become a part of the wilderness system.

No designation of an area for roads, motor trails, buildings, accommodations for visitors, or administrative installations shall modify or affect the application to that area of the provisions of the act approved August 25, 1916, entitled "An act to establish a National Park Service, and for other purposes" (39 Stat. 535, as amended; U. S. C. 16: 1 et seq.). The accommodations and installations in such designated areas shall be incident

to the conservation and use and enjoyment of the scenery and the natural and historical objects and flora and fauna of the park or monument in its natural condition. Further, the inclusion of any national park system area within the wilderness system pursuant to this act shall in no manner lower the standards evolved for the use and preservation of such national park system areas in accordance with the act of August 25, 1916 (39 Stat. 535, as amended; 16 U. S. C., 1952 edition, sec. 1 et seq.), the statutory authority under which the area was created, or any other act of Congress which might pertain to or affect such national park system area.

#### NATIONAL WILDLIFE REFUGES AND RANGES

(c) The wilderness system shall include such wildlife refuges and game ranges, or portions thereof, as the Secretary of the Interior shall designate. Within 5 years after the date of this act the Secretary shall survey the refuges and ranges under his jurisdiction on June 1, 1958, and designate for inclusion in the wilderness system those refuges and ranges, or portions thereof, that he determines to be appropriate. Further, the Secretary shall survey any refuges or ranges added to his jurisdiction after June 1, 1958, to determine if they are, or contain areas that are, suitable for inclusion in the wilderness system, and shall make such determination and so designate the appropriate refuge, range, or portion thereof, within 2 years after the refuge or range is added to his jurisdiction.

Within 2 years after the designation of any refuge or range in its entirety, and 90 days after giving public notice in accordance with section 4, Administrative Procedure Act of 1946 (60 Stat. 238; 5 U. S. C. 1003), the Secretary of the Interior shall designate within such refuge or range such area or areas as he shall determine to be required for roads and buildings and other installations for administration and protection of the wildlife. Should the Secretary fail to make such designation within the time limit specified, the refuge or range, with the exception of any road, building, or other installation for administration and protection then existing, shall automatically then become a part of the wilderness system.

#### THE INDIANS' WILDERNESS

(d) The wilderness system shall include such areas of tribal land on Indian reservations as the Secretary of the Interior may designate as appropriate for inclusion after consultation with the several tribes or bands, through their tribal councils or other duly constituted authorities. Such designation shall not change title to the land or the tribe's beneficial interest in the land.

The Secretary of the Interior is authorized to make any addition, modification, or elimination recommended by any tribe or band with regard to any area of its tribal land. Unless the Congress shall otherwise provide, the termination of Federal trusteeship over a tribe or tribes shall remove from the wilderness system any included tribal lands so affected.

Nothing in this act shall in any respect abrogate any treaty with any band or tribe of Indians, or in any way modify or otherwise affect the Indians' hunting and fishing rights or privileges.

#### OTHER UNITS

(e) The wilderness system shall also include such units as may be designated within any federally owned or controlled area of land and/or water by the official or officials authorized to determine the use of the lands and waters involved, including any area or areas acquired by gift or bequest by any agency of the Federal Government for preservation as wilderness. Addition to or modification or elimination of such units shall be

in accordance with regulations that shall be established in conformity with the purposes of this act by the official or officials authorized to determine the use of the lands and waters involved, including, but not limited to, provisions for segregating any public lands involved from any or all forms of appropriation under the public land laws pending addition of such units to the wilderness system, and shall take effect as provided in subsection (f) below. Such regulations with regard to any privately owned area given or bequeathed to a Federal agency for preservation as wilderness shall be in accordance with such agreements as shall be made at the time of such gift or bequest.

#### ADDITIONS, MODIFICATIONS, AND ELIMINATIONS

(f) Any proposed addition to, modification of, or elimination from any area of wilderness established in accordance with this act, and any proposed addition or elimination of any unit to or from the wilderness system, shall be made only after not less than 90 days public notice and the holding of a public hearing, if there is a demand for such a hearing, and shall be reported with map and description to Congress by the Secretary of Agriculture, the Secretary of the Interior, or other official or officials having jurisdiction over the lands involved and shall take effect upon the expiration of the first period of 120 calendar days, of continuous session of Congress, following the date on which the report is received by Congress; but only if during this period there has not been passed by Congress a concurrent resolution opposing such proposed addition, modification, or elimination. A copy of each such report submitted to Congress shall at the same time be forwarded with map and description to the secretary of the National Wilderness Preservation Council. Within any unit of the wilderness system the acquisition of any privately owned lands is hereby authorized, and such sums as the Congress may approve for such acquisition are hereby authorized to be appropriated out of any money in the Treasury not otherwise appropriated.

#### USE OF THE WILDERNESS

Sec. 3. (a) Nothing in this act shall be interpreted as interfering with the purposes stated in the establishment of any national park or monument, national forest, national wildlife refuge, Indian reservation, or other Federal land area involved, except that any agency administering any area within the wilderness system shall be responsible for preserving the wilderness character of the area and shall so administer such area for such other purposes as also to preserve its wilderness character. The wilderness system shall be devoted to the public purposes of recreational, educational, scenic, scientific, conservation, and historical use. All such use shall be in harmony, both in kind and degree, with the wilderness environment and with its preservation, and the areas within the wilderness system shall be so managed as to protect and preserve the soil and the vegetation thereon beneficial to wildlife.

Copies of regulations, permits, designations, or determinations established or issued in connection with the administration of any unit or units of the wilderness system and copies of any subsequent amendments thereto shall be forwarded to the secretary of the National Wilderness Preservation Council by the Secretary of Agriculture, the Secretary of the Interior, or such other official or officials as shall establish or issue them. The Council shall maintain a public file of such copies but shall have no administrative jurisdiction over any unit in the wilderness system nor over any agency that does have such jurisdiction.

(b) Except as specially provided in this section, and subject to existing private

rights (if any), no portion of any area constituting a unit of the wilderness system shall be used for any form of commercial enterprise not contemplated in the purposes of this act. Within such areas, except as otherwise provided in this section and in section 2 of this act, there shall be no permanent road; nor shall there be any use of motor vehicles, motorized equipment, or motorboats, or landing of aircraft, nor any other mechanical transport or delivery of persons or supplies, nor any temporary road, nor any structure or installation, in excess of the minimum required for the administration of the area for the purposes of this act.

#### SPECIAL PROVISIONS

(c) The following special provisions are hereby made:

(1) Within national forest areas included in the wilderness system grazing of domestic livestock and the use of aircraft or motorboats where these practices have already become well established may be permitted to continue subject to such restrictions as the Secretary of Agriculture deems desirable.

(2) Within national forest areas included in the wilderness system the President may, within a specific area and in accordance with such regulations as he may deem desirable, authorize prospecting, mining, the establishment or maintenance of reservoirs and water-conservation works, and such measures as may be found necessary in control of insects and diseases, including the road construction found essential to such mining and reservoir construction, upon his determination that such use in the specific area will better serve the interests of the United States and the people thereof than will its denial.

(3) Other provisions of this act to the contrary notwithstanding, the management of the Superior, Little Indian Sioux, and Caribou roadless areas in the Superior National Forest, Minn., shall be in accordance with regulations established by the Secretary of Agriculture in accordance with the general purpose of maintaining, without unnecessary restrictions on other uses, including that of timber, the primitive character of the roadless areas, particularly in the vicinity of lakes, streams, and portages: *Provided*, That nothing in this act shall preclude the continuance within these roadless areas of any already established use of motorboats. Nothing in this act shall modify the restrictions and provisions of the Shipstead-Nolan Act, Public Law 539, 71st Congress, 2d session, July 10, 1930, and the Humphrey-Thye-Blatnik-Andresen Act, Public Law 607, 84th Congress, 2d session, June 22, 1956, as applying to the Superior National Forest or the regulations of the Secretary of Agriculture. Modifications of roadless areas within the Superior National Forest shall be accomplished in the same manner as provided in section 2 (a) and (f).

(4) Any existing use or form of appropriation authorized or provided for in the Executive order or legislation establishing any national wildlife refuge or range existing on the date of approval of this act may be continued under such authorization or provision.

(5) Nothing in this act shall constitute an express or implied claim or denial on the part of the Federal Government as to exemption from State water laws.

#### NATIONAL WILDERNESS PRESERVATION COUNCIL

Sec. 4. (a) The National Wilderness Preservation Council is hereby created, to consist ex officio of the Secretary of the Interior, the Secretary of Agriculture, the Secretary of the Smithsonian Institution, and also three citizen members to be appointed by the President by and with the advice and consent of the Senate. The citizen members shall be

persons known to be informed regarding, and interested in the preservation of, wilderness; one of them shall be appointed initially for a term of 2 years, one for a term of 4 years, and one for a term of 6 years. After the expiration of these initial terms, each citizen member shall be appointed for a 6-year term. The President shall designate from among the citizen members a chairman, who shall serve for a 2-year term. The Secretary of the Smithsonian Institution shall be ex officio the secretary of the Council and, subject to the Council, shall maintain its headquarters.

(b) The Council shall serve as the repository for, and shall maintain available for public inspection, such maps and official papers regarding the wilderness system as may be filed with it. The Council shall serve as a nonexclusive clearinghouse for exchange of information among the agencies administering areas within the wilderness system. The Council shall make, sponsor, and coordinate surveys of wilderness needs and conditions and gather and disseminate information, including maps, for the information of the public regarding use and preservation of the areas of wilderness within the wilderness system, including information and maps regarding State and other non-Federal areas. The Council is directed to consult with, advise, and invoke the aid of appropriate officers of the United States Government and to assist in obtaining cooperation in wilderness preservation and use among Federal and State agencies and private agencies and organizations concerned therewith. The Council, through its chairman, shall annually present to Congress, not later than the 10th day of January, a report on the operations of the Council during the preceding fiscal year and on the status of the wilderness system at the close of that fiscal year, including an annotated list of the areas included showing their size, location, and administering agency, and shall make such recommendations to Congress as the Council shall deem advisable.

(c) The Council shall meet annually and at such times between annual meetings as the Council shall determine, or upon call of the chairman or any three members. Members of the Council shall serve as such without compensation but shall receive transportation expenses and in addition a per diem payment to be fixed by the Council, not to exceed \$50 a day, as reimbursement for expenditures in connection with attending any meeting of the Council. A sum sufficient to pay the necessary expenses of the Council, including printing and binding, not to exceed an annual expenditure of \$100,000, is hereby authorized to be appropriated out of any money in the Treasury not otherwise appropriated. Disbursements from such appropriations shall be made by the secretary of the Smithsonian Institution. The secretary of the Smithsonian Institution in behalf of the Council is authorized to accept private gifts and bequests to be used to further the purposes of this act, and such gifts and bequests shall be deductible from income for Federal tax purposes and shall be exempt from Federal estate tax.

SEC. 5. This act shall be known as the "National Wilderness Preservation Act."

#### REVISED WILDERNESS BILL ANALYSIS

MR. HUMPHREY. Mr. President, the revised version of the national wilderness preservation bill as introduced today is divided into five sections.

Section 1 is a statement of purposes and definitions. It includes the declaration that it is the policy of the Congress to dedicate an adequate system of wilderness areas to the needs of the whole people;

Section 2 details the areas which shall be included in the wilderness system, and establishes the procedures and conditions for bringing into the System (a) national forest areas, (b) national park areas, (c) wildlife refuges and ranges, (d) Indian tribal lands, and (e) any other units;

Section 3 is entitled "Use of the Wilderness";

Section 4 provides for the establishment of the National Wilderness Preservation Council; and

Section 5 merely gives the act a name for easy reference.

#### A WILDERNESS POLICY

Section 1 lays down the broad policies for the formation of a national wilderness system. It is made clear that the preservation of wilderness areas is in the public interest, to serve the public by providing opportunity for recreation, scenic enjoyment, scientific and historical study, and conservation of the primeval environment in such a manner as to preserve the wilderness unimpaired for future use and enjoyment.

Preservation of such areas is declared to be a desirable policy for the health, welfare, knowledge, and happiness of present and future generations. These wilderness areas will not be locked up for the benefit of a few. They will be preserved for the Nation, and will be available to any and all persons who want to see and visit and enjoy them.

Before explaining details of the other sections, two ghosts which seem to have been threatening the sleep of some of the critics of the earlier wilderness bills should be laid to rest—once and for all. This new bill is in no sense a land grab, and it does not set up a new agency or superagency. As to the first point, it is clear in the very first section that this bill relates to lands now in Federal ownership or control, either by Congressional action, as in the national parks, or by administrative action, as in the national forests. Wilderness areas under various designations are presently reserved and are not open to commercial exploitation.

The wilderness bill would set up standards and procedures for the guidance of the agencies which have been and will continue to be responsible for administration. All of the areas which will be established as wilderness under this bill will continue to be managed by the bureaus which are now responsible. In the Department of Agriculture, this is the Forest Service. In the Department of the Interior, these are the National Park Service, the Fish and Wildlife Service, the Bureau of Indian Affairs, and perhaps the Bureau of Land Management.

No new bureau or administrative agency will be needed. The two departments, acting through the bureaus, will have authority and machinery to carry out the purposes of this act. They will have the added strength which will come from Congressional affirmation of a national policy, clothed in a statute.

One other point in section 1 needs to be considered here. While the preservation of wilderness is declared paramount in those units or areas which have been reserved for that purpose, the

Congress would for the first time give statutory recognition to the policy of multiple use, particularly as carried out in the national forests. Of course, this does not mean that every foot of a national forest is susceptible to half a dozen uses. It does mean that half a dozen uses may be possible within the forest. And specifically, in this connection, it means an investigation and a finding that certain parts of the forests have their highest and best use as wilderness.

#### THE WILDERNESS SYSTEM

Section 2 states that the Wilderness System shall comprise (subject to existing private rights, if any) the federally owned or controlled areas of land and water provided for in this section. The section has six subheadings:

(a) National forest areas: Areas within the national forests, classified as of June 1, 1958, as wilderness, wild, primitive, or roadless, are included, with the proviso that the Secretary of Agriculture must within 10 years make such boundary modifications of the primitive areas as to exclude any portions not predominantly of wilderness value or add adjacent national forest lands which he determines to be predominantly of wilderness value. If the Secretary desires to include additional areas in the Wilderness System he must give at least 90 days public notice and must also hold a hearing if there is demand for one. A further check on the Secretary is provided in subsection (f), which permits Congressional review of changes in wilderness areas, as explained later.

(b) National park system areas: The procedures for the national parks are similar, but they differ technically, because already, by statute, the parks are dedicated to a related preservation purpose. An entire park is included in the system, but the Secretary of the Interior will be permitted to determine what portion of a park or monument may be required for roads, motor trails, and necessary buildings for visitors and administration. The remainder of each park or monument embracing a block of 5,000 acres or more without roads will then be part of the Wilderness System. This section also includes language which will safeguard the high standards of the National Park Service, in accordance with the National Parks Act of 1916, and subsequent supplementary acts.

(c) National wildlife refuges and ranges: Recognizing that not all wildlife refuges and ranges are properly wilderness areas, even though they protect wildlife, the bill provides in this subsection that the Secretary of the Interior include such refuges and ranges, or portions thereof, as he determines proper. The Secretary will have 5 years within which to make a survey of the refuges and ranges, before he makes this determination.

(d) The Indians' wilderness: Admittedly Indian lands present a problem that is different from those on other lands in Federal ownership. Legally, the title to tribal lands, with some minor exceptions, is in the United States. The beneficial interest is in the

Indians, and they are in fact the real owners. There seem to be three possible approaches: First, leave out Indian lands; second, include them with the consent of the owners; and, third, include them, as other Federal lands. The third choice seems best for several reasons. The United States is not only the legal titleholder; it is trustee for the tribes. As trustee, it has an obligation to see that Indian lands are put to the best use. Under existing law the tribes may not lease their lands or otherwise put them to use without the approval of the Secretary or his representative.

In substance, therefore, the language in subsection (d) does not change the Secretary's powers; heretofore, certain Indian lands have been held as roadless or wild areas by secretarial order.

On some reservations the best and highest use for some portions would be wilderness preservation. Economically, too, such use would be desirable, for it would bring in more visitors and more cash than would be derived from any other kind of exploitation. Finally, some of these Indian areas are contiguous to similar areas in national forests or national parks. If these Indian areas are not properly managed, the results could be disastrous for watershed protection and for scenic and other values.

Actually this section leaves the final disposition of such Indian lands to the Congress, for it states that the termination of Federal trusteeship shall automatically remove Indian lands from the wilderness system unless Congress provides otherwise.

(e) Other units: This is a short section, giving authority to the officials having jurisdiction over other Federal lands to designate areas for inclusion in the wilderness system.

(f) Additions, modifications, and eliminations: This paragraph provides that the responsible officials who have authority to make changes in the wilderness system shall do so only after public notice and shall report the changes to Congress. The changes become effective at the end of a 120-day period, during which Congress may pass a concurrent resolution opposing the changes. If the Congress does not act, the changes stand effective. This paragraph also authorizes the acquisition of private lands within the boundaries of any wilderness unit.

#### WILDERNESS USE

Section 3 on "use of the wilderness" is important, for it makes clear that the preservation of wilderness is not inconsistent with the purposes for which national parks, national forests, and other units have been established. These units will be administered for such other purposes as also to preserve their wilderness character.

This section prescribes certain general requirements for the maintenance of wilderness: No permanent roads, no use of motor vehicles, motorized equipment, motorboats or aircraft, and no other mechanical transport or delivery of person or things, and no structures or installations, including temporary roads, in excess of the minimum required for administration.

However, this section also makes certain exceptions or special provisions, giving recognition to prior established uses in national forests, such as grazing and the use of motorboats. The section also authorizes the President to open specific areas in the national forests for prospecting, mining, construction of reservoirs and water-conservation works, and insect and disease control, if he finds that such uses will best serve the interests of the United States and the people thereof.

The third paragraph in this section relates to the roadless areas in the Superior National Forest which have been the subject of prior special legislation and administrative orders.

Paragraph 4 of section 3 deals with existing uses on wildlife refuges and ranges. It clearly authorizes the continuation of such uses as are authorized in the Executive order or the legislation establishing such unit.

Paragraph 5, the last in this section, contains language vital to colleagues from the West. When the first wilderness bill was being discussed, some of its opponents charged that its enactment would change existing water laws and would deprive local communities of water, both domestic and irrigation. Although this was certainly not the intention of the sponsors, it has seemed necessary to insert a short sentence to remove any doubts. The sentence added says:

Nothing in this act shall constitute an express or implied claim or denial on the part of the Federal Government as to exemption from State water laws.

#### THE WILDERNESS COUNCIL

Section 4 establishes the National Wilderness Preservation Council. The Council is not an administrative agency, and it has no authority over any of the agencies which do have jurisdiction. It is composed of the Secretaries of the Interior and Agriculture, the Secretary of the Smithsonian Institution, all three of whom serve ex officio, and three citizen members, to be appointed by the President with the advice and consent of the Senate. The citizen members, after the initial terms which are staggered, serve for 6 years. They receive no pay, but are allowed per diem and transportation costs when actually serving. The Council is intended to bring to a focus our various wilderness interests and to be an information center. It is to be the repository for maps, official papers, and data about the wilderness system, and it is authorized to coordinate and disseminate information. The Council is required to present an annual report to the Congress, on its own operations and about the status of the wilderness system. The authorization for Council expenses is limited to \$100,000 a year, and disbursements of funds would be made through the Smithsonian Institution, so that no new fiscal machinery need be established.

Section 5 merely provides that this measure shall be known as the National Wilderness Preservation Act.

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

Mr. HUMPHREY. I yield.

Mr. NEUBERGER. As a cosponsor of the wilderness bill, I have been deeply interested in the bill from its very beginnings. Also, as a member of the Committee on Interior and Insular Affairs, I express my appreciation to the junior Senator from Minnesota [Mr. HUMPHREY] for cooperative leadership in advancing the legislation. For many years I have been concerned with wilderness preservation and conservation, and one of my great satisfactions in the Senate has been in realizing the opportunity to be a coworker with the Senator from Minnesota [Mr. HUMPHREY] in the development and sponsorship of this important piece of legislation.

I can remember the time—not too long ago—when wilderness was considered a matter of interest only to a minority. Yet today widespread recognition of the fundamental values which wilderness offers to all Americans has been evidenced by public expressions of interest from individuals and by the press in all parts of the country.

One remarkable demonstration of such public interest is found in a special issue of a nationally circulated American magazine received only yesterday. The July 1958 Holiday magazine devotes its entire issue to the beauty and wonders of natural America.

In an editorial entitled "Natural America," Holiday's editors indicate that "Americans tend to love natural nature best, wild forests, and big mountains. They point out that "we prefer the untended, the fresh, the nonmanhandled."

"There is a deeper pleasure for us," they emphasize, in "the monumental sequoias of California—God's gift to America," than even in the wonderful beauty of our blossoming cherry trees.

Americans—

adds Holiday—

admire most in nature a primal force which has not been subdued by man.

It is the purpose of the wilderness bill to see that we shall always have some areas in America where these primitive forces have not been subdued. The publication this week of this special issue of Holiday I consider a most timely event in illustrating the widespread popular interest in what we are here trying to accomplish.

Mr. President, I ask unanimous consent to have this editorial printed in the RECORD at this point.

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

#### NATURAL AMERICA

Too many of us look upon the United States as a completed country, fully tamed and settled, a massed metropolis running from city to suburb to exurb, highways solidly lined with factories and motels, and a countryside littered with housing developments. We are built up, grown up, and, according to certain cynics, just about used up. We now go to Canada for the iron ore which the Mesabi once gave forth so lavishly, and to Canada and Finland for the pulp to satisfy our insatiable appetite for paper. To find new oil we even go out to sea.

Although there is truth in this view of the United States, much of the rugged America as it was known to the Indians themselves remains with us. For the rivers

still flow to the sea, some gently, some viciously, the mountains still soar above the land, birds still blacken the sky, trees still rustle in deep forests, strange life still creeps along the vast coastline, and wild animals still roam every State in the Union.

This month, in a period when so much national attention is intensely concentrated on rockets and missiles and satellites, Holiday wishes to point to the natural world around us. There is a danger that we will start believing that blueprints and plans and numbers are the most important things in this world. We may forget that the real nature of the world is poetic, magical, miraculous.

For example, consider the horseshoe crab. The horseshoe crab doesn't know an orbit from an obituary. Yet by the mysterious understanding it possesses of the moon and the tides, it spawns at just the phase of the moon, just the height of the tides, most favorable to its survival. Human beings as well as horseshoe crabs have certain primal pulls which we must feel and heed in order to survive. But as we pour more and more of our thought and emotion and money into fabrications like the missile, we risk losing contact with our natural environment. The result could be a science going from success to success while we ourselves become more and more out of touch with the great flows of meaning which nature sends out to her creatures. We are already, television help us, well along this road. To go to the end would mean a world of scientific miracles serving a human race full of trivial and deadened personalities.

But this danger, real as it is, should not be hard to avoid. For America is still crowded with nature, in the sense of wilderness and wildlife. Occasionally this still-flourishing wildlife spills over into what we think of as the most civilized and artificial areas of our country—a deer darts across a street in New York City, a copperhead bites a woman in a sophisticated Connecticut exurb, a raccoon is trapped in the Bronx. The woods and spaces can't contain all the vigor of their life. The lesson every empty house and every deserted street teaches is that nature will invade anything man-made unless actively barred.

It is easy to forget this lesson until a piece of settled shoreline abruptly lurches into the sea, or until a sidewalk is slowly torn to pieces by spreading roots. Californians have a loud reminder that sometimes no amount of activity can bar nature. An earth tremor runs the length of the State now and then to remind them that they are living on the lip of a gigantic crack in the earth which has opened before to shake down their cities and may again, and that there is absolutely nothing they or anyone else can do about it.

Nature is neutral, blind, unreasoning, cruel, and invincible. None of the victories of science have been gained over nature. The victories—the Salk vaccine, atomic energy, heart surgery—have been gained over human ignorance, and they were achieved only by understanding more exactly nature's axioms and how man can better conform to them. Nature blindly inflicts itself on man, and man inches along toward dealing with it a little more effectively. Even though this blind impact of nature is often cruel and unjust, it can also be a revelation, a salvation. It is there that human beings can feel the force and meaning of life. Only those reaching into the spiritual, the supernatural sphere believe themselves to some degree freed from the tyranny of nature.

It is the most beautiful tyrant imaginable. From the beautiful veining of a maple leaf by its inner stems to the beautiful veining of the continent by its rivers, the works of nature are laid before us. Millions of people watch and rejoice in the endless variety of the sea, of waves breaking against the shore; some peer with equal enchantment

into the little world of seashells. Americans tend to love natural nature best, wild forests and big mountains and nonirrigated deserts and unpopulated stretches of the coastline. In other countries hedges are trained to grow in the shape of balustrades and gardens are manicured to resemble marble floors, but here, with such vastnesses around us, we prefer the untended, the fresh, the non-manhandled. We love the fantastic natural bastions of the Grand Canyon and the unearthly shadings cast over the Painted Desert. Instead of formal gardens, we want the rhododendron breaking into bloom along the Appalachians. It is true that we go to see the planned and planted cherry trees in Washington in the spring and admire their fragile beauty, but we remember that they are Japanese. There is a deeper pleasure for us in the monumental sequoias of California, for these seem not Japan's but God's gift to America. To the wide American eye the Po seems quaint and the Loire appears tame; we are used to tremendous rivers, to the Hudson with its palisades and the Columbia with its gorges. Most of all, we respond to that surging central flow of the continent, that long, changeable mystery of a river, the Mississippi. It is a cussed, half-savage river, overflowing its banks, changing its color, changing its very course. Although it passes through the heart of our country, we have not mastered it. The Mississippi is a symbol of all natural America because it possesses what Americans admire most in nature, a primal force which has not been subdued by man.

The Mississippi is not alone in possessing this. Despite all the necessary attention to conservation and reforestation in many parts of the country, it remains true that much of America has not even been cleared. In the Great Smoky Mountains, which have been accessible for a long time, almost half the forests are virgin. While many species of wildlife have dwindled and disappeared before the spread of civilization, others have flourished alongside man—the raccoon, the opossum, the coyote, the fox, the deer. Billions of birds still clutter the sky, and a plant life of extraordinary variety blooms across the country.

Amid all this fecundity, it is well, in addition to remembering the Mississippi and the sequoias and the other striking symbols of our natural greatness, to remember a not-always-appreciated natural wonder, the Midwest. The Midwest is unique, the only interior land of its size on any continent with water and productivity. Think of Australia with its desert, Africa with its Sahara, the bleak central reaches of Asia. Most interior regions have totally inadequate supplies of water. As the song in *My Fair Lady* explains, the rain in Spain stays mainly in the plain, leaving the interior dry as a desert. The Midwest, mountain surrounded and cut off from the sea, is, nevertheless, richly fertile, with a generous climate and a great river system. All is explained once again by the Mississippi and its powerful tributary, the Missouri, the great ungovernable river complex through the heart of natural America.

Of course, we are far from the natural ideal. We have had grave losses among animals and birds and fish, and much land has been stripped and blown away by abuse. It is also true that we Americans must devote much of our effort to motors and missiles, with a consequent risk of having even less contact of a meaningful kind with the natural forces around us. If our descendants are able to live in a bubble circling Mars, they will remain just as subject to nature as our very recent ancestors who couldn't cross the sea except by relying on the wind. A bubble circling Mars will merely be a clever accommodation. We are becoming very adroit at this kind of coping with natural forces. But in boosting and maintaining satellites in space we must not forget in

the skyward roar how to maintain our personal equilibrium as natural human beings.

In this issue, from the pens and minds of distinguished writers, Holiday presents a number of views upon this natural scene in America. It is a rich, varied, surprising scene, full as it is of beauty and cruelty and truth.

#### THE EDITORS.

Mr. NEUBERGER. Mr. President, through the kindness of the Curtis Publishing Co., in cooperation with the Wilderness Society, of which I am a member, I have obtained a number of copies of this issue of *Holiday* magazine, and I am glad to be able to make them available to my fellow Members of the Senate.

As the editorial points out, the ever-growing mechanistic aspects of our civilization could lead to our becoming "more and more out of touch with the great flows of meaning which nature sends out to her creatures."

We are already, television helped us—exclaim the editors of *Holiday*—well along this road. To go to the end would mean a world of scientific miracles serving a human race full of trivial and deadened personalities.

The wilderness bill can aid us in preventing such an occurrence by perpetuating the opportunity to come in contact with nature in unspoiled wild country. Far from being a concern of the few, wilderness preservation will serve the basic needs of all Americans now and in the future. I firmly believe that this measure, when enacted into law, will establish one of our great and enduring conservation programs and will arouse the gratitude of the American people. It represents one of the outstanding opportunities still facing the 85th Congress.

In conclusion, I wish to say to the Senator from Minnesota that the revised wilderness bill, which the Senator has introduced for us today, will go to the Senate Committee on Interior and Insular Affairs, of which I am privileged to be a member. I know I can assure the Senator of the cooperation of the distinguished chairman of the committee, the Senator from Montana [Mr. MURRAY], whose splendid work in this effort the Senator from Minnesota has already eulogized earlier in his remarks.

It is my hope that the committee will report the revised bill to the Senate favorably in the present session. Of course, I cannot make any such definite promise, because in addition to the Senator from Montana [Mr. MURRAY] and myself, there are 13 other members on the Committee on Interior and Insular Affairs. Naturally their wishes must be considered in this matter, since they are very important.

Mr. President, I state again to the Senator from Minnesota I think it is extremely important that we follow through on this undertaking. As Thoreau pointed out a long time ago, beyond the world of politics is the wonderful world of nature. This is the world which is important. Whether Americans survive is going to depend, in substantial measure, upon our manpower and our natural resources. Surely one of the most important of all resources is the scenic grandeur and

majesty of America, such as we have left.

I commend the Senator from Minnesota, who has been a leader so often in this great effort. I also want to say that on the floor today, bearing with us while we make these remarks, is the distinguished Senator from Illinois [Mr. DOUGLAS].

The Senator from Illinois only a few weeks ago graphically demonstrated his participation with us, in the effort to save some of primitive America, when the Senator introduced his bill to establish a national monument in the Indiana dunes along Lake Michigan. While that area is not of the magnitude of the great western realms and solitudes we seek to save, it is nevertheless of equal importance because of its proximity to so many people in the great Chicago metropolitan area, who need this type of recreational activity.

Mr. DOUGLAS. Mr. President, will the Senator from Minnesota yield?

Mr. HUMPHREY. I yield to the Senator from Illinois.

Mr. DOUGLAS. I thank the Senator from Oregon for his reference to our attempt to create a national monument in the Indiana dunes. That project may not be so impressive as Yosemite, Yellowstone, or Glacier Park—

Mr. NEUBERGER. Or Crater Lake. I hope the Senator will not forget Oregon's Crater Lake.

Mr. DOUGLAS. Nevertheless, it is the best we have, and we think it stands up pretty well in other respects.

I turn now to the comments of the Senator from Minnesota. I think the Senator and his colleagues have shown great patience and a great spirit of cooperation in being willing to revise the bill so many times.

I should like to make the request that I be listed, if the Senator will accept my offer, as a cosponsor of the bill.

Mr. HUMPHREY. I should be very much pleased to have the Senator listed as a cosponsor. The Senator surely shall be so listed. Of course, the junior Senator from Oregon is one of the most active and I think the most able conservationists not only in the Congress but in the country. The Senator from Oregon, I am sure, wants to be a cosponsor of the revised bill, as I understood his position.

Mr. NEUBERGER. The Senator is correct.

Mr. HUMPHREY. Mr. President, I thank both of my distinguished colleagues for their support and their cooperation. As a matter of fact, we are depending a great deal upon the junior Senator from Oregon and the distinguished chairman of the Committee on Interior and Insular Affairs, the Senator from Montana [Mr. MURRAY], for favorable action on the bill.

Mr. MURRAY. Mr. President, I wish to commend the Senator from Minnesota [Mr. HUMPHREY] for his leadership on this far-reaching and important program to preserve some of our American wilderness before it is too late. I wish to thank him most heartily for the fine cooperation he has given our Committee on Interior and Insular Affairs in the

handling of the wilderness bill. He has been extremely helpful by patiently working out and meeting the objections and criticisms that inevitably confront such a proposal when it is first considered. His reintroduction of the bill today, with modifications to meet objections and suggestions, will facilitate greatly our handling of the measure in committee, and will simplify its consideration for all of us. As one of the co-sponsors of the wilderness bill, I wish to express my personal thanks to the distinguished Senator for handling this measure with the greatest consideration and effectiveness.

The revised measure is a much improved bill, the result of the many criticisms and suggestions and of the cooperative attitude of its proponents.

In order to assist Senators in determining changes which have been made from the original bill (S. 1176), I have had prepared a statement descriptive of the outstanding revisions. I ask unanimous consent that this statement, entitled "Changes in the Revised Wilderness Bill," be printed at this point in the RECORD.

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

**CHANGES IN THE REVISED WILDERNESS BILL,  
S. 4028, FROM THE ORIGINAL BILL, S. 1176**

The revised wilderness bill has been improved in many ways over the measure introduced in the early weeks of this 85th Congress, an improvement brought about as a result of the hearings held, the wide interest aroused, the many discussions of this important measure, and the willingness of its proponents to accept criticism and meet objections. Outstanding revisions may be summarized as follows:

**WATER-USE NEEDS RESPECTED**

One of the great natural-resource problems in the West is that of meeting the needs for water. In the past some water-development projects have come into conflict with certain park and wilderness-preservation purposes. So it was only natural that a wilderness bill should be thoroughly scrutinized as to its possible effects on water-use projects. This bill has been so scrutinized, and in two notable respects it has been significantly changed to make it consistent with water-use programs.

It has been made clear that nothing in the legislation may be construed to modify existing water law. A new subsection has been added to section 3 (c) as follows:

"(5) Nothing in this act shall constitute an express or implied claim or denial on the part of the Federal Government as to exemption from State water laws."

Provision also has been made for the establishment or maintenance of reservoirs or water-conservation works within national-forest wildernesses when the President determines that they will there be in the best national interest.

**OTHER NATIONAL-FOREST CHANGES**

These provisions in connection with meeting water needs are of major importance. They are part, however, of a general revision as to wilderness-area uses in national forests, adapted from proposals made by the Forest Service.

The original bill included outright prohibitions of mining and reservoir construction; it listed specific uses to be prohibited, and it left doubt as to necessary insect and disease control.

The new bill is different in these respects.

**RIGHTS PROTECTED**

The list of specific uses to be prohibited has been dropped from section 3 (b), in line with a Forest Service suggestion made at the time of the hearings, and instead the bill now says:

"Except as specially provided in this section, and subject to existing private rights (if any), no portion of any area constituting a unit of the Wilderness System shall be used for any form of commercial enterprise not contemplated in the purposes of this act."

**ROADS**

The outright prohibition of roads in this subsection has also been modified to permit the temporary roads that may be needed for fire protection or insect or disease control. The bill now says:

"Within such areas, except as otherwise provided in this section and in section 2 of this act, there shall be no permanent road; nor shall there be any use of motor vehicles, motorized equipment, or motorboats, or landing of aircraft, or any other mechanical transport or delivery of persons or supplies, nor any temporary road, nor any structure or installation, in excess of the minimum required for the administration of the area for the purposes of this act."

**MULTIPLE USE**

Furthermore, a new special provision has been added to section 3 (c), from a substitute bill and accompanying testimony presented by the Forest Service, as follows:

"(2) Within national forest areas included in the System the President may, within a specific area and in accordance with such regulations as he may deem desirable, authorize prospecting, mining, the establishment or maintenance of reservoirs and water-conservation works, and such measures as may be found necessary in the control of insects and diseases, including the road construction found essential to such mining and reservoir construction, upon his determination that such use in the specific area will better serve the interests of the United States than will its denial."

Other significant changes regarding areas in the national forests have been made, most of them resulting from statements made by the Forest Service at the hearings. One of these makes plain that the wilderness bill is in keeping with multiple-use policy, that wilderness preservation is to be one of the multiple-use purposes of the national forests, and that the forests as a whole are to be administered with the general objectives of multiple use and sustained yield.

This is made plain in a new subsection (d) of section 1, which also reasserts the established national forest purposes. This subsection (d) is as follows:

"(d) In establishing thus a national wilderness preservation system to include units within the national forests it is further declared to be the policy of Congress to administer the national forests with the general objectives of multiple use and sustained yield, and in order to carry out this policy the Secretary of Agriculture is accordingly directed to administer the national forests on a multiple use basis so that the resources thereof will be used and developed to produce a sustained yield of products and services, including the establishment and maintenance of wilderness areas, for the benefit of all the people of this and future generations. The purposes of this act are further declared to be within and supplemental to but not in interference with the purposes for which national forests are established as set forth in the act of June 4, 1897 (sec. 1, 30 Stat. 34, 35; 16 U. S. C. 475, 551)."

Of course, this provision does not permit any use of a wilderness area that would destroy it as wilderness. It does emphasize (1) that there are appropriate multiple uses of a wilderness and (2) that an area of

wilderness within a National Forest can be part of an overall multiple-use, sustained-yield policy for the whole forest. The wilderness area itself would, of course, include no timber cutting.

#### PRIMITIVE AREAS

As a result of another important change regarding national forest areas, the long list of names of the wilderness, wild, primitive, and roadless areas has been deleted. This has reduced the length of the bill by about 6 pages. Instead the bill now says that "The Wilderness System shall include the areas within the National Forests classified on June 1, 1958, by the Department of Agriculture or the Forest Service as wilderness, wild, primitive, or roadless." A special proviso is added regarding the primitive areas, making it clear that these areas are to be studied further, especially as to their boundaries, and that no area not predominantly of wilderness value is to be included.

#### CHANGES REGARDING THE PARK SYSTEM

The bill no longer specifies the units of the National Park System that will become parts of the wilderness system. Rather it provides for the inclusion of the parks and monuments that contain 5,000 or more acres without roads and such additional units as the Secretary of the Interior designates—designations which are subject to review by Congress.

As a result of informal suggestions by National Park Service officials there has been added a sentence at the end of section 2 (b) insuring that the provisions of the wilderness bill will not lower National Park Service standards and reaffirming these standards as already established in basic legislation.

#### CHANGES AFFECTING REFUGES

After cooperative discussions with officials in the Fish and Wildlife Service and particularly in the Bureau of Sport Fisheries and Wildlife, section 2 (c) has been rewritten. Specific refuges and ranges are no longer designated by the bill for inclusion. Rather it is provided that a 5-year survey shall be made and the appropriate refuges and ranges included by designation of the Secretary of the Interior. These designations would be subject to Congressional review.

#### THE INDIANS' WILDERNESS

The original bill designated certain roadless and wild areas on Indian reservations for inclusion in the wilderness system. The bill now omits all such designations and provides that the system shall include areas designated by the Secretary of the Interior after consultation with the tribes or bands. Original safeguards of treaties and hunting and fishing rights and privileges are continued. In addition the new bill makes clear that the designation of any wilderness area "shall not change title to the land or the tribe's beneficial interest."

The bill also provides that "the termination of Federal trusteeship over a tribe or tribes shall remove from the wilderness system any included tribal lands so affected," of course "unless Congress shall otherwise provide."

#### OTHER UNITS IN THE SYSTEM

In providing for other units in the wilderness system—in addition to those in national forests, parks, refuges, and Indian reservations—the bill also now makes provision for areas that may be acquired by gift or bequest by a Federal agency for preservation as wilderness.

#### CONGRESSIONAL REVIEW OF PROPOSED CHANGES

The revised wilderness bill also makes much improved provision for procedures in making changes in the wilderness system. Section 2 (f) deals with this matter. It provides that any changes—addition, modification, or elimination—shall be made only after public notice, and a public hearing if demanded, and furthermore that any proposed

change shall not take effect until after Congress has had an opportunity to oppose it if the Congress so wishes.

Thus detailed determinations are left to administrative agencies, yet Congress has an opportunity to prevent any abuse of this administrative freedom of action, if such abuse should ever be threatened.

And the public is kept aware of all such proposals.

#### USE OF THE WILDERNESS

The revised wilderness bill like the original one makes plain that the wilderness system is for use, for its appropriate and enduring use by the people. The revised bill, however, meets objections that many have made to the way in which the original bill dealt with what may be called nonconforming uses.

These changes have already been noted among those that have been made affecting national forests. In brief, this is not a reform measure. Existing uses of our wilderness areas are respected. In addition to the provisions already noted, the bill specially provides that any existing use authorized by the Executive order or legislation establishing a wildlife refuge or range may be continued.

All the provisions of the bill are made subject to any existing private rights.

#### THE WILDERNESS COUNCIL

The revised wilderness bill, like the original, provides for the establishment of a Council to serve as a central source of information, a repository for files, and a non-exclusive clearinghouse for exchange of information among the agencies handling the areas within the wilderness system. The revised bill, however, has taken advantage of the various criticisms made of this proposed Council and has both changed and clarified the provisions so as to meet objections and realize the suggested improvements.

There have been changes made in the makeup of the Council, in its method of appointment, and also in its proposed functions.

S. 1176 as introduced on February 11, 1957, proposed a Council made up of 11 members including 4 heads of land-management bureaus, 6 citizens, and the Secretary of the Smithsonian Institution, who would serve as the Council's secretary and maintain its headquarters. There have been suggestions that the heads of departments, the Secretaries, rather than bureau heads, should be the members of such a Council. There were criticisms against having so many citizen members. There were other suggestions.

Accordingly the makeup of the Council has been altered to provide that the Council shall comprise three citizen members, the Secretary of the Interior, the Secretary of Agriculture, and the Secretary of the Smithsonian Institution.

The Secretaries of Interior, Agriculture, and the Smithsonian Institution will be members *ex officio*. The citizen members will be appointed by the President and the chairman named by the President from among the citizen members. In accordance with a newly added provision, the citizen members shall be subject to Senate confirmation.

The bill's provisions also now clarify and change the functions of the Council to take advantage of comments and suggestions. No longer does the Council in any way come between the Congress and the executive agencies in their administration of wilderness. Originally the administrators were to send to the Council their proposals for additions or eliminations to or from the wilderness system for transmission to Congress. Now the Council is to receive only copies, for its files. The reports will come directly to Congress. It is made plain that the Council is no superagency. It has no jurisdiction over lands or over the agencies that do manage lands. It serves its own essential purposes and no others.

The Council has attracted a great deal of interest. It has been the subject of earnest thought. Its purposes are typical of this program, which accomplishes its objectives by preserving the wilderness character of lands that are being handled for other purposes—and by administrators primarily concerned with these other purposes.

Thus wilderness preservation is fitted into already established programs.

National forests are for watershed protection and timber production, national parks for recreational use and enjoyment, refuges for wildlife protection and increase, and so forth.

In this program the Wilderness Preservation Council provides a common meeting for wilderness administrators concerned primarily with all these other programs, and the Council provides for such a meeting with a certainty and regularity that are not likely to be realized otherwise.

Once a year at least the various wilderness interests in forests, parks, refuges, and other areas will be brought to a focus and called to the attention of the President, the Congress, and the public—as well as to the deliberate attention of the various administrators handling them in an annual report that will deal with wilderness as wilderness, and with the National Wilderness Preservation System as such.

In designing wilderness preservation that can be carried on by existing agencies without interfering with their present programs we create a need for such a body as the Council. It thus becomes an integral part of the program here established, and it fits into the existing structure of governmental agencies just as our wilderness preservation fits into existing programs.

#### PASSPORT ACT OF 1958

Mr. EASTLAND. Mr. President, on Monday of this week the Supreme Court handed down two decisions again lavishly deferring to communism by characterizing membership in the world Communist conspiracy as a matter of association and belief, and holding that our State Department may not refuse passports to Communists.

I shall discuss these decisions more fully in a day or so. Today I introduce, for appropriate reference, a bill to deal with the situation created by these decisions. I ask unanimous consent that the bill, together with a brief explanation of each of its provisions, may be printed in the RECORD as a part of my remarks.

The PRESIDENT pro tempore. The bill will be received and appropriately referred; and, without objection, the bill and explanation will be printed in the RECORD.

The bill (S. 4030) to establish policy respecting the issuance of passports and to provide passport review procedure, introduced by Mr. EASTLAND, was received, read twice by its title, referred to the Committee on the Judiciary, and ordered to be printed in the RECORD, as follows:

*Be it enacted, etc.* That this act may be referred to as the Passport Act of 1958.

#### PASSPORT REQUIREMENTS

Sec. 2. (a) Section 215 of the Immigration and Nationality Act (8 U. S. C. 1185) is amended by striking out—

(1) in subsection (a) of the words "the United States is at war or during the existence of any national emergency proclaimed by the President, or, as to aliens, whenever there exists a state of war between or among two or more states, and"; and

(2) in the section caption, the words "IN TIME OF WAR OR NATIONAL EMERGENCY."

(b) Section 215 (b) of such act is amended to read as follows:

"(b) After any proclamation has been made and published as provided for in subsection (a), and while such proclamation is in force, it shall, except as otherwise provided by the President, and subject to such limitations and exceptions as the President may authorize and prescribe, be unlawful for any citizen of the United States to—

"(1) depart from or enter, or attempt to depart from or enter, the United States unless he bears a valid passport;

"(2) travel to any country in which his passport is declared to be invalid; or

"(3) refuse to surrender upon demand any passport issued to him which has been lawfully revoked.

"Any person convicted of violation of this subsection shall be punished by a fine not to exceed \$2,000, or by imprisonment for a term not exceeding 5 years, or both."

(c) Section 215 (c) of such act (8 U. S. C. 1185 (c)) is hereby redesignated as subsection (f) and is amended by adding the following additional language at the end thereof:

"No vehicle, vessel or aircraft, by or upon which there is reasonable cause to believe that a breach or violation of this section is being or has been committed, shall be permitted to depart from any port of the United States pending the determination of liability to forfeiture of such vehicle, vessel or aircraft."

(d) Subsections (d), (e), (f), and (g) of section 215 of such act are hereby redesignated as subsections (g), (h), (i), and (j) respectively.

(e) Section 215 of such act is amended by inserting, immediately after subsection (b) thereof, the following new subsections:

"(c) If there is in effect any requirement, prescribed or authorized by law, for the procurement of a passport for any travel, no application made by any individual for the issuance of such passport may be granted, and each passport previously issued shall be revoked, unless the issuance or use of such passport is authorized under subsection (e), whenever there is reasonable ground to believe that the applicant, or holder of a previously issued passport, is going abroad or traveling abroad for the purpose of engaging in activities which will further the aims and objectives of any party, group, or association which has been found by the Congress of the United States, or any agency or officer of the United States duly authorized by the Congress for that purpose—

"(1) to seek to alter the form of government of the United States by force or violence, or other unconstitutional means; or

"(2) to have been organized or utilized for the purpose of advancing the aims or objectives of the Communist movement; or

"(3) to have been organized or utilized for the purpose of establishing any form of dictatorship in the United States or any form of international dictatorship; or

"(4) to have been organized or utilized by any foreign government, or by any foreign party, group or association acting in the interest of any foreign government, for the purpose of (A) espionage, or (B) sabotage, or (C) obtaining information relating to the defense of the United States or the protection of the national security, or (D) hampering, hindering, or delaying the production of defense materials; or

"(5) to be affiliated with, or to act in concert with, or to be dominated or controlled by, any party, group, or association of the character described in paragraph (1), (2), (3), or (4), above.

Nothing in this subsection shall alter or limit the authority of the Secretary of State to deny any application for the issuance of

a passport, or to revoke a previously issued passport, on any ground other than the ground described in this subsection.

"(d) In determining, for the purposes of subsection (c), whether there is reasonable ground for belief that any individual is going abroad or traveling abroad for any such purpose, consideration may be given to activities and associations of that individual of one or more of the following categories:

"(1) membership in any party, group, or association described in subsection (c); or

"(2) prior membership in any party, group, or association described in subsection (c), if the termination of such membership was under circumstances warranting the conclusion that the applicant continues to act in furtherance of the interests of such party, group, or association; or

"(3) present or past activities which further the aims and objectives of any such party, group, or association, under circumstances warranting the conclusion that he engages or has been engaged in such activities as a result of direction, domination, or control exercised over him by such party, group, or association, or otherwise continues to act in furtherance of the interests of such group, or association; or

"(4) activities continued consistently over a prolonged period of time which indicate that he has adhered to the doctrine of any such party, group, or association, as such doctrine is expressed in the actions and writings of such party, group, or association on a variety of issues, including shifts and changes in the doctrinal line of such party, group, or association; or

"(5) any other conduct which tends to support the belief that the applicant is going abroad or traveling abroad for such purpose.

"(e) A passport may be issued to or held by any individual, notwithstanding the provisions of subsection (c), whenever personally directed by the Secretary of State for reasons deemed by him to be strictly in the public interest."

#### PASSPORT DISCRETION LIMITED

SEC. 3. The act of July 3, 1926 (44 Stat. 887; 22 U. S. C. 211a), is hereby amended by redesignating section 1 thereof as subsection (a) of section 1 and adding the following new subsections:

"(b) In the exercise of his authority under subsection (a) of this section the President may confer upon and delegate to the Secretary of State the power and authority to prescribe rules and regulations relating to the issuance, refusal, extension, renewal, restriction, limitation, revocation, withdrawal, and cancellation of passports.

"(c) The Secretary of State shall not issue to, or renew or extend the passport of, any person, and he shall limit, restrict, withdraw, cancel, or revoke a passport of any person, if he is not satisfied that such person's trip or such person's activities abroad would not—

"(1) violate the laws of the United States;

"(2) be prejudicial to the orderly conduct of foreign relations;

"(3) be contrary to the national welfare, safety, or security; or

"(4) otherwise be prejudicial to the interests of the United States."

#### PASSPORT REVIEW PROCEDURE

SEC. 4. The Administrative Procedure Act (60 Stat. 237; 5 U. S. C. 1001) is hereby amended by adding the following new section:

#### PASSPORT REVIEW PROCEDURE

"SEC. 13. (a) As used in this section—

"(1) The term 'applicant' means a citizen or national of the United States who has made application for a passport in accordance with section 1 of title IX of the act of June 15, 1917 (40 Stat. 227; 22 U. S. C. 213), section 215 of the Immigration and Nationality Act, as amended (66 Stat. 190; 8 U. S. C. 1185), and such regulations as the

Secretary of State shall prescribe to carry out his authority under this section.

"(2) The term 'special review officer' means any officer of the Department of State or of the United States whom the Secretary of State deems specifically qualified to conduct proceedings prescribed by this section and who is selected and designated by the Secretary of State, individually or by regulation, to conduct such proceedings. Such special review officer shall be subject to such supervision and shall perform such duties, not inconsistent with this section, as the Secretary of State shall prescribe.

"(b) Any applicant who has been refused a passport or the renewal or extension thereof, has a passport withdrawn, canceled or revoked, or has a passport restricted or limited, except in a manner applicable to all applicants, and who has complied with all regulations promulgated by the Secretary of State pursuant to this or any other act, may within 6 months after notification of such action by the Secretary of State submit to the Secretary of State a timely motion in writing for a review before a special review officer, and any such applicant shall be advised of his right to make such motion. Any motion to review action taken pursuant to section 13 of the Communist Control Act of 1954 (68 Stat. 775; 50 U. S. C. 782), as amended, shall contain a statement under oath by the applicant as to whether he is or has ever been a member of the Communist Party.

"(c) A motion for a review made under subsection (b) of this section shall be referred to a special review officer. In any case in which the Secretary of State believes that such procedure would be of aid in making a determination, he may direct specifically or by regulation that an additional officer of the Department of State or of the United States shall be assigned to present the evidence on behalf of the Government and in such case such additional officer shall have authority to present evidence, and to interrogate, examine, and cross-examine the applicant or the witnesses. Nothing in the preceding sentence shall be construed to diminish the authority conferred upon the special review officer conducting proceedings under this section.

"(d) A special review officer shall conduct proceedings under this section for the purpose of submitting to the Secretary of State a recommendation as to what action should be taken. In proceedings conducted under this section all testimony shall be given under oath or affirmation. The special review officer may administer oaths, present and receive evidence, interrogate, examine, and cross-examine the applicant or witness. The special review officer shall communicate his recommendation to the Secretary of State, who may approve, or reject, in whole or in part, such recommendation, reopen the proceedings, or make his own determination in lieu of the recommendation of the special review officer. The decision of the Secretary of State shall be final. The applicant shall be notified of such decision by the Secretary of State in writing.

"(e) No special review officer shall conduct a proceeding in any case under this section in which he shall have participated in investigative functions or in which he shall have participated in the original refusal to issue, review, or extend a passport, or in the original action of withdrawal, cancellation, revocation, limitation, or restriction of a passport.

"(f) Proceedings before a special review officer acting under the provisions of this section shall be in accordance with such regulations, not inconsistent with this section, as the Secretary of State shall prescribe, which regulations shall include requirements that—

"(1) the applicant shall be given notice, reasonable under all the circumstances, of

the reasons for the original action taken on his application and of the time and place at which the review proceedings will be held;

"(2) the applicant shall have the privilege of being advised, assisted, or represented (at no expense to the Government) by counsel authorized to practice in such proceedings;

"(3) the applicant shall have a reasonable opportunity to present all information relevant and material to the formulation of the special review officer's recommendation in his case;

"(4) the applicant may testify in his own behalf, present witnesses and offer other evidence. If any witness whom the applicant wishes to call is unable to appear personally, the special review officer may, in his discretion, accept an affidavit by him or order that his testimony be taken by deposition. Such deposition may be taken by any person designated by the special review officer and such designee shall be authorized to administer oaths for the purpose of the depositions;

"(5) a complete verbatim stenographic transcript shall be made of proceedings conducted under this section by qualified reporters, and such transcript shall constitute a permanent part of the record. Upon request the applicant or his counsel shall have the right to inspect the transcript, and each witness shall have the right to inspect the transcript of his own testimony; and

"(6) attendance at hearings under this section shall be restricted to such officers of the Department of State as may be concerned with the case under consideration, the applicant, his counsel, the witnesses, and the official stenographers. Witnesses shall be present at the hearing only while actually giving testimony, unless otherwise directed by the special review officer.

"(g) Proceedings under this section shall be conducted in such manner as to protect from disclosure all information which, in the opinion of the Secretary of State or special review officer, would affect the national security, safety, and public interest, or would tend to compromise investigative sources or investigative methods.

"(h) The files maintained by the Department of State and any other pertinent Government files submitted to the special review officer shall be considered as part of the evidence in each case without testimony or a ruling as to admissibility. Such files may not be examined by the applicant.

"(1) The special review officer shall insure the applicant of complete and fair consideration of his case. In making his recommendation the special review officer shall consider the entire record, including the transcript of the proceedings and any files and confidential information as he may have received. The special review officer shall take into consideration the inability of the applicant to challenge information of which he has not been advised in full or in detail, or to attack the creditability of information which has not been disclosed to him. Judicial rules of evidence shall not apply in proceedings under this section except that reasonable restrictions shall be imposed by the special review officer as to the relevancy, competency, and materiality of evidence introduced in the proceedings.

"(j) Notwithstanding the provisions of any other law, the procedure prescribed in this section shall be the sole and exclusive procedure for the review of the refusal to issue, renew, or extend a passport, or of the withdrawal, cancellation, restriction, limitation, or revocation of a passport."

#### PASSPORTS FOR COMMUNISTS LIMITED

SEC. 5. The Communist Control Act of 1954 (68 Stat. 775; 50 U. S. C. 782) is hereby amended by adding at the end thereof the following new sections:

#### "ISSUANCE OF PASSPORTS TO PERSONS UNDER COMMUNIST DISCIPLINE

"SEC. 13. Except as authorized by section 6 of the Subversive Activities Control Act of

1950, as amended, or as may be otherwise personally directed by the Secretary of State for reasons deemed by him to be strictly in the public interest, it shall be unlawful for any officer or employee of the United States to issue or to direct the issue of a passport to, or to renew or extend or to direct the renewal or extension of the passport, except for direct and immediate return to the United States, of any person, if such officer or employee knows or has reason to believe such person to be under Communist discipline, or to be intending while traveling abroad to engage in activities which will contribute to strengthening the world Communist conspiracy.

"SEC. 14. For the purposes of section 13 of this act, any person shall be considered to be under Communist discipline if such person—

"(a) is a member of the Communist Party or has terminated such membership under such circumstances as to warrant the conclusion that he continues to act in furtherance of the interests of the Communist Party; or

"(b) regardless of the formal state of his affiliation with the Communist Party, has engaged or engages in activities which support the Communist movement under such circumstances as to warrant the conclusion that he engages in such activities as a result of direction, domination, or control exercised over him by the Communist movement; or

"(c) regardless of the formal state of his affiliation with the Communist Party, has consistently over a prolonged period of time indicated through his actions that he adheres to the Communist doctrine as such doctrine is expressed in the Communist movement's actions and writings on a variety of issues, including shifts and changes in the Communist movement's doctrinal line; or

"(d) refuses to disclose information respecting Communist activity which he learned while a member of the Communist Party or which he learned while engaged in activities which supported the Communist movement.

"SEC. 15. Any person who is convicted of a violation of section 13 of this act shall be punished for each such violation by imprisonment for not more than 2 years or fined not more than \$5,000, or by both such imprisonment and fine."

#### INFORMATION REQUIRED OF PASSPORT HOLDERS

SEC. 6. Each applicant for a passport to be issued after the date of enactment of this act under the authority of the United States shall include in his application a declaration under oath obligating such applicant, as a condition to the issuance of a passport, to provide, upon request, to such officer or officers as may be designated by the Secretary of State, a full and accurate report concerning the places outside the United States which were visited by such applicant subsequent to the issuance of any such passport and prior to its final expiration.

#### INFORMATION REQUIRED OF PASSPORT APPLICANTS

SEC. 7. Each applicant for a passport to be issued after the date of enactment of this act under the authority of the United States shall include in his application the answers to such questions as the Secretary of State shall by regulation require to be propounded to all such applicants, for the purpose of procuring information which will be useful to the Secretary in determining whether the applicant meets the requirements under this statute, and the rules and regulations issued hereunder.

#### CONSTRUCTION OF TITLE

SEC. 8. Nothing in any amendment made by this act shall alter or amend any provision of the Subversive Activities Control Act, as amended.

The explanation presented by Mr. EASTLAND is as follows:

#### EXPLANATION PASSPORTS REQUIRED

Section 2 broadens the authority of the President to require passports for foreign travel. Under present law such authority is limited to times of national emergency. The bill would give the President the right to impose the requirement by proclamation at any time.

The maximum fine for violation by citizens of these passport provisions would be reduced under this section from \$5,000 to \$2,000.

#### VEHICLES IN VIOLATION CASES

Subsection (c) of this section gives authority for holding any vehicle, vessel, or aircraft having been used or reasonably suspected of having been used to convey persons into or out of the United States in violation of the immigration laws.

#### PASSPORTS DENIED FOR COMMUNIST PURPOSES

Subsection (e) specifically requires the denial or revocation of a passport when there is reasonable ground to believe that the applicant or holder is going abroad or traveling abroad for the purpose of engaging in activities of the Communist Party or any other organization seeking to alter the form of government of the United States by force or violence, or other unconstitutional means, or for the purpose of establishing any form of dictatorship in the United States, or for the purpose of espionage, sabotage, or hampering, hindering, or delaying the production of defense materials.

#### LIMITATIONS ON PASSPORT ISSUANCE

Section 3 limits the jurisdiction of the Secretary of State in the issuance of passports. It interdicts the granting or continuing of a passport where the Secretary is not satisfied that the trip or activities abroad of the holder of the passport would not (1) violate the laws of the United States; (2) be prejudicial to the orderly conduct of foreign relations; (3) be contrary to the national welfare, safety, or security; or (4) otherwise be prejudicial to the interests of the United States.

#### PASSPORT REVIEW PROCEDURE

Section 4 sets up passport review procedure in accordance with the requirements of due process. Any applicant who has been refused a passport or the renewal or extension of a passport, or has had his passport withdrawn, canceled, revoked, or restricted, is given 6 months within which to apply for review. In connection with review, the bill requires that the applicant shall be given reasonable notice of the reasons for the original action taken on his application; that he shall have the privilege of being advised, assisted, or represented by counsel; that he shall have a reasonable opportunity to present all information relevant and material to his case, and that he may present witnesses and offer other evidence in his behalf.

#### PASSPORTS DENIED COMMUNIST CONSPIRATORS

Section 5 would amend the Communist Control Act of 1954 so as to make it specifically unlawful to issue or renew or extend a passport to a person under Communist discipline, or proposing to travel abroad for the purpose of engaging in activities which will contribute to strengthening the world Communist conspiracy.

#### INFORMATION REQUIRED

Section 6 requires passport applicants to agree to give the State Department, upon request, a full and accurate report concerning the places outside the United States visited by such applicant during the life of the passport.

#### QUESTIONS FOR PASSPORT APPLICANTS

Section 7 would give the Secretary of State authority to provide by regulation for ques-

tions to be answered by passport applicants for the purpose of furnishing information useful to the Secretary in determining whether each applicant is, in fact, eligible to receive a passport.

SAVING CLAUSE

Section 8 protects against a construction of the act which would operate to amend by implication the Subversive Activities Control Act.

AMENDMENT OF VETERANS' READJUSTMENT ASSISTANCE ACT, RELATING TO CHANGE OF EDUCATIONAL OR TRAINING PROGRAM

Mr. YARBOROUGH. Mr. President, an interpretation by the Veterans' Administration of one section of the GI bill is operating in direct conflict with the educational policy which it should be pursuing; that is, the policy of encouraging our capable youth to continue their advanced studies in our colleges and universities.

Let me be specific. I have recently inquired into a specific problem involving a young Texan who is doing graduate work in physics. When this young man entered the university under the GI bill, he listed his educational objective as a bachelor's degree in physics. Upon completing his work for the baccalaureate degree, this young man wished to continue his studies toward the master's degree in the same field, physics. Under the interpretation by the Veterans' Administration, this constituted a change of program but the change was permitted since each veteran is permitted one change and still retain his eligibility under the GI bill. The veteran continued his studies and was awarded the master's degree in physics.

It is at this point, Mr. President, that the incongruous interpretation by the Veterans' Administration becomes most glaringly evident. After receiving the master's degree, this honor graduate student still had some remaining eligibility under the law and planned to enter upon a course toward the doctor of philosophy degree in physics, specializing in nuclear science. The Veterans' Administration, however, ruled that he had had his one authorized course change—from the bachelor's degree to the master's degree—and therefore could not use the remaining eligibility. To further show the absurdity of the ruling, had this young man merely listed his objective as the doctor of philosophy degree instead of the master's degree, he would have been permitted to use the balance of his eligibility.

Now, Mr. President, this truly constituted no change in program, the steps from the bachelor's to the master's to the doctor of philosophy degrees were phase 1, phase 2, and phase 3 of only 1 program, the program of scientific training in 1 field, physics. It is absurd for us to be fighting an academic battle of science in new legislative proposals and, on the other hand, permit illogical interpretations by an administrative agency to stand as a barrier to other now-existing avenues to the same or similar goals.

To correct this conflict, I introduce, for appropriate reference, a bill which

will redefine the term "change of program of education or training" as used in section 223 of the Veterans' Readjustment Assistance Act of 1952 so as not to include a change from one level of education or training to a higher one in the same field of study.

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

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

The bill (S. 4031) to amend section 223 of the Veterans' Readjustment Assistance Act of 1952, as amended, relating to change of educational or training program by an eligible veteran, introduced by Mr. YARBOROUGH, was received, read twice by its title, referred to the Committee on Labor and Public Welfare, and ordered to be printed in the RECORD, as follows:

*Be it enacted, etc.,* That section 223 of the Veterans' Readjustment Assistance Act of 1952, as amended, is amended by adding at the end thereof the following new subsection:

"(c) As used in this section the term 'change of program of education or training' shall not be deemed to include a change from the pursuit of one objective or level of education or training to the pursuit of a higher objective or level of education or training in the same field of study or training."

THE EXTENSION OF EXISTING CORPORATE NORMAL-TAX AND CERTAIN EXCISE-TAX RATES—AMENDMENTS

Mr. YARBOROUGH submitted an amendment, intended to be proposed by him, to the bill (H. R. 12695) to provide a 1-year extension of the existing corporate normal-tax rate and of certain excise-tax rates, which was ordered to lie on the table, and to be printed.

Mr. KEFAUVER (for himself, Mr. LANGER, Mr. O'MAHONEY, Mr. HENNINGS, and Mr. CARROLL) submitted amendments, intended to be proposed by them, jointly, to House bill 12695, *supra*, which were ordered to lie on the table, and to be printed.

GEN. LEWIS LAWRENCE GRIFFIN

Mr. TALMADGE. Mr. President, the magazine section of the Griffin, Ga. Daily News of Sunday, June 8, 1958, featured the first comprehensive biographical article ever written on the life and accomplishments of Gen. Lewis Lawrence Griffin for whom the city of Griffin is named. The article is the work of one of Georgia's outstanding young editors and writers, Hon. Quimby Melton, Jr., who is a past president of the Georgia Press Association.

This article is an excellent study of the life and times of a man who was one of South Carolina's most outstanding native sons and one of Georgia's most respected pioneer leaders. For the benefit of the historical and biographical researchers of the present and future it deserves a place in a readily accessible permanent record. For that purpose, Mr. President, I ask

unanimous consent that it be printed herewith in the body of the RECORD.

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

GEN. L. L. GRIFFIN  
(By Quimby Melton, Jr.)

The man who founded the city of Griffin and for whom it is named was a truly remarkable gentleman.

Businessman, railroad president, head of a bank, Indian fighter, planter, husband of three wives: he was all of these.

Lewis Lawrence Griffin was born in South Carolina on October 3, 1794. He was the son of William and Rachel Evans Griffin. His father was the son of Peter and Elizabeth Owens Griffin. In the early 1800's, William Griffin's widow moved with her several children from South Carolina to Georgia where they settled in Twiggs County. Lewis Lawrence Griffin was nearly grown then, but the United States was just out of its swaddling clothes. The Revolutionary War was as fresh in memory then as World War I is today, perhaps more so.

Twiggs County is in the center of the State. It is just east of Bibb (Macon) and Houston (Perry and Warner Robbins) Counties. Prior to the First Treaty of Indian Springs (1821) everything west of the Ocmulgee was Indian territory. So Lewis Lawrence Griffin lived on the frontier of his State in the raw frontier days.

He began life very poor, as did most frontier people. But the Republic was young, growing, and vibrant. There was plenty of opportunity for a man of intelligence, courage, integrity, and determination. There always has been. There always will be.

Lewis Lawrence Griffin proved at an early date that he had all of these attributes. He served in the Georgia militia under Gen. Daniel Newman in the Florida campaign of the Indian war, and later under Gen. John Floyd and Gen. Thomas Glascok in the wars against the Creeks. He proved himself an able citizen-soldier. Later he was appointed a general in the State militia.

In his early days in Georgia, he married Villy Fauld in Twiggs County on September 8, 1814. They had a daughter whom they named Vinincey. In 1816, when the baby was 9 months old, tragedy struck. Both mother and baby died.

L. L. Griffin started in business as a county merchant. Soon he built up a profitable trade and an enviable reputation. After a time he moved to Forsyth in Monroe County, Ga., where he continued as a merchant. He accumulated property rapidly and his Liberty Hall home was a popular place. On August 21, 1821, he married for the second time. His bride was Elizabeth Littleton Harris, the younger sister of Judge Thomas W. Harris. They were married in Twiggs County. This union was childless and the second Mrs. Griffin died in Mississippi on March 31, 1843.

After his second marriage, General and Mrs. Griffin moved to Macon in Bibb County, Ga., where he carried on a commission business very successfully for several years. By now he had risen in rank in the militia to general and had served two years (1829-30) in the Georgia Legislature.

The Georgia State Militia was an exceptionally important institution until after the War Between the States. It offered a means whereby the State could protect itself from Indians or other dangers without forcing a large number of its citizens to serve long periods in uniform.

Under the system, the State was divided into divisions and brigades which were commanded by generals. Lewis Lawrence Griffin was such a general. He was a citizen-soldier who served as an obligation of citizenship. Except when called to duty, all militiamen were civilians.

The State was further divided into militia districts. Each of these, at its creation, was supposed to have 100 able-bodied men who could perform military service. The men of a district elected their own captain. He was expected to train his company and teach the men what military knowledge he possessed. The militia districts were numbered, but they were known popularly by the names of their captains. The numbers remained the same, but the names changed from time to time. The militia districts of Spalding and other counties in Georgia today are political subdivisions and have lost their military character. But they are remnants of this system.

Once a year the militia of a county would gather at the county seat for general muster. This usually lasted 2 days and was a great event. It brought all the able-bodied men of the county together and their families accompanied them to enjoy the visiting.

A general muster has been described something like this:

The first day a visiting officer of high rank would drill the officers of the districts. The second day, the officers would draw a line in the dirt with swords if they had them, with sticks if not. They would order their men to "parade here," or to "toe the mark." With a good many guffaws, some shoving and good natured banter, the line would form. It might or might not be straight, probably not. The men carried whatever weapons they owned. Many of the guns were handed down from the Revolutionary War.

The men would march to a field where they would drill for awhile, be dismissed, then rush back to town.

This military system may seem inadequate and quaint today. But it served its purpose then. It protected the pioneer citizens and the State from Indians and other dangers and afforded a military force which could be assembled and ready to fight in a very short time. Most of the men already knew how to shoot their guns accurately, and frontier life made for hard muscles. There was no need to "condition" the men when they entered active service. The "basic" training of today would have been almost a complete waste of time then. The girl majorettes of Griffin High's band today could march circles around the Georgia Militia when it came to parading. But when it came to fighting, the hard-muscled frontiersmen could lick an Indian tribe today and go back home and resume the plowing tomorrow. While the men were gone, the women probably had kept the plows going anyhow.

It was in such a Georgia State militia that Lewis Lawrence Griffin was a general. Obviously, the position required a man in whom others had a great deal of confidence. It was a great honor as well as a great responsibility.

As pointed out previously, much of Georgia was primitive and unsettled. This included what now are Griffin and Spalding County. The land was here and the people were anxious for it. There was a good market for cotton. The worn-down mountain tops known as the Piedmont Plateau was good cotton land. But cotton was almost worthless unless you could get it to market. Many people were dreaming of canals and turnpikes. Others directed their thoughts to railroads.

Lewis Lawrence Griffin was a railroad man. We can only speculate about his motives. A wealthy and ambitious person, his purpose may have been merely to make more money. Already a powerful man, he may have wanted still greater power. But his character as it unfolds shows more than such selfish motivation. It discloses a wide streak of unselfishness in Lewis Lawrence Griffin. So it is

highly probable that in addition to founding the railroad for profit and perhaps for power, he did so in order to serve his State and the people of it. Whatever the motives, his railroad did open up the entire section of Georgia along its rails from Macon to Atlanta. If he had done nothing more than that, he would deserve a far larger place in Georgia history than the occasional footnote containing his name which we find up to the publication of this work. Until now he has been one of those many heroes of Georgia and of the Nation who for one reason or another seems to have been forgotten but without whom we certainly would not be enjoying many advantages of the State and Nation which are ours today.

Lewis Lawrence Griffin seems to have planned carefully and devoted himself to forming his railroad company. Very little was known about railroads then. Only one charter had been granted in Georgia, and the company thus formed in 1831 had not built a railroad. Two other companies were formed within a few days of General Griffin's, but they had no more experience than he.

But middle Georgia lay ahead. It was fresh, unclaimed. It was ready. So was Lewis Lawrence Griffin when the legislature granted a charter to his Monroe Railroad and Banking Co. on December 23, 1833. The State itself subscribed \$200,000 of the \$600,000 capital.

Daniel Griffin was chief engineer for the company. It was his duty to make the surveys and determine where and how to lay the track. There is no record as to the relationship, if any, between him and General Griffin. He drew the original map of the city of Griffin at the direction of the general. And he named Broad Way which today includes Broad Street on the south, the railroad tracks in the middle, and Broadway north of them. Others associated with General Griffin in the Monroe Railroad & Banking Co. were A. H. Chappell, a lawyer who lived in Forsyth and later in Columbus; Alfred Brooks and Henry Solomon, both of Macon; James W. Tinsley, Job Taylor, and John G. Hill. Mr. Hill became one of the original settlers of Griffin. General Griffin himself named the streets in Griffin which bear these men's names. Brooks Street for some reason has been all but forgotten by that name and is known now as Fifth. All the others are well-known streets in Griffin today. They retain their original names.

The charter of the Monroe Railroad & Banking Co. called for it to run only from Macon to Forsyth. The Central was coming from Savannah to Macon. But General Griffin had a much bigger dream than that. He could picture continuous iron rails running all the way from Savannah north to the Tennessee River where Chattanooga is today. In addition, he envisioned another line from Augusta running west across the State to the Chattahoochee or to the Alabama River. These two lines would have to cross some place. Now glance at your map of Georgia. The intersection falls about where Griffin is.

General Griffin, a man of vision, realized that the greatest city of the State and later of the entire Southeast would grow where the two lines crossed. He put his engineers to work. Finally they drove a stake in the all but primitive soil of a farm owned by Bartholomew Still. General Griffin arranged privately to buy 800 acres from Mr. Still for about \$6 an acre. That land was entirely in Pike County near the Henry County border. It made up the original city of Griffin. (Spalding County was not founded until 1851.)

In 1836 the Monroe Railroad and Banking Co. secured an amendment to its charter to extend from Forsyth in a northwesterly di-

rection to the Chattahoochee River, and to build a western branch. The river is just northwest of what is now Atlanta and is the border between Fulton and Cobb Counties.

By 1838 the Monroe railroad had completed its tracks to Forsyth. By 1841 it had laid iron rails to Barnesville, and wooden rails on to Griffin (Griffin was founded in 1840). In 1842, a steam locomotive came into Griffin on iron rails.

All of this was done under the leadership and guidance of General Griffin. But by this time the company and its bank had become involved in serious financial difficulties.

Jumping back to 1840, General Griffin gives us an insight into his character. When he realized the immense profits to be made by founding a town, he voluntarily turned the venture over to the company, which had made the founding possible. The company substituted its obligations to Bartholomew Still for the general's.

Lewis Lawrence Griffin explained it this way in a statement which he made in 1854:

"I purchased the land on private account from Mr. Still at about \$6 per acre, for the purpose of locating the city of Griffin. I drew a map of the place after the survey, reviewed, selected, and marked the lots for the churches: Baptist, Methodist, Presbyterian, Episcopal, two lots for male and female academies, and squares for public uses. Daniel Griffin drew for me a correct map, marking the donated property. That gentleman was our chief engineer. He named the Broad street, and I named the others.

"For the many offices of honor conferred on me from time to time by the people of Georgia and the company, I felt that I could give the investment to the company without injury to my feelings. I was then wealthy for the country and had no children to provide for. I proposed to the directors to give the company the investment by their giving the company's obligation for the purchase money in the place of mine, and, in the name of the company, to carry out the above donations made by me, and marked on the printed map. They agreed to do so, and did it. The chief engineer and the directors met, and I was informed that, on the suggestion of the engineer, the board called the place the city of Griffin. The only consideration I received from this immensely profitable investment was their carrying out, in their name, my donations."

This clear, concise, well-worded statement tells us many things about the man who made it. Its correct punctuation and spelling indicate a good education, probably self-acquired, as were most educations in his day. The construction of his sentences and his choice of words would win high grades in grammar in the strictest of modern-day colleges. The statement also indicates a man who went directly to the point, said what he had to say without undue embellishment, then concluded his remarks without further ado. It shows a man of culture and refinement.

So much for the construction of the statement. Now, as to the thoughts expressed: They point to a man of an unselfish nature, one ready and anxious to share his good fortune.

Miss Eloise Griffin, of Aberdeen, Miss., has a writing which was copied from an unidentified newspaper which was published sometime in the 1800's after General Griffin had moved to her State. It tells us much about him and his enterprises. We quote from it and regret that we do not know what newspaper originally published it:

"After spending many months discussing the matter (forming the railroad company) in several counties, he (General Griffin) persuaded a number of prominent citizens to

join him in his scheme of building a railroad from Macon to Forsyth. He was ready to risk his large fortune in the enterprise, and this fact added to his eloquent and convincing appeals stimulated the public spirit of others, and the result was the organization of the Monroe Railroad & Banking Co., with the parent bank in Macon and one in Forsyth. This was in the year 1836.

"General Griffin risked every dollar of his capital in the enterprise, and his devoted friends followed his example.

"The crisp bills issued by the new bank were eagerly welcomed by the people, who were tired of the heavy silver dollars, the only money then in circulation in that section. The proposed road was surveyed to Forsyth, and contracts for its construction were entered into.

"Many Irish laborers were employed in the work, and numerous fights took place between them and the wagoners from the upper counties, aided by some farmers along the route who were bitterly opposed to the new road. In one of these encounters an Irishman was killed and his lonely grave on a hillside was marked by a rude wooden cross.

"The money issued by the bank gave a powerful impetus to trade and an era of flush times followed. The work on the road progressed rapidly, but the failure to receive the iron rails in time caused General Griffin to try solid oak as a substitute.

"One fine day in 1839 the road was ready for the first train from Macon to Forsyth and the grand banquet was tendered in the latter town to the directors and officers.

"At the appointed time, crowds of citizens and country people, many of whom had never seen a locomotive, collected at Forsyth depot and waited anxiously for the appearance of the train. Suddenly a roaring sound was heard, a cloud of smoke was seen in the distance, and the locomotive rushed up, puffing and shrieking.

"Hundreds of people fled in panic. Several fainted and one respectable old merchant ran a mile through the mud and finally fell utterly exhausted and unconscious.

"The officers and their guests were entertained in grand style at the banquet, but only one lady passenger came on the train, Mrs. Griffin.

"Col. Ben Harris acted as toastmaster. In the afternoon the party returned to Macon accompanied by Mrs. (Rebecca Harris) Strong, who was the second female who had the honor of traveling over the road. There were big demonstrations at both ends of the line. The building of the road was regarded as a wonderful undertaking, because at that time there were no syndicates to push such enterprises and furnish large amounts of money for them. Naturally the public spirit and energy of General Griffin and his associates were highly appreciated.

#### FORSYTH

"Forsyth remained the terminus of the road for some time and enjoyed remarkable prosperity. The road was pushed on to other points and the General, believing that he had found a site for a future city, bought a tract of land and presented it to the company which loyally gave his name to what is now the city of Griffin, Ga.

"In after years, a citizen of that place wrote the General asking him to come there on a visit, saying that 'Romulus returning to Rome would be honored,' but General Griffin declined, remembering the bitter days which had followed those made brilliant by success. (Later, in 1856, he did return to a hero's welcome.)

"For a time fortune smiled upon the enterprise, but when the road was pushed many miles northward the heavy outlay required for construction and rolling stock and other expenses began to be severely felt. Debts fell

due in New York and in London and the Monroe Bank felt the strain. The notes of the bank were secured by the property of General Griffin and his friends, but the time came when the General had to mortgage his home and his carriage horses.

"A period of dull times came and many people who had before gladly accepted the bank's notes began to call them 'shinplasters' and clamor for silver.

#### SILVER

"Learning that there would be a run on the bank, General Griffin borrowed several thousand dollars in silver from a Charleston bank, promising not to use it, pledging his word of honor to return the identical money if he saw that he could not save his own bank. A. H. Chappell and Jerry Leake went to Charleston for the silver and brought it safely to Macon, where it was placed in the bank vault, and the announcement was made that a successful loan had been negotiated. The bank tided over the expected crisis and confidence was restored, but an unfortunate incident occurred, which brought disaster upon General Griffin. At the request of Judge Harris of Mississippi, he made arrangements to send some of his wife's house servants to him. They were not subject to any of Griffin's debts and were a portion of the inheritance of Harris' wife from her grandfather, going to her and her children, if Mrs. Griffin had no children.

"This was misunderstood by some of the people and when the wagons with the Negroes were ready to start from Forsyth to Mississippi, 50 armed men rode up with an officer and a warrant for the arrest and detention of Griffin, the Negroes, the wagons, and their loans.

"Griffin was furious and he lost his head when he learned that he was suspected of attempting to run off his mortgaged property and the silver borrowed from the Charleston bank.

"The General with the wagons and Negroes had to go with the mob to the court house square in Forsyth. The armed men then searched everything in the wagons and found to their disappointment that there was no silver. They threatened the old General, but finally allowed him to go to a friend's house where he was guarded by 10 men all night to the terror and mortification of his wife who was with him.

"Late the following day the General's friends arrived and Col. Ben Harris with a drawn pistol forced the ruffians still on the scene to reload the wagons. The Negroes were collected again, the mules were hitched and after spending the night on Mr. Brooks' farm, the General the next day began to make arrangements to leave the State forever. He first returned the borrowed kegs of silver to the Charleston bank with their seals unbroken. He gave up his property and the Monroe Bank collapsed, ruining many of the General's best friends, who remained loyal to him, knowing that he was the greatest sufferer."

The Monroe Railroad & Banking Co. suspended operations in 1844. In 1845 it was bought by a corporation formed for the purpose with Daniel Taylor as president. The new concern was known as the Macon & Western. Within a year it laid tracks to Atlanta and became a highly successful venture. But that was too late for General Griffin.

When the financial difficulties delayed construction of the Monroe Railroad from Griffin to Atlanta, the Georgia Railroad extended its tracks from Madison to Atlanta. There in 1846 it connected with the Western & Atlantic. Thus, the first two railroads to cross in Georgia did so at Atlanta instead of here in Griffin where General Griffin had planned. The subsequent success of Atlanta, based upon it being a transportation center,

attests to the foresight and vision of General Griffin's plan for the city he founded.

Now we have a picture of Lewis Lawrence Griffin that we never saw before. For the first time of which we know, he has suffered a complete failure. He had known tragedy before, the loss of his first wife and only child. Undoubtedly there had been business reverses prior to this. But now he is a complete business failure. The principal endeavor of his career, the Monroe Railroad, has crumbled. The bank of which he was president, connected with the railroad, has gone under. There has been considerable litigation and he has been discussed unfavorably, at first in whispers, then openly and aloud.

At this time in his life he is about 50 years old. Those who had sought his favors and courted his esteem now scorn him. There is even some talk of changing the name of the town he founded.

Few men could survive such circumstances. But Lewis Lawrence Griffin was not an ordinary man. He had lived on the frontier as a boy, fought Indians as a youth, commanded militia as a man. He had pioneered in railroading. He had buried a wife and child.

Instead of giving up, he looked to the future.

Mississippi was a relatively new State, having been admitted to the Union in 1817. It needed men like Lewis Lawrence Griffin. Taking an adopted son who was his 4-year-old nephew with him, he went to Mississippi where his second wife's older brother, Judge Harris, already lived.

The nephew was named Lewis Lawrence Griffin also. His father, Eli Shorter Griffin, was dead and had left a large family in Twiggs County. Here again we have an insight into General Griffin's character. In order to help the mother and because of his fondness for the boy, the general adopted him as his own son. Perhaps the boy filled a place in the old Indian fighter's heart left raw and aching by the death of his own baby daughter. Even in his adversity, he protected and loved the little boy. He took him to Mississippi.

Now begins an entirely new chapter in the story of Lewis Lawrence Griffin, the founder of our town.

Miss Eloise Griffin is the granddaughter of the nephew who was the general's adopted son. She lives in Aberdeen, Miss., where General Griffin located. The author of this article has talked with her on the long-distance telephone and has corresponded with her. He is indebted to her for most of the information which follows.

Miss Griffin is deputy tax assessor of Monroe County, Miss. Aberdeen is the county seat.

After moving to Mississippi, General Griffin acquired a new fortune. Essentially a business man from his earliest days, he became a planter and owned a drug store in Aberdeen. For the second time he lost a wife. She died childless.

Now, prepare for a surprise.

General Griffin and his nephew, who was his adopted son, married sisters. The general married Elizabeth Woodson Daniel as his third wife. The nephew married Emma Daniel. The girls came from Noxubee County, Miss. That is about 100 miles from Aberdeen. The general married his third wife on March 16, 1845, 2 years after the death of his second wife.

#### HOME

General Griffin built a 10-room colonial home in Aberdeen. It had 2 stories with a porch around the first floor and a balcony on the second. It stood until 4 or 5 years ago and was in front of the city hall.

The general lived through the War Between the States and died in 1867. He is buried

in Aberdeen. He was highly regarded and considered a very wealthy man at the time of his death.

In 1856 General Griffin returned for a visit to the city he had founded. He declined a public dinner tendered him by mayor and council. By now the wounds of the financial losses of more than a decade before had healed. The people of the town now realized that the general had done much more than most men could or would have done had they been in his position as head of the railroad which went into bankruptcy.

The Griffin newspaper had this to say about him then:

PRAISED

"He did more than any other man to arouse the people of central and western Georgia to a proper sense of the necessity of works of internal improvement. Every prediction that he made in reference to the beneficial results which would follow the completion of his designs, has been fulfilled. And although he failed to accomplish all he designed, yet he is entitled to the gratitude of every man who now participates in the benefits arising from the works which he projected, and in part accomplished. His presence among us on his late visit to our place, was greeted with pride and pleasure by our people. Many of us knew him early and long. We were familiar with his career, and in the darkest days of his adversity we were willing to accord to him honesty of purpose, in the face of the popular prejudice which then prevailed against him. Time has healed those prejudices and we cannot point to a single individual whose heart was not made glad to behold once more the old patriarch after an absence of 15 years."

He was described on this visit to Griffin thus: "The old soldier looks remarkably well. Always of delicate physical powers, his material manhood has survived the many storms and tempests through which he has passed."

His portrait shows a man of refinement with the clear, fine features associated with an aristocrat.

When General Griffin died in 1867, his wife and two daughters survived him. His adopted son who was his nephew survived him also.

The daughters were Hattie Griffin and Mamie Griffin.

Mamie Griffin married George Bershaw. They had one daughter, Mamie, and lived in Kentucky.

Hattie Griffin married twice. Her first husband was Ike Dorch. They had three children: Lewis Lawrence Dorch, Ike Dorch, and Elizabeth Griffin Dorch (who died about 1950). Lewis Lawrence Dorch had twin daughters, Sallye and Lillye. Sallye is Mrs. Forrest Murphy, of Oxford, Miss. Her husband is a professor at the University of Mississippi and they have one child, Marilyn, who is about 14 years old. Lillye is Mrs. Knox Kershaw, who has two daughters, Sallye and Georgia. Sallye is married to Professor Kelly, of Auburn, Ala. Georgia is married to Marshall Carlson and lives in Miami, Fla. Ike Dorch had one daughter, Barbara, who is married and lives in California. Elizabeth Griffin Dorch never married.

Hattie Griffin's second husband was Mr. Mims. They had two sons, Robert Mims and Irwin Mims. Robert is a planter and has never married. Irwin is a retired merchant who is married but who never had any children. Both Robert and Irwin live in Aberdeen.

In addition to his two daughters and their descendants, General Griffin was survived by his nephew who was his adopted son.

The adopted son, Lewis Lawrence Griffin II, and his wife, the former Emma Daniel, had twin sons and a daughter. The sons were born in 1863 and were Robert Daniel Griffin

(the father of Miss Eloise Griffin) and Lewis Lawrence Griffin III. The daughter was Sallye Griffin.

Robert Daniel Griffin died about 5 years ago. He was a railroad conductor with the Frisco Line and was known as Captain Bob.

His children were Eloise Griffin (who furnished this information), who has never married; Robert Crawford Griffin, who lives in Chicago and who is connected with the Railroad Retirement Board which has its headquarters there; Walton Greene Griffin, who is married but who has no children and who is a merchant in Aberdeen; Frances Griffin, who has never married and who is employed in the city clerk's office in Aberdeen; Mamie Griffin Giles, whose husband is Elmer Giles and who lives in Clarksdale, Miss., and Sara Griffin Morgan. Robert Crawford Griffin has a daughter, Louise, who is Mrs. Jim Miller, of Chicago. Mr. Miller is connected with the telephone company there. Mamie Griffin Giles has a son, James Robert Giles, who is in the Navy. Sara Griffin Morgan and Joseph Thomas Morgan have these children: Robert Griffin Morgan, who is with the Whitehall Pharmaceutical Co. in Charlotte, N. C.; Sara Morgan Word, temporarily of Burlington, Vt., where her husband, Edward, is serving in the Air Force, and Joseph Thomas Morgan, who is unmarried and who is in the television repair business in Aberdeen.

Lewis Lawrence Griffin III, the twin to Robert Daniel Griffin, was a railroad conductor also. At the time of his death, he was circuit clerk of Monroe County, Mississippi. He had a single son, Lewis Lawrence Griffin IV, who is an X-ray technician at a Government hospital just outside Washington, D. C., in Georgetown. Lewis Lawrence Griffin IV has an adopted son who is his only child. This adopted son is the only one to carry on the family name of Griffin.

Sallye Griffin was the daughter of Lewis Lawrence Griffin II, who was the nephew and adopted son of the general. She married a Mr. Mangum and they had four children: Mary Lou, who married a Mr. Milam and lives in Jackson, Miss.; Emma, who married a Mr. LeNoir; Lewis Griffin Mangum, and Edgar Mangum. Mary Lou Mangum Milam has two children, Mrs. Charles Stone, who lives in Dallas, Tex., and Walker Hinton Milam, of Baton Rouge, La. Emma Griffin Mangum LeNoir had two children: Sterling Paine LeNoir, Jr., who lives in Atlanta and is a teacher at Georgia Tech, and Whitman LeNoir, who lives on the LeNoir plantation near Aberdeen. Lewis Griffin Mangum has one son: L. G. Mangum, Jr., who lives in Benton, Ariz. Edgar Mangum is a bachelor and lives in New Orleans.

#### ECONOMIC PLIGHT OF THE SILVER LEAD-ZINC MINING INDUSTRY

Mr. MURRAY. Mr. President, the word "jubilee" generally is synonymous with an occasion for rejoicing. Although by custom, the 75th anniversary celebration of Wallace, Idaho, was called its "Silver Jubilee", there seems to have been very little rejoicing. The theme appears to have been "assistance for the lead and zinc mines must be prompt or the Coeur d'Alene will soon be flat on its back." The reason therefor—and the conditions are reflected in Montana and other mining areas—is outlined in detail in an article by Jack Ryan in the New York Times for Monday, June 16, 1958.

Mr. President, I ask unanimous consent that Mr. Ryan's article be printed in the RECORD immediately following these remarks.

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

[From the New York Times of June 16, 1958]

**NOT MUCH CHEER AT METALS FETE—JUBILEE IN BIG IDAHO MINING DISTRICT CALLS ATTENTION TO ECONOMIC PLIGHT—NEW CUTBACKS LOOM—ZINC AND LEAD MINES MAY CLOSE FOR SUMMER UNLESS FEDERAL AID IS VOTED**

(By Jack Ryan)

WALLACE, IDAHO, June 15—There was an unmistakable air of desperation here last week as this little silver-lead-zinc mining center worked hard to have fun at its silver jubilee.

Ostensibly this celebration of the town's 75th anniversary was a cheer-up party for the famous Coeur d' Alene mining district, whose economy has been badly shaken by the depressed metal markets.

But for the mine operators and merchants who sponsored bands, balls, contest prizes and barbecues, the jubilee was a frank effort to focus wide attention on their economic plight. Every dinner speaker, every guide for the mine and smelter tours, every town official stressed the same theme: assistance for the lead and zinc mines must be prompt or the Coeur d' Alene will soon be flat on its back.

Only a handful of mines operated primarily for silver are prospering. They have a guaranteed Government market. The lead and zinc mines, much more important to the area, are sharply curtailed. Marginal mines like Spokane-Idaho, the Morning, the Frisco, the Tamarack, the Sunset and several others have closed. Others such as the big Bunker Hill in nearby Kellogg, the Star, the Pay, and the Dayrock are operating at from 66 percent to 25 percent of their 1957 levels.

#### SHUTDOWNS LOOM

What's worrying the Coeur d' Alene most is the recent announcement that the Bunker Hill mine and lead smelter and the Star mine will be closed for August and probably September, if no near-term relief is in evidence, in June.

This would throw some 1,500 more men out of work. An estimated 20 percent of Wallace's labor force is unemployed, not counting scores who have moved to other areas in search of mining jobs. Some mine officials here say average wages in the lead-zinc mines still operating are 40 percent below those of a year ago.

Henry L. Day, president of Day Mines, Inc., and owner of the Coeur d' Alene Hardware & Foundry here, says the latter enterprise, a large mining supply house, has been operating in the red for 5 months.

Harry Magnuson, a certified public accountant whose firm handles much of the accounting work in the district, says: "We're just holding on, just trading dollars. Everybody's marking time, making no major purchases, suspending all expansion and improvement. We're like a sick man waiting for an operation."

#### WORST TO COME

George Zeller, vice president of the First National Bank of Wallace, says the worst is yet to come. He pointed out that the bulk of the county's tax revenues were derived from assessments on the net profit of the mines for the preceding year. With 1958 mine profits down drastically, county funds available for schools, roads and other expenditures would be severely limited next year.

W. G. Wolfe, vice president of the Bunker Hill Co., reported that its lead and zinc stocks were the largest in the history of the corporation, which is the area's biggest. Compared with those a year ago, lead stocks

were up 550 percent, he said, and unsold zinc inventories had climbed 270 percent.

The mining men are beginning to concede that chances look very dim indeed for the higher lead and zinc tariffs they contend are necessary to protect their markets from cheaper foreign metals. It is evident from their comments that they feel their best hopes lie in a temporary Government subsidy program to tide them over, while foreign producers work out a voluntary program of limiting metals exports to this country.

"If we are realistic, we cannot escape the fact that the tariff route is effectively blocked as of now," said the principal speaker at the jubilee dinner, Senator WALLACE F. BENNETT, Republican of Utah. Mining bloc leaders in Congress have come to accept the subsidy idea "sadly and reluctantly" as the only way open at present, he said, because "it does avoid the international complications of the tariff, and we can make a beginning on it fairly quickly if we so deem."

John D. Bradley, president of the Bunker Hill Co., came here from Washington for the jubilee and expressed enthusiasm for the foreign sponsored export controls plan. He said that principal domestic producers had been invited by the Department of State to discuss the proposal, under which a study plan group, run by representatives of the governments involved, would regulate the flow of lead and zinc into the United States. This would be done "after taking into account a prescribed domestic production level." The study group would be advised by industry, but the regulatory control would flow from each government to its own producers.

#### INTERIM PROGRAM URGED

For such a scheme to be palatable to "the bruised and skeptical domestic producer," he said, and to provide relief until some control over excessive imports becomes evident, a special interim program should be put into effect. Mr. Bradley, who also is president of the Lead Industries Association and a vice president of the American Zinc Institute, said these temporary aids should include a shorter term subsidy program for lead and zinc, a Government purchase program to relieve the market of burdensome surpluses, and perhaps even an increased tariff which would be suspended when and if the global plan becomes effectively operative.

And he added that if Bunker Hill saw any real progress in sight for these measures, it may forestall or perhaps preclude the necessity for a shutdown of the Bunker Hill operations here this summer.

That looked like a big "if" to the miners at the jubilee, but it was a note of cheer for their cheerup party as they crowned a silver jubilee queen and presented her with her weight in silver dollars—2,074 of them.

#### WORK OF SENATOR SMATHERS IN SEEKING TO SOLVE CRITICAL TRANSPORTATION PROBLEMS

Mr. NEUBERGER. Mr. President, no region needs more urgently repeal of the 3-percent Federal transportation tax and the 10-percent travel tax than does the Pacific Northwest, whose industries face the longest haul to major markets.

In the Oregonian of Portland, for June 9, 1958, was published an excellent article analyzing the prospects for repeal of these unfair levies, under the byline of A. Robert Smith, correspondent of the Oregonian in the National Capital.

I am particularly pleased to ask unanimous consent to have the article printed

in full in the CONGRESSIONAL RECORD because it gives major credit to the distinguished junior Senator from Florida [Mr. SMATHERS] for leading the effort to hasten the elimination of taxes which discourage transportation generally and stifle the railroads in particular. I think nearly all members of the Senate have great respect for the thorough and painstaking way in which Senator SMATHERS has analyzed the problems of the railroad industry, and then brought forth legislation which seeks to bring relief and amelioration of these problems.

The article by A. Robert Smith in the Oregonian is entitled "Outside Chance Seen for Halting Federal Transportation Excises," and I fervently trust that this headline is prophetic.

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

#### OUTSIDE CHANCE SEEN FOR HALTING FEDERAL TRANSPORTATION EXCISES

(By A. Robert Smith)

WASHINGTON.—Despite the general resistance to a broad tax cut from Congressional leaders, there appears now to be an outside chance for elimination of the excise tax on transportation.

This would amount to a selective tax cut of 3 percent for shippers of cargo by truck, rail, or air, and a decrease of 10 percent in the total cost of passenger tickets on trains, planes, and buses.

Nearly half the Members of the Senate have teamed up in sponsoring an amendment which will be offered to the upcoming bill which extends excise taxes beyond June 30 for another year. All Northwest Senators favor the idea of killing the transportation tax, for they argue that it discriminates against the Pacific Northwest because the longer distances to the great eastern markets mean higher shipping costs and proportionately higher excise taxes.

Senator GEORGE SMATHERS, Democrat of Florida, chief advocate of dropping the tax, pointed out that a carload of apples shipped from Winchester, Va., to New York City costs \$267.83, whereas a carload from Yakima, Wash., costs \$852.18. The Virginia shipper pays a tax of \$8.04 on his carload, while the Yakima shipper pays \$25.57 tax on his carload.

"So the applegrower from Washington State not only has a natural, understandable disadvantage, but the Federal Government compounds the disadvantage for him," said Senator SMATHERS. "The disadvantage works in reverse when the eastern manufacturers try to ship to the West or the South. No wonder plants seek to relocate. This transportation tax helps to build an unnatural wall between regions, creating economic isolation."

The transportation tax was imposed at the outset of World War II "for the purpose of discouraging transportation of persons and of freight; it was to constitute a drag upon the civilian economy, and that is exactly what it is doing," Senator SMATHERS said.

Senator RICHARD L. NEUBERGER, Democrat of Oregon, discussing the issue with SMATHERS in the Senate, pointed out that in Oregon large sawmills own their own trucking fleets, so they avoid the tax on shipments, but smaller outfits that ship by common carriers must pay the tax. SMATHERS agreed that it discriminates against the little business.

SMATHERS said a series of semiethical and semilegal dodges and sharp practices have come into use to avoid payment of the Fed-

eral tax. Sometimes drivers of privately owned trucks, unbeknown to their employer, will take a backhaul of goods which if shipped by common carrier would be taxed. The Senators said such things are hard to police, and so the tax is encouraging wholesale law violations on an ever greater scale.

#### NET GAIN SMALL

The United States Treasury collected \$488 million in transportation taxes the past fiscal year, but SMATHERS argues that the net gain was only \$225 million because businesses can charge it off as deductions in computing income taxes.

A former economist of the Interstate Commerce Commission has predicted that if the tax were discontinued, the Treasury would make a clear gain of about \$24 million. He figures that repeal of the tax would enable common carriers to regain about 20 percent of the private carrier business, with a resulting increase in income tax payments.

The attitude of the Eisenhower administration will probably be the key to the outcome of this proposed repeal measure. There may be enough strength in the Senate to pass it, regardless of the administration's stand, because the Western and Southern States, with two votes each, will have considerable strength. But the heavily populated Eastern States could block it in the House if the administration urged against it.

#### DEATH OF NELS LANGSJOEN

Mr. THYE. Mr. President, I was saddened to learn of the passing of a great Minnesotan and great American, Nels Langsjoen.

Nels Langsjoen was chairman of the modern languages department of Gustavus Adolphus College located at St. Peter, Minn. He has been known throughout our part of the country for many years as an outstanding educator. From 1920 to 1932, Mr. Langsjoen was president of Northwestern College, at Fergus Falls, Minn.

Professor Langsjoen served for more than 20 years on the board of world missions of the Augustana Lutheran Church. Surviving him are his wife and eight children. His outstanding children remain living testimonies to the greatness of their parents. His sons, all surviving, are Dr. Arne, head of the Gustavus Adolphus chemistry department; Major Harold, heart specialist at Fitzsimmons General Army Hospital, Denver, Colo.; Dr. Odin, St. Cloud, Minn., dentist; Leif, Willmar, Minn., attorney; Dr. Verner, professor of German at St. Olaf College, Northfield, Minn., and Ralph—Tonk—who graduated Saturday from University of Minnesota School of Medicine.

One daughter, Mrs. Floyd Rodine, lives at Ellensburg, Wash. The other daughter, Mrs. Jerry Halverson, resides at River Falls, Wis.

#### PRIZE-WINNING SEATTLE SCHOOL-TEACHER, MISS BILLIE-MARIE GANNON

Mr. JACKSON. Mr. President, on behalf of myself and my colleague the senior Senator from Washington [Mr. MAGNUSON], I should like to invite the attention of my colleagues to the achievements of an outstanding teacher from Seattle, Wash.

I do so because her presence in the Capitol today signifies more than the ordinary visit of a constituent.

Miss Billie-Marie Gannon is the teacher, from Seattle's Catherine Blaine Junior High School. She is just 22 years old. Yet she has been chosen from among 25,000 contestants and 1,500 finalists to make a remarkable trip to Africa, Europe, and the Orient in recognition of her vigorous and original thinking and adventurous spirit, and for her ability to open a window on the world for her students.

The contest was sponsored by a commercial firm, Ralston Purina Co., and the ABC television network, in connection with the television program Bold Journey, which now is being used in America's classrooms as a teaching aid. The use of commercial television in our educational system is an event worthy of note in itself, and this no doubt is the reason that the National Education Association associated itself with the contest in a supervisory role.

This is a wonderful trip that Miss Gannon is about to undertake. Accompanied by John Goddard, a noted explorer, and his wife, Miss Gannon will climb Mount Kilimanjaro. There she will search for the legendary tomb of King Menelek, son of Solomon and the Queen of Sheba. She will visit Cairo, Athens, Rome, Paris, and Brussels on her three-continent trip.

So I say, this is a wonderful trip in itself. But the significance of the event does not end there.

Miss Gannon will be bringing the teachers of Africa greetings from the teachers of this country, and the National Education Association.

She also will be bringing from the NEA a gift of a CARE library of books.

The CARE book package will endure and bring understanding of America for many years. But I predict that Billie-Marie Gannon's own frankness, honesty, and personal qualities, which are so typically American, will do more to bring this country friendship and understanding than cold print.

She and the 31 other teachers who are traveling to various parts of the world as a result of this Bold Journey program, are the best emissaries I can imagine. They are extraordinary diplomats, because they know this Nation of ours from its children and their hearts.

So I offer congratulations and good luck to Miss Gannon, and congratulations to the private companies which have made the trip possible. I hope that more commercial companies will start to send American teachers abroad, everywhere and anywhere. For this is more than a reward for good teaching. It is what the people-to-people program should be, because it offers the rest of the world the opportunity to meet some of our best people—our teachers.

#### THIRTEEN DAYS UNTIL JULY 1

Mr. KEFAUVER. Mr. President, to resolve any possible confusion that might arise on this point, I wish to make it abundantly clear here and now that I am not opposed to profitmaking by the steel companies or any other companies. In-

deed, I wish that the steel companies had made greater profits than was actually the case last year. Those of us who are concerned about the price behavior of the steel industry and its possible consequences are not concerned with how much money the steel companies make; what does concern us is how they make their profits.

When on March 11 of last year I announced the undertaking of an inquiry into administered price industries, I described the cause of our concern in the following words:

In some of these administered price industries, increases in prices have been accompanied by decreases in production. This means that the industry is not only charging higher prices to the consumer but is providing fewer jobs for labor. \* \* \* This process is bringing about a replacement of the traditional American ideal, made famous by the late Henry Ford, of making profits through high volume and lower profit margins, as opposed to the European cartel pattern of restricted volume and high profit margins. \* \* \* Low-volume-high-price behavior can help cause a depression and, if it develops, it can make it much worse.

That was my concern then and it is my concern today. Since that time, everything that has happened in the steel and automobile industries, as well as in other administered price fields, has tended to support the worst of our fears.

It may come as somewhat of a surprise, but it is nonetheless a fact, that this pattern of reducing prices regardless of whether demand is falling or rising is somewhat new to the steel industry itself. An examination of the record shows that from 1923 up to 1929 the price of steel was steadily and consistently lowered. Whether this socially desirable performance resulted from a deliberate policy of an enlightened management or from the natural forces of competition, there can be little question but that the result contributed powerfully to the great era of prosperity which the country enjoyed during that period.

During the early and middle thirties there existed at least some degree of price competition among the steel companies. One active price cutter was the National Steel Corp., now headed by former Secretary of the Treasury George Humphrey. According to the standard work on the steel industry by Drs. Daugherty, de Chazeau, and Stratton, Economics in the Iron and Steel Industry, National "became an exponent of lower steel prices in a most effective way for it initiated price declines and refused to conform to price increases initiated by others at the most important basing points"—page 93.

How different does this old-fashioned, vigorously competitive type of behavior of a quarter of a century ago appear when contrasted to the smooth uniformity of today in which all the steel companies, National among them, follow United States Steel upward with monotonous regularity.

Mr. President, today what competition there is in the steel industry seems to be limited to such matters as service, immediacy of delivery, advertising, and so forth. Competition in price seems to have disappeared almost completely from steel—our most important basic in-

dustry. There seems to be little prospect whatever that true price competition can save the American economy from another price increase which, it is reported, will be put into effect on July 1.

It is because of this fundamental fact that I felt impelled to call upon President Eisenhower to use his vast powers in putting into effect a voluntary program of price and wage stabilization under which the leaders of both management and labor could be made forcefully aware of their responsibilities to the public interest. I am, of course, saddened by the President's refusal to act on my suggestions, which I might say are the result of a considerable period of very detailed and careful examination of the problem. There is still, however, time for the President to act, but time is running out. There remain only 13 days before July 1.

Mr. JOHNSON of Texas. Mr. President, is morning business concluded?

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

#### EXTENSION OF CORPORATE AND EXCISE TAX RATES

Mr. JOHNSON of Texas. Mr. President, I ask the Chair to lay before the Senate the unfinished business.

The PRESIDING OFFICER. Without objection, the Chair lays before the Senate the unfinished business.

The Senate resumed the consideration of the bill (H. R. 12695) to provide a 1-year extension of the existing corporate normal-tax rate and of existing excise-tax rates.

The PRESIDING OFFICER. The bill is open to amendment.

Mr. JOHNSON of Texas. Mr. President, I am informed that the Senator from Michigan [Mr. McNAMARA] is prepared to address the Senate. I should like the Chairman of the committee to be present. Therefore, I suggest the absence of a quorum, and I ask the attachés of the Senate to notify absent Senators that the Senate is proceeding to the consideration of the tax extension bill.

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. BYRD. Mr. President, H. R. 12695 provides for a 1-year extension of the present corporate normal income-tax rate and certain excise-tax rates which are scheduled to be reduced on July 1, 1958.

If these reductions were permitted to go into effect, the corporate rate would be reduced from 52 percent to 47 percent through a reduction of the normal corporate rate from 30 percent to 25 percent. The excise taxes affected by the reduction are those on distilled spirits, beer, wines, cigarettes, passenger automobiles, and automobile parts and accessories.

The bill does not affect the taxes on gasoline, trucks and buses and special fuels which in the Highway Revenue Act of 1956 were continued until 1972. The bill does not affect most of our excise taxes, including the taxes on transportation of persons and property, admissions, club dues and fees, telephone and telegraph, radios and televisions, refrigerator and household appliances, business and store machines, and the retail taxes

on jewelry, furs, toilet preparations, and luggage. These taxes are a permanent part of the law and have no expiration date.

I ask unanimous consent to insert in the RECORD at this point a table showing the excise rates which would be reduced on July 1, 1958, if this bill does not go into effect.

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

	Unit of tax	Rate extended to July 1, 1959	Rate to become effective July 1, 1959
<b>Liquor taxes:</b>			
Distilled spirits.....	Per proof gallon.....	\$10.50.....	\$9.....
Beer.....	Per barrel.....	\$9.....	\$8.....
Wine:			
Still wine:			
Containing less than 14 percent alcohol.....	Per wine gallon.....	17 cents.....	15 cents.....
Containing 14 to 21 percent alcohol.....	do.....	67 cents.....	60 cents.....
Containing 21 to 24 percent alcohol.....	do.....	\$2.25.....	\$2.....
Containing more than 24 percent alcohol.....	do.....	\$10.50.....	\$9.....
Sparkling wines, liqueurs, cordials, etc.:			
Champagne or sparkling wines.....	do.....	\$3.40.....	\$3.....
Liqueurs, cordials, etc. ....	do.....	\$1.92.....	\$1.60.....
Artificially carbonated wines.....	do.....	\$2.40.....	\$2.....
<b>Tobacco taxes: Cigarettes.....</b>	Per 1,000.....	\$4.....	\$3.50.....
<b>Manufacturers' excises:</b>			
Passenger cars.....	Manufacturers' sale price.....	10 percent.....	7 percent.....
Auto parts and accessories.....	do.....	8 percent.....	5 percent.....

Mr. BYRD. It is estimated that if this bill is not enacted the receipts will be decreased by approximately \$2.6 billion.

For the fiscal year ending June 30, 1958, our staff estimates a deficit of approximately \$4 billion and for the fiscal year 1959 a deficit of \$11 billion. These deficits should not be further increased by reductions in corporate and excise tax rates. To do so would of necessity increase the public debt and add to the heavy interest costs which the Government is now forced to pay. The Secretary of the Treasury in his statement before our committee stated:

Holding the conviction as we do that there is lack of justification for reducing the rate of individual income taxes at this time, it follows that to reduce corporate rates now is not justified.

The suggestion has been made by some that it might be appropriate to select certain excise-tax rates for reduction without similar reduction in others.

Should any excise taxes be recommended for reduction, contentions would undoubtedly be made that others were entitled to like treatment. We believe in fairness and in the best interest of the country, current excise rates should be extended without change for another year.

The Director of the Budget pointed out to our committee that the expenditures for the fiscal year 1959 will be from \$4 to \$6 billion greater than the expenditure estimates in the January budget, which were then estimated at \$73.9 billion. The receipts in the January budget for fiscal 1959 which were estimated \$74.4 billion are estimated by the staff to drop to \$66.9 billion. These figures indicate that this is not the time to add further to our deficit by reductions in tax rates. To do so would mean a higher deficit, a higher national debt, and higher interest costs.

Our committee is strongly of the opinion that H. R. 12695 should be approved without amendment. Since under the Constitution we cannot increase

excise taxes retroactively, it is important that this bill be enacted promptly.

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

Mr. BYRD. I yield.

Mr. POTTER. Did the Senator's committee give any consideration to the removal of certain excise taxes, such as the excise tax on automobiles, which were imposed during the war, in a period of emergency, to repress sales? Did the committee consider the revenue the Government might receive from an industry which is depressed if that industry were stimulated? Would not the increase in revenue more than make up for the removal of the excise tax?

Mr. BYRD. Consideration was given to a great many excise taxes which are burdensome, including the one on automobiles the Senator mentions. However, it was the opinion of the Secretary of the Treasury, the Budget Director, and the committee that the present tax system should be continued, in view of the enormous deficit which is now facing us, and the necessity of spending more and more money. We are now told by the Director of the Budget that we are approaching an annual expenditure level of \$80 billion.

Mr. POTTER. Is it not true that certain excise taxes were levied in the first place as a means of depressing sales rather than for revenue purposes? Is it not true that during a period of recession we would gain more from putting the automobile industry back on its feet than we would from the small amount the Government receives from the excise tax? After all, if automobiles are not being sold, the Government is not collecting the 10-percent excise tax.

Mr. BYRD. The committee did not go into that feature; but, of course, there is no assurance whatsoever that the 10-percent tax on automobiles in this particular bill would remove the present difficulties of the automobile industry.

Mr. POTTER. I appreciate the consideration which the Finance Committee has shown me in publishing my statement in the report.

My colleague [Mr. McNAMARA] and I each have an amendment. Whichever one is offered, I sincerely hope that the chairman of the committee will give it his best consideration.

The automobile industry is in a depressed condition, and if we can get that industry back on its feet I am sure there will be an effect on our entire economy.

From the Senator's statement I assume that he will resist all types of amendments to the bill. Is that correct?

Mr. BYRD. The Senator is correct. The Secretary of the Treasury very strongly advised the committee to resist any reductions. The House, as the Senator from Michigan knows, by a large vote declined to adopt any amendments to the bill. The Ways and Means Committee, by a very large majority, reported the bill, extending the taxes which expire on June 30. That is all the pending bill does; it continues the taxes which otherwise will expire on June 30.

Mr. POTTER. It is my understanding that there will be, perhaps, 1 or 2 additional tax bills to be reported by the Finance Committee during this session of Congress. Is that correct?

Mr. BYRD. We are dealing with tax legislation almost constantly.

Mr. POTTER. Does the Senator have any plan to review some tax reduction proposals, particularly proposals for the reduction of excise taxes?

Mr. BYRD. The Senator from Michigan, who has been a Member of the House, knows that major tax legislation must originate in the House.

Mr. POTTER. The Senator must realize that in the House there is a procedure under which tax measures are always considered under a so-called gag rule.

Mr. BYRD. Yes.

Mr. POTTER. The Members of the House, under such a rule, do not have an opportunity to amend such a measure; they must either accept the measure or defeat it. In other words, they do not have much choice in the matter.

Mr. BYRD. The Ways and Means Committee could report a reduction proposal, if it chose to do so.

Mr. POTTER. I assume that the Finance Committee also considered the 3-percent excise tax on transportation before it reported the pending bill. Was it the intention of the Finance Committee to stand firm against an amendment to repeal the 3-percent transportation tax?

Mr. BYRD. I tried to make it clear during the course of my remarks that the committee, following the strong recommendation of the Secretary of the Treasury, reported the bill without amendments, and it did not feel that amendments to the bill should be adopted.

Mr. POTTER. Is it possible that another bill may be reported by the Committee on Finance which will deal with the 3 percent transportation tax?

Mr. BYRD. I cannot assure the Senator of that. I cannot assure him that the committee will act on such an amendment. The whole question, as the Senator knows, is involved in the fiscal condition of the Government. We are facing a deficit of \$11 billion next year. We are facing a deficit this year of \$4 billion. The Senator knows that as late as January it was estimated that we would have a balanced budget this fiscal year. In the space of 3 or 4 months, the fiscal situation has deteriorated to such a point that we will have a certain deficit of \$4 billion this year, and an estimated deficit of \$11 billion, and perhaps higher, in the next fiscal year.

Mr. POTTER. I recall, after World War II, when Canada reduced its taxes, I believe 3 times in succession, before we put any tax reductions into effect, after each Canadian tax reduction the Canadian national revenue increased. I have always believed that there are certain taxes, the repeal of which, even though it might lose some revenue to the National Treasury, would act as an incentive in bringing greater revenue into the Treasury.

I have that feeling about some excise taxes. I dislike to see continued indefinitely a tax which was levied primarily during an emergency and which, during the war, was considered to be emergency tax. The Senator well knows that once a tax is levied, it is difficult to repeal it.

I fully appreciate the Government's fiscal position, and realize that we are faced with a deficit. I know the concern of the Senator from Virginia with respect to deficit financing. I share his concern. My only difference with the administration and with the Committee on Finance is that certain of these taxes, such as the excise tax on automobiles, depress the industry. Their repeal would help the industry get back on its feet, and would bring in much more money than is brought in now by the excise tax. I hope that the committee will look with favor upon the repeal of certain of the excise taxes.

Mr. BYRD. I am sure the Senator recognizes the fact that the Secretary of the Treasury has a very able staff, and no doubt members of the staff made investigations along the line to which the Senator refers. I am sure that if they thought reducing the tax would actually increase tax revenue, they would have made such a recommendation to the committee.

Mr. POTTER. I understand they are fearful that if the gate should be opened by accepting one amendment, the Senate would go much farther than the administration or the Finance Committee would agree to go or care to go. I cite what happened 2 years ago when we removed the excise tax on theater admissions. I believe we took that action about 2 years ago. We did it in a so-called one-shot deal. It seemed to me that we could isolate amendments which deal with 2 areas in the excise tax field, namely, the excise tax on automobiles, and the 3 percent excise tax on transportation. I believe that could be one, and those areas isolated from the remainder of the bill. I hope we will be able to do that on

the floor of the Senate. I thank the Senator for his comments.

Mr. McNAMARA. Mr. President, I call up my amendments 6-17-58-A. I ask unanimous consent that the text not be read but that it be printed in the RECORD at this point.

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

The amendments offered by Mr. McNAMARA and ordered to be printed in the RECORD, are as follows:

At the end of the bill it is proposed to insert the following:

#### SEC. 4. Tax on motor vehicles

(a) Reduction of tax on trucks and buses: Section 4061 (a) (1) of the Internal Revenue Code of 1954 (relating to tax on trucks and buses) is amended by striking out "July 1, 1972" and inserting in lieu thereof "March 1, 1958."

(b) Repeal of tax on passenger automobiles: Effective with respect to articles sold on or after March 1, 1958, section 4061 (a) (2) of the Internal Revenue Code of 1954 relating to tax on passenger automobiles is repealed.

(c) Repeal of tax on parts and accessories: Effective with respect to articles sold on or after July 1, 1958, section 4061 (b) of the Internal Revenue Code of 1954 (relating to tax on parts and accessories) is repealed.

#### (d) Floor stocks refunds:

(1) Articles held by dealers on or after March 1, 1958, and on or before date of enactment: Section 6412 (a) (1) of the Internal Revenue Code of 1954 (relating to floor stocks refunds on automobiles) is amended to read as follows:

"(1) Passenger automobiles, trucks, and buses, etc.: Where before the date of the enactment of the Tax Rate Extension Act of 1958, any article subject to the tax imposed by section 4061 (a) has been sold by the manufacturer, producer, or importer and—

"(A) is held by a dealer on the date of the enactment of such act, or has been held by a dealer on or after March 1, 1958, and has been sold by him to an ultimate purchaser before the date of the enactment of such act,

"(B) has not been used before the date of the enactment of such act, or, if such article has been sold to an ultimate purchaser before such date, was not used before such date, and

"(C) is intended for sale on the date of the enactment of such act, or has been sold to an ultimate purchaser before such date, there shall be credited or refunded (without interest) to the manufacturer, producer, or importer an amount equal to the difference between the tax paid by such manufacturer, producer, or importer on his sale of the article and the amount of the tax made applicable to such article on and after March 1, 1958, if claim for such credit or refund is filed with the Secretary or his delegate on or before November 10, 1958, based upon a request submitted to the manufacturer, producer, or importer before October 1, 1958, by the dealer who held the article in respect of which the credit or refund is claimed, and, on or before November 10, 1958, reimbursement has been made to such dealer by such manufacturer, producer, or importer for the amount of the tax reduction on such article or written consent has been obtained from such dealer to the allowance of such credit or refund. This paragraph shall apply in respect of an article sold by the dealer on or after March 1, 1958, and before the date of the enactment of the Tax Rate Extension Act of 1958, only if on or before November 10, 1958, reimbursement has been made to the ultimate purchaser of the article by such dealer for the amount of the tax reduction on such article or written consent has been obtained from such ultimate purchaser to the allowance of the credit or refund. No credit or refund of any over-

payment of the tax imposed by section 4061 (a) with respect to any article sold by the manufacturer, producer, or importer on or after March 1, 1958, and before the date of enactment of the Tax Rate Extension Act of 1958, resulting from the enactment of such act, shall be made or allowed except pursuant to the provisions of this paragraph."

(2) Technical amendment: Section 6412 (a) (2) of such code (relating to certain floor stock refunds in 1972) is amended—

(A) by striking out "Trucks and Buses, Tires," in the heading and inserting in lieu thereof "Tires"; and

(B) by striking out "section 4061 (a) (1), 4071 (a) (1) or (4)," and inserting in lieu thereof "section 4071 (a) (1) or (4)."

#### (e) Amendments to highway trust fund:

(1) Subparagraph (C) of section 209 (c) (1) of the Highway Revenue Act of 1956 (relating to transfer to highway trust fund of amounts equivalent to certain taxes) is amended to read as follows:

"(C) in the case of the tax received under section 4061 (a) (1) (tax on trucks, buses, etc.)—

"(i) 50 percent of the tax which is received after June 30, 1957, and before March 1, 1959, and which is attributable to liability for tax incurred before March 1, 1958, and

"(ii) except as provided in clause (i), 100 percent of the tax which is received after February 28, 1958."

(2) Subparagraph (B) of section 209 (c) (2) of such act is amended by striking out "20 percent" and inserting in lieu thereof "40 percent."

(3) Subparagraph (A) of section 209 (f) (4) of such act is repealed.

On page 2, strike out line 15.

On page 2, lines 16, 18, 20, 22, 23, and 24, strike out "(2)," "(3)," "(4)," "(5)," "(6)," and "(7)," and in lieu thereof insert "(1)," "(2)," "(3)," "(4)," "(5)," and "(6)," respectively.

On page 3, beginning with line 20, strike out all through line 3 on page 4.

Amend the title so as to read: "An act to provide a 1-year extension of the existing corporate normal-tax rate and of certain excise-tax rates, to repeal the taxes on passenger automobiles and automobile parts and accessories, and to reduce the tax on trucks and buses."

Mr. McNAMARA. Mr. President, my amendments seek to repeal the excise tax on automobiles and to reduce the excise tax on trucks by one-half. The tax on auto parts and accessories also would be repealed.

The automotive excise tax, I believe, is one of the most discriminatory of all such taxes. It adds 10 percent to the manufacturer's price of a car, and it should be wiped off the books.

It began as a World War II emergency tax of 7 percent, and it was increased to 10 percent during the Korean conflict.

If only to keep faith with its promises that this and other taxes were only temporary, the Government should remove them. But there are extremely important reasons for acting now.

As my colleagues well know, the auto industry has a tremendously important influence on the American economy.

High auto sales not only are a reflection of a general state of economic well-being, but they also mean a considerable degree of prosperity to many other industries which supply the auto manufacturers.

It is well known, of course, that the current recession has struck hard at the auto industry.

One may well argue that the manufacturer-imposed prices are unfairly high

and should be reduced to stimulate sales.

I agree that prices should be voluntarily reduced by the automakers, but I also think that the discriminatory emergency 10-percent auto excise taxes on passenger cars must be eliminated.

Repealing the excise taxes on autos, I am confident, will have an extremely beneficial effect on auto sales, which, in turn, will benefit the overall economy.

I emphasize that I do not seek to stimulate automotive sales because I am worried about the profit margins of the auto companies. My concern, instead, is with the hundreds of thousands of auto-workers in my State and in other States, whose livelihood depends upon whether or not people buy the cars they make.

My concern is with the steelworkers, the rubber workers, the employees of the parts suppliers, and all the others who will go back to work full time if auto production and sales pick up substantially.

I need not remind the Senate that all these workers want to buy cars, too.

In short, Mr. President, I am interested in making jobs and in licked the recession. Repealing the auto excise taxes is one way of accomplishing that purpose.

The elimination of the excise tax on cars will make jobs. This is clear from what we know about the way people buy, and our own judgment has the backing of experts who have appeared before Congressional committees in recent weeks.

Before I refer to their testimony, let me recall the statements in this connection made by the distinguished Senator from Illinois [Mr. DOUGLAS].

The Senator from Illinois has emphasized on frequent occasions that a cut in the tax on cars will increase the sale of cars—and by a greater percentage than the percentage of the tax cut.

If we eliminate the 10-percent excise tax, and if auto sales increase, for example, by 12 percent, then I think the Congress will be getting a real bargain, especially since so many other industries depend on the automotive industry for their prosperity.

Support for a reduction in the automotive excise tax has come from persons whose job it is to study this very question—the relationship between taxes and consumer demand.

One of the leading experts in the country on this question is Dr. George Katona, director of the economic behavior program for the University of Michigan Survey Research Center. This is the center to which the Federal Reserve System turns for information and advice on consumer buying plans.

On April 30, 1958, Dr. Katona told Senator KEFAUVER'S Subcommittee on Antitrust and Monopoly that Government action to stimulate consumer demand for cars was a must. He pointed specifically to tax cuts as one important way that the Government could do the job that must be done.

At the same time, another expert witness was testifying on this question before the Joint Economic Committee.

Dr. Richard Musgrave, also of the University of Michigan, and a witness to whom Congress has often turned for

expert testimony, argued for fast Congressional action on tax cuts.

He urged specifically that excise taxes be cut; and in choosing which ones to cut he reminded Congress that the recession at that time was centered in the durable goods industries, especially the auto industry.

I personally was somewhat reticent about proposing that excise taxes be eliminated, for two reasons.

One reason was that undue optimism on the subject would have a further unhappy effect on auto sales, since prospective buyers might wait in hope that prices would be further reduced.

This appears to be the last chance the Congress will have at this session to act on the very important matter of taxes. That is why I have offered my amendments.

Furthermore, in an effort to keep faith with those who have purchased cars in recent months, I am suggesting that the tax repeal on passenger cars and the reduction for trucks be made retroactive to last March 1.

My amendments would require that the refund on taxes paid from March 1 to the enactment of the bill must be passed on the ultimate purchaser of the car, or the dealer, if the car is still in stock.

The tax on parts and accessories would be repealed effective July 1.

The reason why I have not proposed complete elimination of the 10 percent tax on trucks is to be found in the Highway Revenue Act of 1956. That act provides that half the 10 percent truck tax is to go to the highway trust fund.

I do not believe we should act to deprecate this important fund. Therefore, I propose that the truck tax be reduced to 5 percent, and that all of the 5 percent go to the highway trust fund.

The second reason why I was hesitant about proposing elimination of these excise taxes was that we had no assurances that the manufacturers would pass them on to the dealers and that the dealers would pass them on to the customers.

Upon this question, of course, hinges the entire matter of the elimination of automotive excise taxes. Without satisfactory answers, I would be against repeal, on the grounds that the customers might very well end up paying the same prices after repeal as they paid before.

Fortunately, however, the auto manufacturers have publicly assured us that they will pass the reduction on to their dealers.

The organizations representing the dealers, in turn, have told us that they will pass the savings on to the customer.

Mr. President, I believe there is no doubt that elimination of the automotive excise taxes will benefit car sales and thus benefit the overall economy.

The question now is whether Congress will have the courage to take this forthright action and thus deliver a telling blow to the recession.

In closing, I reiterate my longstanding conviction that the Congress should act to reduce these excise taxes, and also income taxes.

Since February 6, when I presented to the Senate my 11 proposals to restore

prosperity, I have seen nothing to change my conviction that a general tax cut is a vital part of any antirecession package.

I intend to vote for the overall tax reduction amendments which the distinguished Senator from Illinois [Mr. DOUGLAS] will propose. But, because the automotive excise taxes are of particular importance to my State, as well as to the overall economy, I ask the Senate to adopt my amendments on their merits.

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

Mr. McNAMARA. I yield.

Mr. DOUGLAS. I congratulate the Senator from Michigan for having put his finger on one of the very acute sources of difficulty in the present recession and for offering his tax-cut amendments, which are addressed primarily and indeed, exclusively, to automobiles.

Mr. McNAMARA. And to trucks.

Mr. DOUGLAS. As the Senator has said, I intend to call up a general tax-cut amendment, which will propose a reduction of some \$6 billion. I wonder if it would meet with the satisfaction of the Senator from Michigan if I proposed that his amendments temporarily be laid aside so that I might offer my overall amendment and have a vote upon it, with the understanding that upon the conclusion of the action on my amendment, the amendment offered by the Senator from Michigan would be the pending question.

Mr. McNAMARA. Yes. I intend to vote for the overall tax-cut program to be offered by the Senator from Illinois. I shall be glad to cooperate, as the Senator has suggested. However, I wish first to yield to my colleague from Michigan.

Mr. POTTER. First, I am in accord with the proposal of my colleague. I agree with him that either a cut in taxes must be made now, or no cut will be made this year. We will be in the position of having to wait for another bill. But we have been waiting for such a bill for a long time. The bill now before the Senate extends excise taxes. Now we must either fish or cut bait.

I think my colleague will agree with me that the excise taxes were imposed primarily as a deterrent to sales.

Mr. McNAMARA. That is correct; as a war measure.

Mr. POTTER. If they were imposed for that reason, certainly the Senator's amendments to remove them would have just the opposite effect, namely, to increase sales.

The Senator has correctly put his finger on the fact that the recession today is automobile led. If the automobile industry can be put back on its feet, there will be a direct beneficial effect upon the entire economy. I know of no better way to bring that about than by the removal of the excise tax.

Again, I say that I join with my colleague in urging the adoption of his amendments. I hope we may have much support for them on both sides of the aisle.

Mr. McNAMARA. I thank the senior Senator from Michigan.

Mr. President, I ask unanimous consent, in accordance with the suggestion of the Senator from Illinois, that my amendments be temporarily laid aside, so that the Senator from Illinois may offer his amendments.

Mr. DOUGLAS. But with the understanding that the amendments offered by the Senator from Michigan will become the pending question upon the disposition of my amendments.

The PRESIDING OFFICER. The Senator from Michigan (Mr. McNAMARA) asks unanimous consent that his amendments be temporarily laid aside, and that the amendments to be offered by the Senator from Illinois be now considered, and that at the termination of the action on the amendment of the Senator from Illinois, the amendments offered by the junior Senator from Michigan will again become the pending question.

Mr. CAPEHART. Mr. President, which amendment of the able Senator from Illinois is proposed to be made the pending question?

Mr. DOUGLAS. Mr. President, I call up my amendment designated "6-10-58-C."

Mr. CAPEHART. In other words, the unanimous consent request of the Senator from Michigan is that his amendments be temporarily laid aside and that the Senate consider the amendments offered by the Senator from Illinois designated "6-10-58-C," after which the Senate will resume the consideration of the amendments offered by the junior Senator from Michigan.

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

Mr. COTTON. Mr. President, reserving the right to object, let me say it was my understanding that my amendment would be brought up after consideration of the amendments of the Senator from Michigan. I dislike to object to the request; but—

Mr. McNAMARA. Mr. President, I knew nothing of any such arrangement.

Mr. COTTON. It has no official standing; there was a list on the desk of the Vice President.

Mr. McNAMARA. I am sure I was not a party to it, or I would not have proceeded in this manner.

Mr. COTTON. I understand.

Mr. President, let me inquire whether consideration of the amendments of the Senator from Illinois will require several hours of debate. I wonder when we may expect the vote on his amendments to be taken. Let me ask whether he expects to request that a yea-and-nay vote be taken on the question of agreeing to his amendments.

Mr. DOUGLAS. Am I to understand that the Senator from New Hampshire does not wish to have a yea-and-nay vote taken?

Mr. COTTON. I shall not take long to submit my amendment.

Let me say that my amendment is a very important one. However, in view of the fact that there is no opposition to the amendment, except from the Bureau of the Budget, the Treasury, the Senate Finance Committee, and the

leadership on the Democratic and Republican sides. [Laughter.]

Mr. DOUGLAS. In view of that opposition, I am sure the amendment will be adopted very speedily. [Laughter.]

Mr. COTTON. Undoubtedly.

I hoped that I could submit the amendment and could have a vote taken on it before the amendment of the Senator from Illinois was considered, because it was the understanding that the proceedings on his amendment would be somewhat long.

Mr. DOUGLAS. Let me say that I had not known of the Senator's wish in the matter, and I had made the other arrangement with the Senator from Michigan [Mr. McNAMARA], although I know that the question as to what Senator shall first be recognized is a delicate one.

But in my desire to be friendly to the Senator from New Hampshire, I am glad to wait—in the hope that thereby others of his colleagues will be restrained, so that our patience will not be taxed unduly.

Mr. COTTON. Mr. President, I am afraid that that might open the gate.

Mr. DOUGLAS. Mr. President, I ask unanimous consent—if it is within my parliamentary rights to do so—that I may yield to the Senator from New Hampshire [Mr. COTTON] for not to exceed 7½ minutes.

The PRESIDING OFFICER. Is there objection?

Mr. CARLSON. Mr. President, reserving the right to object—although I shall not object—let me say that I believe we would be establishing a poor precedent if one Member were to yield to another Member in this way.

Let me hasten to state that I have no amendment to offer; but I am concerned with the establishment of proper procedure.

Mr. DOUGLAS. Is the Senator from Kansas objecting to my request that I may yield to the Senator from New Hampshire, in order that he may submit his amendment?

Mr. CARLSON. Mr. President, I do not object to having the Senators submit their amendments; but I regret to see the Senate establish such a procedure.

Mr. COTTON. Mr. President, I think the point made by the Senator from Kansas is well taken.

I am most sincere in urging the adoption of my amendment.

So I shall not object to the request which was made a moment ago, because

"If the taxable income is:

Not over \$1,000	-----
Over \$1,000 but not over \$2,000	-----
Over \$2,000 but not over \$4,000	-----
Over \$4,000 but not over \$6,000	-----
Over \$6,000 but not over \$8,000	-----
Over \$8,000 but not over \$10,000	-----
Over \$10,000 but not over \$12,000	-----
Over \$12,000 but not over \$14,000	-----
Over \$14,000 but not over \$16,000	-----
Over \$16,000 but not over \$18,000	-----
Over \$18,000 but not over \$20,000	-----
Over \$20,000 but not over \$22,000	-----
Over \$22,000 but not over \$26,000	-----
Over \$26,000 but not over \$32,000	-----
Over \$32,000 but not over \$38,000	-----
Over \$38,000 but not over \$44,000	-----
Over \$44,000 but not over \$50,000	-----

if I were required to limit my remarks in favor of my amendment to 7½ minutes, it would not provide the time which my amendment merits.

Mr. DOUGLAS. Mr. President, I am glad to yield to the Senator from New Hampshire for whatever length of time he may wish to have me yield.

Mr. COTTON. That is most generous of the Senator from Illinois.

However, I shall wait until I obtain the floor in my own right, at which point I shall take sufficient time to submit my amendment, because I regard it as a very important one.

The PRESIDING OFFICER. The Senator from Michigan has submitted a unanimous-consent request. Is there objection? Without objection, it is so ordered; and the amendments of the Senator from Illinois will be stated.

The LEGISLATIVE CLERK. It is proposed to insert amendments identified as "6-10-58-C"—

Mr. DOUGLAS. Mr. President, I ask unanimous consent that the reading of my amendment be dispensed with, and that the text of the amendment be printed at this point in the body of the RECORD.

The PRESIDING OFFICER. Is there objection?

There being no objection, the amendment submitted by Mr. DOUGLAS was ordered to be printed in the RECORD, as follows:

Strike out all after the enacting clause and insert the following:

"SECTION 1. Short title, etc.

"(a) Short title: This act may be cited as the 'Tax Reduction Act of 1958.'

"(b) Amendment of 1954 code: Except as otherwise expressly provided, wherever in this act an amendment or repeal is expressed in terms of an amendment to or a repeal of a section or other provision, the reference shall be considered to be made to a provision of the Internal Revenue Code of 1954.

"TITLE I—REDUCTION OF INCOME TAX ON INDIVIDUALS FOR TAXABLE YEARS 1958 AND 1959

"SEC. 101. Reduction of rate applicable to first \$1,000 of taxable income for taxable years 1958 and 1959.

"(a) Rates of tax on individuals other than heads of households: So much of section 1 (a) (relating to rates of tax on individuals) as precedes the table therein is amended to read as follows:

"(a) Rates of tax on individuals:

"(1) Taxable years 1958 and 1959: A tax is hereby imposed for each taxable year beginning in 1958 and 1959 on the taxable income of every individual other than a head of a household to whom subsection (b) applies. The amount of the tax shall be determined in accordance with the following table:

The tax is:

17½ percent of the taxable income.
\$175, plus 20 percent of excess over \$1,000.
\$375, plus 22 percent of excess over \$2,000.
\$815, plus 26 percent of excess over \$4,000.
\$1,335, plus 30 percent of excess over \$6,000.
\$1,935, plus 34 percent of excess over \$8,000.
\$2,615, plus 38 percent of excess over \$10,000.
\$3,375, plus 43 percent of excess over \$12,000.
\$4,235, plus 47 percent of excess over \$14,000.
\$5,175, plus 50 percent of excess over \$16,000.
\$6,175, plus 53 percent of excess over \$18,000.
\$7,235, plus 56 percent of excess over \$20,000.
\$8,355, plus 59 percent of excess over \$22,000.
\$10,715, plus 62 percent of excess over \$26,000.
\$14,435, plus 65 percent of excess over \$32,000.
\$18,335, plus 69 percent of excess over \$38,000.
\$22,475, plus 72 percent of excess over \$4,000.

“If the taxable income is:	The tax is:
Over \$50,000 but not over \$60,000	\$26,795, plus 75 percent of excess over \$50,000.
Over \$60,000 but not over \$70,000	\$34,295, plus 78 percent of excess over \$60,000.
Over \$70,000 but not over \$80,000	\$42,095, plus 81 percent of excess over \$70,000.
Over \$80,000 but not over \$90,000	\$50,195, plus 84 percent of excess over \$80,000.
Over \$90,000 but not over \$100,000	\$58,595, plus 87 percent of excess over \$90,000.
Over \$100,000 but not over \$150,000	\$67,295, plus 89 percent of excess over \$100,000.
Over \$150,000 but not over \$200,000	\$111,795, plus 90 percent of excess over \$150,000.
Over \$200,000	\$156,795, plus 91 percent of excess over \$200,000.

“(2) Other taxable years: A tax is hereby imposed for each taxable year, other than a taxable year beginning in 1958 or 1959, on the taxable income of every individual other than a head of a household to whom subsection (b) applies. The amount of the tax shall be determined in accordance with the following table.”

“(b) Rates of tax on heads of households: So much of section 1 (b) (1) (relating to

“If the taxable income is:	The tax is:
Over \$1,000	\$17 $\frac{1}{2}$ percent of the taxable income.
Over \$1,000 but not over \$2,000	\$175, plus 18 $\frac{1}{2}$ percent of excess over \$1,000.
Over \$2,000 but not over \$4,000	\$362.50, plus 21 percent of excess over \$2,000.
Over \$4,000 but not over \$6,000	\$782.50, plus 24 percent of excess over \$4,000.
Over \$6,000 but not over \$8,000	\$1,262.50, plus 26 percent of excess over \$6,000.
Over \$8,000 but not over \$10,000	\$1,782.50, plus 30 percent of excess over \$8,000.
Over \$10,000 but not over \$12,000	\$2,382.50, plus 32 percent of excess over \$10,000.
Over \$12,000 but not over \$14,000	\$3,022.50, plus 36 percent of excess over \$12,000.
Over \$14,000 but not over \$16,000	\$3,742.50, plus 39 percent of excess over \$14,000.
Over \$16,000 but not over \$18,000	\$4,522.50, plus 42 percent of excess over \$16,000.
Over \$18,000 but not over \$20,000	\$5,362.50, plus 43 percent of excess over \$18,000.
Over \$20,000 but not over \$22,000	\$6,222.50, plus 47 percent of excess over \$20,000.
Over \$22,000 but not over \$24,000	\$7,162.50, plus 49 percent of excess over \$22,000.
Over \$24,000 but not over \$28,000	\$8,142.50, plus 52 percent of excess over \$24,000.
Over \$28,000 but not over \$32,000	\$10,222.50, plus 54 percent of excess over \$28,000.
Over \$32,000 but not over \$38,000	\$12,382.50, plus 58 percent of excess over \$32,000.
Over \$38,000 but not over \$44,000	\$15,862.50, plus 62 percent of excess over \$38,000.
Over \$44,000 but not over \$50,000	\$19,582.50, plus 66 percent of excess over \$44,000.
Over \$50,000 but not over \$60,000	\$23,542.50, plus 68 percent of excess over \$50,000.
Over \$60,000 but not over \$70,000	\$30,342.50, plus 71 percent of excess over \$60,000.
Over \$70,000 but not over \$80,000	\$37,442.50, plus 74 percent of excess over \$70,000.
Over \$80,000 but not over \$90,000	\$44,842.50, plus 76 percent of excess over \$80,000.
Over \$90,000 but not over \$100,000	\$52,442.50, plus 80 percent of excess over \$90,000.
Over \$100,000 but not over \$150,000	\$60,442.50, plus 83 percent of excess over \$100,000.
Over \$150,000 but not over \$200,000	\$101,942.50, plus 87 percent of excess over \$150,000.
Over \$200,000 but not over \$300,000	\$145,442.50, plus 90 percent of excess over \$200,000.
Over \$300,000	\$235,442.50, plus 91 percent of excess over \$300,000.

rates of tax on heads of households) as precedes the table therein is amended to read as follows:

“(1) Rates of tax:

“(A) Taxable years 1958 and 1959: A tax is hereby imposed for each taxable year beginning in 1958 and 1959 on the taxable income of every individual who is the head of a household. The amount of the tax shall be determined in accordance with the following table:

“If the taxable income is:	The tax is:
Not over \$1,000	17 $\frac{1}{2}$ percent of the taxable income.
Over \$1,000 but not over \$2,000	\$175, plus 18 $\frac{1}{2}$ percent of excess over \$1,000.
Over \$2,000 but not over \$4,000	\$362.50, plus 21 percent of excess over \$2,000.
Over \$4,000 but not over \$6,000	\$782.50, plus 24 percent of excess over \$4,000.
Over \$6,000 but not over \$8,000	\$1,262.50, plus 26 percent of excess over \$6,000.
Over \$8,000 but not over \$10,000	\$1,782.50, plus 30 percent of excess over \$8,000.
Over \$10,000 but not over \$12,000	\$2,382.50, plus 32 percent of excess over \$10,000.
Over \$12,000 but not over \$14,000	\$3,022.50, plus 36 percent of excess over \$12,000.
Over \$14,000 but not over \$16,000	\$3,742.50, plus 39 percent of excess over \$14,000.
Over \$16,000 but not over \$18,000	\$4,522.50, plus 42 percent of excess over \$16,000.
Over \$18,000 but not over \$20,000	\$5,362.50, plus 43 percent of excess over \$18,000.
Over \$20,000 but not over \$22,000	\$6,222.50, plus 47 percent of excess over \$20,000.
Over \$22,000 but not over \$24,000	\$7,162.50, plus 49 percent of excess over \$22,000.
Over \$24,000 but not over \$28,000	\$8,142.50, plus 52 percent of excess over \$24,000.
Over \$28,000 but not over \$32,000	\$10,222.50, plus 54 percent of excess over \$28,000.
Over \$32,000 but not over \$38,000	\$12,382.50, plus 58 percent of excess over \$32,000.
Over \$38,000 but not over \$44,000	\$15,862.50, plus 62 percent of excess over \$38,000.
Over \$44,000 but not over \$50,000	\$19,582.50, plus 66 percent of excess over \$44,000.
Over \$50,000 but not over \$60,000	\$23,542.50, plus 68 percent of excess over \$50,000.
Over \$60,000 but not over \$70,000	\$30,342.50, plus 71 percent of excess over \$60,000.
Over \$70,000 but not over \$80,000	\$37,442.50, plus 74 percent of excess over \$70,000.
Over \$80,000 but not over \$90,000	\$44,842.50, plus 76 percent of excess over \$80,000.
Over \$90,000 but not over \$100,000	\$52,442.50, plus 80 percent of excess over \$90,000.
Over \$100,000 but not over \$150,000	\$60,442.50, plus 83 percent of excess over \$100,000.
Over \$150,000 but not over \$200,000	\$101,942.50, plus 87 percent of excess over \$150,000.
Over \$200,000 but not over \$300,000	\$145,442.50, plus 90 percent of excess over \$200,000.
Over \$300,000	\$235,442.50, plus 91 percent of excess over \$300,000.

“(B) Other taxable years: A tax is hereby imposed for each taxable year, other than a taxable year beginning in 1958 or 1959, on the taxable income of every individual who is the head of a household. The amount of the tax shall be determined in accordance with the following table.”

#### SEC. 102. Optional tax:

“(a) Table prescribed by the Secretary: Section 3 (relating to optional tax if adjusted gross income is less than \$5,000) is amended by striking out ‘who has elected for such year to pay the tax imposed by this section, the tax shown in the following

table:’ And inserting in lieu thereof ‘who has elected for such year to pay the tax imposed by this section—

“(1) In the case of a taxable year beginning in 1958 or 1959, the tax shown in a table which shall be prescribed by the Secretary or his delegate, which shall be in lieu of the tax required to be deducted and withheld under subsection (a). The tables prescribed under this subparagraph shall correspond in form to the table in paragraph (2) and shall provide for amounts of tax in the various adjusted gross income brackets approximately equal to the amounts which would be determined under section 1 if the taxable income were computed by taking the standard deduction.

“(2) In the case of any taxable year, other than a taxable year beginning in 1958 or 1959, the tax shown in the following table.”

“(b) Technical amendment: Section 4 (a) (relating to rules for optional tax) is amended by inserting after ‘the table in section 3’ the following: ‘and the table prescribed under section 3.’

#### “SEC. 103. Withholding of tax at source.

“(a) Percentage method of withholding: Subsections (a) and (b) (1) of section 3402 of the Internal Revenue Code of 1954 (relating to income tax collected at source) are amended to read as follows:

“(a) Requirement of withholding: Except as provided in subsection (j), every employer making payment of wages shall deduct and withhold upon such wages a tax—

“(1) if such wages are paid with respect to a payroll period, in the amount determined under subsection (b) (1), and

“(2) in any other case, in an amount determined in a manner consistent with subsection (b) (1).

“(b) Percentage method of withholding:

“(1) If the wages are paid with respect to a payroll period, the amount of the tax imposed by subsection (a) shall be—

“(A) in the case of wages paid after June 30, 1958, and before July 1, 1959, the sum of—

“(i) 13 $\frac{1}{2}$  percent of so much of the taxable wages as does not exceed the amount shown in column 2 of the table set forth in this paragraph, plus

“(ii) 18 percent of so much of the taxable wages as exceeds such amount; and

“(B) in the case of wages paid before July 1, 1958, or after June 30, 1959, 18 percent of the taxable wages.

For purposes of this paragraph, the term “taxable wages” means the amount by which the wages to which subsection (a) applies exceed the number of withholding exemptions claimed, multiplied by the amount of one such withholding exemption, as shown in column 1 of the table set forth in this paragraph.

#### “Percentage method withholding table

Payroll period	Column 1 Amount of 1 withholding exemption	Column 2 Maximum amount of taxable wages subject to 13 $\frac{1}{2}$ percent rate
Weekly	\$13.00	\$22.00
Biweekly	26.00	43.00
Semimonthly	28.00	46.00
Monthly	56.00	93.00
Quarterly	167.00	278.00
Semiannual	333.00	556.00
Annual	667.00	1,111.00
Daily or miscellaneous (per day of such period)	1.80	3.70

“(b) Wage bracket withholding: So much of paragraph (1) of section 3402 (c) (relating to wage bracket withholding) as precedes the first table in such paragraph is amended to read as follows:

“(1) At the election of the employer with respect to any employee, the employer shall deduct and withhold upon the wages paid to such employee after June 30, 1958, and before July 1, 1959, a tax determined in accordance with the tables prescribed by the Secretary or his delegate, which shall be in lieu of the tax required to be deducted and withheld under subsection (a). The tables prescribed under this subparagraph shall correspond in form to the wage bracket withholding tables in subparagraph (B) and shall provide for amounts of tax in the various wage brackets approximately equal to the amounts which would be determined if the deductions were made under subsection (a).

"(B) At the election of the employer with respect to any employee, the employer shall deduct and withhold upon the wages paid to such employee before July 1, 1958, or after June 30, 1958, a tax determined in accordance with the following tables, which shall be in lieu of the tax required to be deducted and withheld under subsection (a)."

**"Sec. 104. Technical amendment.**

"(a) Retirement income credit: Section 37 (a) (relating to credit for retirement income) is amended by striking out 'an amount equal to the amount received by such individual as retirement income (as defined in subsection (c) and as limited by subsection (d))' multiplied by the rate provided in section 1 for the first \$2,000 of taxable income' and inserting in lieu thereof 'an amount equal to 20 percent of the retirement income (as defined in subsection (c) and as limited by subsection (d)) received by such individual.'

"(b) Effective date: The amendments made by subsection (a) and by section 102 (b) shall apply only to taxable years beginning after December 31, 1957, and before January 1, 1960.

**"TITLE II—ADJUSTMENT OF CORPORATE NORMAL TAX AND SURTAX RATES**

**"Sec. 201. Reversal or corporate normal tax and surtax rates and 1-year extension of existing combined rates**

"(a) Corporate normal tax rate: Section 11 (b) (relating to rate of corporate normal tax) is amended to read as follows:

"(b) Normal tax: The normal tax is equal to 22 percent of the taxable income."

"(b) Corporate surtax rate: Section 11 (c) (relating to rate of corporate surtax) is amended to read as follows:

"(c) Surtax:

"(1) Taxable years beginning before July 1, 1959: In the case of a taxable year beginning before July 1, 1959, the surtax is equal to 30 percent of the amount by which the taxable income (computed without regard to the deduction, if any, provided in section 242 for partially tax-exempt interest) exceeds \$25,000.

"(2) Taxable years beginning after June 30, 1959: In the case of a taxable year beginning after June 30, 1959, the surtax is equal to 25 percent of the amount by which the taxable income (computed without regard to the deduction, if any, provided in section 242 for partially tax-exempt interest) exceeds \$25,000."

"(c) Certain mutual insurance companies:

"(1) Normal tax rate: Section 821 (a) (1) (A) (relating to rate of normal tax on certain mutual insurance companies) is amended to read as follows:

"(A) Normal tax: A normal tax of 22 percent of the mutual insurance company taxable income, or 44 percent of the amount by which such taxable income exceeds \$3,000, whichever is the lesser; plus."

"(2) Surtax rate: Section 821 (a) (1) (B) (relating to rate of surtax on certain mutual insurance companies) is amended to read as follows:

"(B) Surtax:

"(1) Taxable years beginning before July 1, 1959: In the case of taxable years beginning before July 1, 1959, a surtax of 30 percent of the mutual insurance company taxable income (computed without regard to the deduction provided in section 242 for partially tax-exempt interest) in excess of \$25,000;

"(ii) Taxable years beginning after June 30, 1959: In the case of taxable years beginning after June 30, 1959, a surtax of 25 percent of the mutual insurance company taxable income (computed without regard to the deduction provided in section 242 for partially tax-exempt interest) in excess of \$25,000."

"(d) Interinsurers and reciprocal underwriters:

"(1) Normal tax rate: Section 821 (b) (1) (relating to rate of normal tax on certain interinsurers and reciprocal underwriters) is amended to read as follows:

"(1) Normal tax: A normal tax of 22 percent of the mutual insurance company taxable income, or 44 percent of the amount by which such taxable income exceeds \$50,000, whichever is the lesser; plus."

"(2) Surtax rate: Section 821 (b) (2) (relating to rate of surtax on certain interinsurers and reciprocal underwriters) is amended to read as follows:

"(2) Surtax:

"(A) Taxable years beginning before July 1, 1959: In the case of taxable years beginning before July 1, 1959, a surtax of 30 percent of the mutual insurance company taxable income (computed as provided in subsection (a) (1)) in excess of \$25,000, or 45 percent of the amount by which such taxable income exceeds \$50,000, whichever is the lesser;

"(B) Taxable years beginning after June 30, 1959: In the case of taxable years beginning after June 30, 1959, a surtax of 25 percent of the mutual insurance company taxable income (computed as provided in subsection (a) (1)) in excess of \$25,000, or 37.5 percent of the amount by which such taxable income exceeds \$50,000, whichever is the lesser."

**"SEC. 202. Effective date.**

"The amendments made by section 201 shall apply with respect to taxable years beginning after June 30, 1958.

**"TITLE III—ONE-YEAR EXTENSION OF EXCISE TAX RATES ON DISTILLED SPIRITS, WINE, BEER, AND CIGARETTES**

**"SEC. 301. One-year extension of existing rates.**

"The following provisions are amended by striking out 'July 1, 1958,' each place it appears and inserting in lieu thereof 'July 1, 1959'—

"(1) section 5001 (a) (1) (relating to distilled spirits);

"(2) section 5001 (a) (3) (relating to imported perfumes containing distilled spirits);

"(3) section 5022 (relating to cordials and liqueurs containing wine);

"(4) section 5041 (b) (relating to wines);

"(5) section 5051 (a) (relating to beer); and

"(6) section 5701 (c) (1) (relating to cigarettes).

**"SEC. 302. Technical amendments.**

"The following provisions are amended as follows:

"(1) Section 5063 (relating to floor stocks refunds on distilled spirits, wines, cordials, and beer) is amended by striking out 'July 1, 1958,' each place it appears and inserting in lieu thereof 'July 1, 1959,' and by striking out 'August 1, 1958,' and inserting in lieu thereof 'August 1, 1959.'

"(2) Section 5134 (a) (3) (relating to drawback in the case of distilled spirits) is amended by striking out 'June 30, 1958,' and inserting in lieu thereof 'June 30, 1959.'

"(3) Subsections (a) and (b) of section 5707 (relating to floor stock refunds on cigarettes) are amended by striking out 'July 1, 1958,' each place it appears and inserting in lieu thereof 'July 1, 1959,' and by striking out 'October 1, 1958,' and inserting in lieu thereof 'October 1, 1959.'

Section 497 of the Revenue Act of 1951 (relating to refunds on articles from foreign-trade zones), as amended, is amended by striking out "July 1, 1958" each place it appears and inserting in lieu thereof "July 1, 1959."

**"TITLE IV—REPEAL AND REDUCTION OF CERTAIN EXCISE TAXES**

**"SEC. 401. Retailers' excise taxes.**

"(a) Tax on toilet preparations and luggage, handbags, etc: The following provisions are repealed:

"(1) subchapter C of chapter 31 (tax on toilet preparations); and

"(2) subchapter D of chapter 31 (tax on luggage, handbags, etc.).

"(b) Exemption of jewelry sold for \$25 or less: Section 4001 (tax on jewelry and related items) is amended by inserting after 'sold at retail' the following: 'for more than \$25.'

"(c) Exemption of first \$100 of amounts paid for watches and clocks: Section 4003 (relating to exemptions from tax on jewelry and related items) is amended by adding at the end thereof the following new subsection:

"(c) Watches and clocks: The tax imposed by section 4001 shall apply, in the case of any watch or clock, only with respect to so much of price for which such watch or clock is sold at retail as exceeds \$100."

"(d) Technical amendment: The table of subchapters for chapter 31 is amended by striking out

"Subchapter C. Toilet preparations.

"Subchapter D. Luggage, handbags, etc."

**"SEC. 402. Manufacturers' excise taxes.**

"(a) Repeal: The following provisions are repealed:

"(1) section 4061 (b) (tax on automobile parts and accessories);

"(2) subchapter B of chapter 32 (tax on refrigeration equipment, electric, gas, and oil appliances, and electric-light bulbs);

"(3) subchapter C of chapter 32 (tax on radio and television sets, phonographs, records, and musical instruments);

"(4) part II of subchapter D of chapter 32 (tax on photographic equipment); and

"(5) subchapter E of chapter 32 (tax on business machines, pens, mechanical pencils, mechanical lighters, and matches).

"(b) Trucks and buses:

"(1) Reduction of tax: Section 4061 (a) (1) (relating to tax on truck and bus chassis and bodies) is amended by striking out 'July 1, 1972' and inserting in lieu thereof 'March 1, 1958.'

"(2) Amendments to highway trust fund:

"(A) Subparagraph (C) of section 209 (c) (1) of the Highway Revenue Act of 1956 (relating to transfer to Highway Trust Fund of amounts equivalent to certain taxes) is amended to read as follows:

"(C) in the case of the tax received under section 4061 (a) (1) (tax on trucks, buses, etc.)—

"(i) 50 percent of the tax which is received after June 30, 1957, and before March 1, 1959, and which is attributable to liability for tax incurred before March 1, 1958, and

"(ii) except as provided in clause (i), 100 percent of the tax which is received after February 28, 1958."

"(B) Subparagraph (B) of section 209 (c) (2) of such act is amended by striking out '20 percent' and inserting in lieu thereof '40 percent.'

"(C) Subparagraph (A) of section 209 (f) (4) of such act is repealed.

"(c) Passenger automobiles: Section 4061 (a) (2) (relating to tax on automobile chassis and bodies) is amended by striking out 'on and after July 1, 1958, the rate shall be 7 percent' and inserting in lieu thereof 'on and after March 1, 1953, and the rate shall be 5 percent.'

"(d) Sporting goods: Section 4161 (relating to tax on sporting goods) is amended to read as follows:

**"SEC. 4161. Imposition of tax.**

"There is hereby imposed upon the sale by the manufacturer, producer, or importer of fishing rods, creels, reels, and artificial lures, baits, and flies (including in each case parts or accessories of such articles sold on or in connection therewith, or with the

sale thereof) a tax equivalent to 10 percent of the price for which so sold.'

"(e) Technical amendments:

"(1) The table of subchapters for chapter 32 is amended by striking out

"Subchapter B. Household-type equipment, etc.

"Subchapter C. Entertainment equipment, and by striking out

"Subchapter E. Other items."

"(2) The table of parts for subchapter D of chapter 32 is amended by striking out "Part II. Photographic equipment."

"SEC. 403. Facilities and services.

"(a) Repeal: The following provisions are repealed:

"(1) part I of subchapter A of chapter 33 (tax on admissions); and

"(2) part II of subchapter C of chapter 33 (tax on transportation of property).

"(b) Tax on communications:

"(1) Reduction: Section 4251 (tax on communications) is amended by striking out the table therein and inserting in lieu thereof the following:

"Taxable service	Rate of tax
Percent	
Long distance telephone service	5
Telegraph service	5
Leased wire, teletypewriter, or talking circuit special service	5
Wire and equipment service	4'

"(2) Technical amendments:

"(A) Section 4252 (a) (relating to definition of local telephone service) and section 4253 (a) (relating to exemption of certain coin-operated telephones) are repealed.

"(B) Section 4253 (b) (relating to news services) is amended by striking out ', except with respect to local telephone service.'

"(c) Reduction of tax on transportation of persons: Section 4261 (relating to tax on transportation of persons) is amended by striking out '10 percent' each place it appears in subsections (a), (b), and (c) and inserting in lieu thereof '5 percent.'

"(d) Technical amendments:

"(1) The table of parts for subchapter A of chapter 33 is amended by striking out "Part I. Admissions."

"(2) The table of parts for subchapter C of chapter 33 is amended by striking out "Part II. Property."

"SEC. 404. Floor stocks refunds.

"(a) Passenger automobiles: Section 6412 (a) (1) (relating to floor stocks refunds on passenger automobiles) is amended to read as follows:

"(1) Passenger automobiles, trucks, buses, etc.: Where, before the date of the enactment of the Tax Reduction Act of 1958, any article subject to the tax imposed by section 4061 (a) has been sold by the manufacturer, producer, or importer and—

"(A) is held by a dealer on the date of the enactment of such act, or has been held by a dealer on or after March 1, 1958, and has been sold by him to an ultimate purchaser before the date of the enactment of such act,

"(B) has not been used before the date of the enactment of such act, or, if such article has been sold to an ultimate purchaser before such date, was not used before such sale, and

"(C) is intended for sale on the date of the enactment of such act, or has been sold to an ultimate purchaser before such date, there shall be credited or refunded (without interest) to the manufacturer, producer, or importer an amount equal to the difference between the tax paid by such manufacturer, producer, or importer on his sale of the article and the amount of the tax made applicable to such article on and after March 1,

1958, if claim for such credit or refund is filed with the Secretary or his delegate on or before November 10, 1958, based upon a request submitted to the manufacturer, producer, or importer before October 1, 1958, by the dealer who held the article in respect of which the credit or refund is claimed, and, on or before November 10, 1958, reimbursement has been made to such dealer by such manufacturer, producer, or importer for the tax reduction on such article or written consent has been obtained from such dealer to the allowance of such credit or refund. This paragraph shall apply in respect of an article sold by the dealer on or after March 1, 1958, and before the date of the enactment of the Tax Reduction Act of 1958, only if on or before November 10, 1958, reimbursement has been made to the ultimate purchaser of the article by such dealer for the tax reduction on such article or written consent has been obtained from such ultimate purchaser to the allowance of the credit or refund. No credit or refund of any overpayment of the tax imposed by section 4061 (a) with respect to any article sold by the manufacturer, producer, or importer on or after March 1, 1958, and before the date of enactment of the Tax Reduction Act of 1958, resulting from the enactment of such act, shall be made or allowed except pursuant to the provisions of this paragraph.'

"(b) Allowance of refunds on other tax-paid articles: Section 6412 (a) (relating to floor stock refunds) is amended by renumbering paragraph (3) as (4), and by inserting after paragraph (2) the following new paragraph:

"(3) Miscellaneous articles subject to manufacturers excise tax: Where before the tax reduction date any article subject to the tax imposed by section 4061 (b), 4111, 4121, 4131, 4141, 4151, 4161 (other than fishing rods, creels, reels, and artificial lures, baits, and flies), 4171, 4191, 4201, or 4211 has been sold by the manufacturer, producer, or importer and on the tax reduction date is held by a dealer and has not been used and is intended for sale, there shall be credited or refunded (without interest) to the manufacturer, producer, or importer an amount equal to the tax paid by him on his sale of the article, if—

"(A) claim for such credit or refund is filed with the Secretary or his delegate on or before the 10th day of the 4th month which begins after the tax-reduction date, based upon a request submitted to the manufacturer, producer, or importer before the 1st day of the 3d month which begins after the tax reduction date by the dealer who held the article in respect of which the credit or refund is claimed, and

"(B) on or before the 10th day of the 4th month which begins after the tax-reduction date, reimbursement has been made to such dealer by such manufacturer, producer, or importer for the tax reduction on such article or written consent has been obtained from such dealer to the allowance of such credit or refund.'

"(c) Definition: Paragraph (4) of section 6412 (a) (relating to definitions), as renumbered by subsection (b), is amended by adding at the end thereof the following new subparagraph:

"(C) The term "tax reduction date" means the 1st day of the 1st month which begins more than 10 days after the date of the enactment of the Tax Reduction Act of 1958.'

"(d) Technical amendments:

"(1) Section 6412 (a) (2) (relating to floor stocks refunds on trucks, buses, tires, etc., in 1972) is amended—

"(A) by striking out 'trucks and buses, tires' in the heading and inserting in lieu thereof 'Tires'; and

"(B) by striking out 'section 4061 (a) (1), 4071 (a) (1) or (4)', and inserting in lieu thereof 'section 4071 (a) (1) or (4)'.

"(2) Section 6412 (c) (relating to applicability of other laws) is amended by striking out 'and 4081' and inserting in lieu thereof '4081, 4111, 4121, 4131, 4141, 4151, 4161, 4171, 4191, 4201, and 4211.'

"SEC. 405. Effective dates.

"The repeals and amendments made by sections 401 and 402 (other than by subsections (b) and (c) of section 402) shall apply to articles sold on or after the 1st day of the 1st month which begins more than 10 days after the date of the enactment of this act. The repeal made by section 403 (a) (1) shall apply to amounts paid on or after such first day for admissions on or after such first day, except that with respect to the tax imposed by section 4231 (6) of the Internal Revenue Code of 1954 (relating to tax on cabarets), such repeal shall apply only with respect to periods after 10 a. m. on such first day. The repeal made by section 403 (a) (2) and the amendment made by section 403 (c) shall apply to amounts paid on or after such first day for, or in connection with, transportation which begins on or after such first day. The amendments made by section 403 (b) shall apply to amounts paid on or after such first day for communication services or facilities rendered on or after such first day."

Mr. DOUGLAS. Mr. President, the amendment I am now proposing would cut Federal taxes by approximately \$6 billion. While I am proposing this amendment in order to make the existing tax structure more equitable, in order to get rid of many of the wartime excises which are regressive and nuisance taxes and were designed as temporary taxes, and in order to make the tax structure more equitable for small businesses, I have an even broader purpose than these specific ones in proposing this tax cut at this time.

My primary purpose is to carry out the clear language of the Employment Act of 1946, which is the law of the land.

Mr. BYRD. Mr. President, will the Senator from Illinois yield?

Mr. DOUGLAS. I yield.

Mr. BYRD. Let me ask what amendments the Senator from Illinois has called up at this time?

Mr. DOUGLAS. They are the amendments identified as "6-10-58-C."

Mr. BYRD. Did I correctly understand the Senator from Illinois to state that adoption of the amendments would cause the Federal Government a \$6 billion loss in revenue?

Mr. DOUGLAS. Yes; I said that the amendments would cut Federal taxes by approximately \$6 billion on the present level of national income.

Mr. President, a moment ago I stated that my primary purpose in submitting the amendment or amendments is to carry out the clear language of the Employment Act of 1946, which is the law of the land. That act states in part:

The Congress declares that it is the continuing policy and responsibility of the Federal Government to use all practical means \* \* \* to promote maximum employment, production, and purchasing power (15 U. S. C. 1021).

This act, Mr. President, pledges the Government to act both to prevent depressions and recessions and to try to stop them and to create conditions of maximum employment, production, and purchasing power when we are in a recession, so that it may not develop into a depression, by this act of Congress,

the Federal Government—we thought—turned away from the do-nothing policy of 1929-1932, which allowed the economy and the country to drop into the great depression. We have pledged ourselves not to permit the great human suffering in the past which has accompanied economic recessions, panics, and depressions, by acting to prevent or to stop these economic maladjustments before they became too severe.

There are at least three major areas of action which the Federal Government can pursue in carrying out the Employment Act of 1946. In fact, the Government, under the law, is pledged to act in three ways. These are:

First. The use of monetary policy in order to prevent inflation and deflation and to bring full employment with relatively stable prices.

Second. The use of needed public works to help stimulate the economy in times of recession and to provide employment for many of those out of work and to increase Government expenditures at a time when there is a considerable decline in expenditures in the private sector of our economy.

Third. The use of fiscal policy, namely, increasing or decreasing taxes and increasing or decreasing public expenditures, as necessary, to offset inflation or deflation, or excessive contraction or expansion in the private sectors of our economy.

However, as all of us know, the use of public works during this recession has been too little and too late, and now we know that an agreement to hold the line on taxes has been entered into by the administration and certain leaders in the Congress. Therefore, in this recession, these two major areas have been nullified as antirecession measures. In addition, the monetary authorities have been very slow and very late in using monetary policy during this recession. So the official policy seems to be one of do nothing and wait and see. This is clearly at odds with what should be our policy; and it is clearly at odds with the pledge and commitments under the Employment Act of 1946, which is being violated by the conduct of the administration.

Mr. CLARK. Mr. President, at this point, will the Senator from Illinois yield to me; or does he prefer not to be interrupted at this time?

Mr. DOUGLAS. No; I am glad to yield.

Mr. CLARK. I am particularly interested in the statement of the Senator from Illinois that the policy of the present administration is clearly at odds with the Employment Act of 1946.

I wonder whether I am correct in stating that the terms of that act direct the President each year, to make a report which will state the present status—of course at this time I am condensing the stated purpose of the act—of employment, production, and purchasing power, and to compare them with full employment, full production, and full purchasing power, and then to recommend a program to make up the difference. Is that correct?

Mr. DOUGLAS. That is exactly right. That is stated in section 3 of the Employment Act of 1946.

Mr. CLARK. The Senator from Illinois is a distinguished member of the Joint Economic Committee, which has also been established pursuant to the Employment Act of 1946, and I know he has made a careful study, as a member of that committee, of the Economic Report of the President for this year. I should like to ask the Senator whether he found anything anywhere in that report which complies with the direction in the Employment Act.

Mr. DOUGLAS. No, there was nothing to that effect in it. As a matter of fact, the President's report took the position that only a slight decline had occurred—that was the general phrase used—and this would be speedily offset by a rise in business activity in the spring, so that by the summer or early fall the recession would be over. Furthermore, that same position was taken by Secretary Anderson in his testimony before the Joint Economic Committee in February, so that the administration, until as late as February, confidently thought we were going to have a recovery by spring, or early summer at the latest, and that then we would be back on the wheels again.

In his testimony in executive session before the Finance Committee on last Thursday, which testimony has been printed, Secretary Anderson admitted he had been wrong on both of the occasions I have mentioned; that the recession had been more severe than the administration thought it would be; but, nevertheless, he and they still believed conditions would right themselves without any need for real affirmative action by the administration.

Mr. CLARK. Mr. President, will the Senator yield further?

Mr. DOUGLAS. Yes.

Mr. CLARK. I am happy to have the useful information which the Senator from Illinois has given us, but it occurs to me the employment act requires the submission to the Congress annually of basic economic data, which we have not received. Can the Senator tell me what is the deficit between full employment, full production, and full purchasing power, and existing employment, existing production, and existing purchasing power?

Mr. DOUGLAS. Let me say that the gross national product for the third quarter of 1957, as of last August, was at an annual rate of approximately \$440 billion. For the first quarter of this year it fell to an annual rate of \$422 billion, or a drop of \$18 billion.

Unemployment, as I shall develop in a moment, is now approximately 5 million, or a little less. In addition to that, there is involuntary part-time employment.

In order to bring about comparatively full employment, which we shall define as 4-percent unemployment, and in order to take care of growth and the increase in population, the experts on the joint committee say that in 1958 we would need, at prevailing prices, a national income of \$460 billion. So that, very

roughly, there is a deficit below what we should have of approximately \$40 billion.

Mr. CLARK. Will the Senator yield further?

Mr. DOUGLAS. I yield.

Mr. CLARK. The Senator from Illinois uses the word "need" and speaks about what we should have. I take it he also means what we can do with our existing productive capacity.

Mr. DOUGLAS. If we put idle labor to work on idle resources, we could get a gross national product of approximately \$460 billion by 1958.

Mr. CLARK. Or \$40 billion more than in all likelihood we shall get?

Mr. DOUGLAS. Yes.

Mr. CLARK. Did the Senator get those figures from his own research, or from the Council of Economic Advisers, or from some other source?

Mr. DOUGLAS. The figures on which these projections were made are taken from the monthly indicators published by the Joint Economic Committee for May 1958, and the material is prepared and collated by the Council of Economic Advisers and by various Government agencies.

Mr. CLARK. If the Senator will yield further, the point I should like to make is that the President and his Council of Economic Advisers are violating, and have been violating for several years, to my knowledge, the clear mandate of the Employment Act of 1946, which is that they shall give basic statistical data to the Congress as to the differences between full employment, full production, and full purchasing power, and existing employment, existing production, and existing purchasing power, so that the Congress, which has the duty of legislating in these fields, can have the basic data from which to determine what it ought to do.

Mr. DOUGLAS. I think the Senator is correct. The administration throws past statistics at us in profusion, but it does not lay down a goal and does not submit a program.

Mr. CLARK. It is my understanding that those basic statistics are available in the Office of the Council of Economic Advisers, but, for reasons which appear to be sufficient to them, and possibly to the President, but certainly not to me, they have not been made available to the general public, and the Joint Economic Committee has had to dig out those statistics itself. I submit that is not in accordance with the basic law, and that we in the Congress should, at the earliest possible moment, call upon the President to comply with his duty under the law.

Mr. DOUGLAS. The Senator from Pennsylvania is correct. I think there is one addition I should make; namely, the estimate that a national gross production of \$460 billion would be needed in order to provide full employment, with unemployment at 4 percent, was made, not by the Council of Economic Advisers, but by the staff of the Congressional Joint Economic Committee. So we did a part of the Council's work, so to speak.

Mr. CLARK. If the Senator will yield once more, I shall be through.

Mr. DOUGLAS. I yield.

Mr. CLARK. I would make the charge that the present administration has ignored the Employment Act of 1946, is not in sympathy with its basic objectives, and will make that act a scrap of paper if the Congress continues to let the administration ignore it. I again suggest it is the obligation of the Congress to call upon the President to comply with the requirements of the law.

Mr. DOUGLAS. I quite agree with the Senator from Pennsylvania. If I were a member of a jury and he were trying the case before me, I would have to render a verdict of guilty against the administration; but I would be much happier if he would let me be cocounselor for the prosecution.

Mr. CLARK. I welcome the Senator in that capacity.

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

Mr. DOUGLAS. I yield.

Mr. LONG. The Senator from Illinois is an eminent economist and he is also a member of the Joint Economic Committee. He is familiar with the estimate of the cost to the American public of the present recession, is he not?

Mr. DOUGLAS. Yes. The economy has already declined at the rate of at least \$18 billion a year from the figure of what the gross national product was last August. In terms of what the gross national product should be to absorb the increase in the working force, we are losing at the annual rate of almost \$40 billion a year.

Mr. LONG. Some cost estimates have been as high as \$50 billion as the potential cost of the recession even as of now. The Senator has stated that \$40 billion is the estimated cost of the recession to the American people on an annual basis.

Mr. DOUGLAS. On an annual basis.

Mr. LONG. If the drop in production were continued for 2 years, it would mean a loss of \$80 billion to the American public.

Mr. DOUGLAS. The Senator is correct.

Mr. LONG. When people talk in terms of the cost of the Senator's amendments, in relation to taxes, I think the Senator has very ably pointed out that if the amendments can help in a material way in the present decline to reverse the trend, so that we may have full employment and general prosperity, the gain to the American public will be perhaps as much as eight times the cost in terms of the immediate tax revenues. Actually, if we were successful in reversing the trend, the actual cost in terms of tax revenue would be only about \$1 1/2 billion, rather than \$6 billion, as some estimate.

Mr. DOUGLAS. My good friend anticipates some of the arguments I intend to make. The Senator from Louisiana may have misread the figure for I do not claim we will increase the gross national product by eight times the amount of the tax loss, but I say we will increase it by a very appreciable amount. I shall argue that instead of concentrating all of our attention on the deficit in the budget we should think of the deficit in the economy.

Mr. LONG. I agree with the Senator.

Mr. DOUGLAS. If the economy is in good shape, then the tax revenues will come in. If there is high unemployment, reduced production, reduced incomes, and reduced profits, naturally the taxable base will shrink.

Mr. LONG. In times of a major recession we should undertake measures to stop the decline and to restore prosperity as soon as possible. The administration has urged that tax reduction should take preference over public works. The Senator is familiar with that position, is he not?

Mr. DOUGLAS. The administration is now opposed to tax reduction.

Mr. LONG. So in the main, so far as any major proposal is concerned, the administration, even with a major decline on its hands, is recommending that no major action be taken to end the recession?

Mr. DOUGLAS. The Senator is completely correct. The administration is trusting to luck that things will turn up. The administration is adopting the attitude of Mr. Micawber in David Copperfield, who always waited for something to turn up. He was always in bankruptcy or on the verge of failure, but he was always expecting to be pulled out of bankruptcy by something that would turn up.

If I may vary the illustration, the administration is playing Russian roulette with the prosperity of the American people.

Mr. LONG. If Congress should adjourn, and Senators and Representatives should go forth to conduct campaigns for reelection, and if we should start to think about which party is going to control the next Congress, in the absence of a special session, it would be almost 8 months before any major measure could be undertaken to try to end the recession, so far as the Congress and the Executive were concerned, if legislation is needed. Is that correct?

Mr. DOUGLAS. The Senator from Louisiana is oh, so right. This is the 11th hour, the 59th minute, and almost the 59th second.

Mr. LONG. To fail to take action and to fail to take action along the line mentioned is comparable to the situation of a doctor with a very sick patient who persists in waiting before prescribing any medicine.

Mr. DOUGLAS. The Senator is correct.

Mr. LONG. I certainly agree with the Senator's position that in this instance a stitch in time may save nine. While I would have some reservation as to this precise amendment, I would certainly rather vote for the amendment than to sit still and do nothing, as I fear the Senate may wind up doing in the present Congress.

Mr. DOUGLAS. I thank the Senator from Louisiana.

I should like to continue my remarks with reference to the question of how sick the economy actually is. I should like to give some of the figures about the present situation and start with a consideration of the full-time and part-time unemployment.

## II—THE PRESENT SITUATION

### 1. FULL-TIME AND PART-TIME UNEMPLOYMENT

Full-time unemployment for May 1958 was 4.9 million, or 7.2 percent of the civilian labor force when seasonally adjusted. This compares with only 2.6 million fully unemployed at the beginning of the recession in August of 1957. In addition to the almost 5 million full-time unemployed, there was in May the equivalent of another 1.3 million fully unemployed people who were working only part time. When there are 2 people each permitted to work only half time, that is the equivalent of 1 unemployed person. If the involuntary part-time employment is reduced to an equivalent full-time basis, it represented in May 1.3 million men. We have, therefore, the equivalent of 6.2 million people fully unemployed. This is almost 11 percent of the 57 million people who are either working for wages and salaries or who are seeking such work.

In the computation of a percentage of unemployment we should not take as the denominator the total working force, because that includes 10 million self-employed people who do not lose their jobs in a recession or a depression but who merely suffer from a decrease in income. The denominator we should use is the number who are either working for wages and salaries, or who are seeking to work for wages and salaries. These amount to 57 million. The percentage of equivalent unemployment was therefore approximately 11 percent in May.

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

Mr. DOUGLAS. I am glad to yield to the Senator from Wisconsin.

Mr. PROXMIRE. Could we not go further than the 11 percent unemployed with reference to the 57 million, if we consider the areas of the economy in which most of the unemployment has been suffered, such as in the durable goods industries?

Mr. DOUGLAS. The Senator is correct.

Mr. PROXMIRE. Particularly with respect to the automobile and other industries?

Mr. DOUGLAS. Surely.

Mr. PROXMIRE. Which the amendment is designed to cure.

Mr. DOUGLAS. I would say the unemployment in the automobile industry is probably 30 percent or more.

Mr. PROXMIRE. And is it the same in the steel industry?

Mr. DOUGLAS. In the steel industry, unemployment, including involuntary part-time unemployment, is probably more than 30 percent.

Overall unemployment is at an extremely high level and it will no doubt increase substantially this month, when a great number of high school and college graduates will be seeking jobs, and thereby adding to those in the labor force and to those who are unemployed.

Those who have friends and relatives among the group of high school and college graduates who are pounding the pavements these days hunting for work know they are not doing any too well. We may, therefore, find that the number of unemployed for June, when published

in July, will almost certainly rise above 5 million for those completely unemployed and may indeed rise to 6 million. By that time we will have finished dealing with taxes and it will be too late to take remedial action.

The very, very slight improvement which came about last month in the unemployment situation—largely due to the increase in farm, construction, and outdoor work which always occurs at this time of the year—will deteriorate next month so that we shall continue to have this extremely high level of unemployment, probably during the summer and in my judgment well through the fall and possibly into the next winter.

#### 2. THE INCREASE IN RELIEF AND PUBLIC ASSISTANCE CASES

Another indication of the seriousness of this recession and its effect in human terms can be seen from the increase in relief and public assistance cases during the last year.

In April 1957, there were 805,000 persons in the United States who were classed as receiving public assistance aid by the Department of Health, Education, and Welfare. In April of 1958, this figure had risen to 1,313,000, or by 509,000, or 63.2 percent above a year ago.

If we consider the number receiving surplus food commodities I may say that the increase has been even more marked. This is certainly a very major increase and indicates how severe the recession is. Unlike the indices of production and capital investment, this figure deals with human beings. While there are always those who should be helped by general assistance, the increase in this figure of over 60 percent tells us more about the human beings who are the victims of the recession than many of the others. As I had said, the increase in the number receiving surplus foods is even more striking.

#### 3. THE BIG DROP IN THE INDEX OF INDUSTRIAL PRODUCTION

Let us now look at the index of industrial production which is issued monthly by the Federal Reserve Board. Last August the index stood at 145. The figure for April was at 126, or 19 points below that of August, and the May figure was 127, or 18 points below August 1957. This is a drop of over 12 percent in this period, or an average of about 2 points and 1½ percent per month. This is a bigger drop in this index than occurred in either of the other two postwar recessions and indicates that there is a most serious and dangerous situation.

The huge decline in industrial production, the operation of the steel industry, until only a week or two ago, at near 50 percent of capacity, the great decline in auto sales and production, and the falling off of carloadings and other less general indicators are causes for serious concern and should have led to far more vigorous action much before this very late date.

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

Mr. DOUGLAS. I yield.

Mr. PROXMIRE. I think there is great danger that the increase in operations in the steel industry may give a false sense of optimism. One of the rea-

sons for the steel industry beginning to increase its production may well be the expected increase in steel prices on July 1. It will be very interesting to see what happens to steel production in July and August. It may well continue to increase. We hope so. But we should be aware that may be setting a false, overly optimistic picture if we project the increase in the steel industry into the rest of the economy.

Mr. DOUGLAS. The Senator has made an extremely good point. As I understand it, the percentage of output during the current week is expected to go up to a little more than 60 percent, whereas it was previously 50 percent. Commentators on the steel industry say exactly what the Senator from Wisconsin says, namely, that a good part of the increase—perhaps all of it—is due to the fact that buyers anticipate an increase in the price of steel on July 1. Therefore, they are trying to beat the gun.

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

Mr. DOUGLAS. I yield.

Mr. CLARK. The Senator from Illinois is aware that our distinguished colleague, the Senator from Tennessee [Mr. KEFAUVER] has recommended on the floor of the Senate several times during the past few weeks the desirability of the President taking aggressive action to attempt to prevent the increase in steel prices which is due for the 1st of July. To be sure, the Senator from Tennessee has not suggested the imposition of mandatory wage and price controls, but in times past he has suggested that voluntary price and wage controls can be quite effective if the full impact of the prestige of the Office of the Presidency is behind the program.

I should like to ask the distinguished Senator from Illinois, who is a celebrated economist, what effect on the recession, or the possibility of further inflation, he thinks would result from an increase in steel prices on July 1, in the amount which has been reported in the newspapers?

Mr. DOUGLAS. It would have a very bad effect. An increase in the price of steel, of course, would increase the cost of the great variety of products into which steel enters as a component part. Inevitably there would be an increase in the price of capital goods, and that would ultimately be reflected in the price of consumer goods.

Mr. CLARK. Will the Senator tell the Senate whether, in his judgment, such an increase in prices is absolutely necessary to protect the position and the balance sheets of the steel companies against what has been reported as a substantial increase in wages?

Mr. DOUGLAS. I have not made a detailed study of that question. Therefore I do not pose as an authority on the industry. The latest figures I have studied indicate that in the past the increases in total prices have been very much greater than the increase in wages.

Mr. CLARK. It is my information that the data assembled by the Senator from Tennessee show that the last price increase was somewhere in the neighborhood of \$14 billion or \$15 billion, whereas the wage increase was \$5 or \$6 billion.

Mr. DOUGLAS. That is my impression, of the relative proportions.

Mr. CLARK. If the Senator will permit one further observation, I should like to indicate that the failure of the President to take any action at all with respect to the prospective increase in steel prices is another indication of the lack of a sense of urgency in this administration. As I stated the other day, the administration is rapidly becoming a group of lotus-eaters, in Tennyson's phrase; but pretty soon they will be "fiddling while Rome burns."

Mr. DOUGLAS. I agree with the Senator. The administration is refusing to inaugurate a real program of public works. It is fighting a tax cut. It is opposed to reducing prices in any effective manner. So it has a do-nothing policy.

Mr. CLARK. I think the Senator will agree that all this is in violation of the Employment Act of 1946.

Mr. DOUGLAS. I quite agree. It was because I felt that an attempt to reduce prices would be relatively ineffective that I proposed this program to help pump up the pocketbooks of the people and thereby enable them to keep pace with prices. But I agree that it would be much better to reduce prices. However, I despair of that in this day of powerful cartels and price leaders.

Mr. YARBOROUGH. Mr. President, will the Senator yield so that I may ask the distinguished junior Senator from Pennsylvania to repeat the figures he just as I gave to the part of the increased price of steel which went into wages?

Mr. DOUGLAS. I yield.

Mr. CLARK. I am glad to repeat the figures. However, let me state that I am speaking from recollection of figures which I have not studied for 6 months. My recollection is that the investigation by the Senator from Tennessee [Mr. KEFAUVER] disclosed the fact that the last increase in steel prices was 2 or 3 or 4 times as much as the increase in wages would justify. I did use some dollar figures which I believe to be correct, but I am not sufficiently confident of their accuracy, so I must suggest a caveat.

Mr. DOUGLAS. Mr. President, I continue where I left off.

#### 4. BUSINESS PLANS FOR INVESTMENT

Mr. President, the principal reason why this recession is potentially more dangerous than either the 1948-49 recession or the 1953-54 recession is that this one appears to be a classical capital-goods recession, whereas the other two postwar recessions were largely inventory recessions. The difference is that in a capital-goods recession business fails to invest in plant and equipment, downward cumulative forces are set in motion, and once these forces are set in motion, they tend to progress more in geometric than in merely arithmetic proportions. Small changes in investment potentially can lead to very great changes in the overall economy, particularly in income and employment.

Therefore when we see what has happened to business plans for new plant and equipment there is every reason to view the present situation as a dangerous one. I do not predict that we will have a depression, but the possibilities

of such an event are much greater than they should be, and it is foolish for us to continue to take such great risks when it is not necessary to do so.

In the third quarter of 1957, business expenditures for plant and equipment were at an annual rate of \$37,750 million per year.

The figures released by the Securities and Exchange Commission and the Commerce Department jointly in March estimated that in the second quarter of 1958, the overall figure had fallen by \$5.2 billion, or by 13 percent, or to a figure of \$32,550 million. However, on Monday, June 9, the Department of Commerce and the SEC revised these figures. Their new estimates are that in the second quarter of 1958, capital investment programs for business will be at \$31.4 billion, or a drop in 3 months of over a billion from their previous second quarter estimate.

Three months ago, they were predicting that plant and equipment investment in 1958 would be down 13 percent over 1957. Now they are saying it will be down by 17 percent below 1957. They further expect that the figure will drop to just over \$30 billion in the third quarter, or by over \$2 billion below the figures for the first quarter of 1958.

The latest Commerce-SEC figures for capital expenditures in manufacturing industries, as distinguished from all industry, show an even greater decline. They dropped from \$16.37 billion in the third quarter of 1957 to an estimated \$12.18 billion in the second quarter of 1958, or a drop of 25 percent. The estimate for the third quarter of 1958 is now at \$11.68 billion, or a drop of 28.5 percent below the third quarter of last year.

Until these figures were released on June 9, the Commerce-SEC figures predicted a decline of only \$3.14 billion, or 19 percent from the third quarter of 1957. Therefore, the Department of Commerce and the Securities and Exchange Commission figures have consistently overestimated the amount of investment for plant and equipment in 1958 and their figures have had to be revised downward periodically.

The danger is that these declines will snowball or avalanche and that once these cumulative forces of decline gather force and momentum, it may be almost impossible to stop them and to turn them around. That is why it is so important that we act, that we act now, and that we act decisively. The time to wait and see has ended.

It would not have been too difficult to have arrested the recession in February, when the Senator from Illinois first took the floor to point out what had happened and to urge immediate action. We have lost 4 months, and in the meantime the situation has deteriorated. Unless we act at the present time, as the Senator from Louisiana has pointed out, we will not be able to act until next year; and then it may well be too late.

Mr. CLARK. Mr. President, will the Senator yield further?

Mr. DOUGLAS. I yield.

Mr. CLARK. I have been very much interested in the basic economic data which the distinguished Senator from Illinois has been calling to our attention.

The decline in business expenditures for plant and equipment could be offset, could it not, by an increase in expenditures for plant and equipment of various kinds in the public sector of our economy?

Mr. DOUGLAS. Yes; that is correct.

Mr. CLARK. My own view, of course, has been slightly different from that of my friend. I am a little chagrined in not being able completely to agree with him, because I know he is far more expert in this field than I am.

Mr. DOUGLAS. No one questions either the ability or the fine spirit of the Senator from Pennsylvania. The Senator from Illinois does not expect a blind following. He merely hopes that his argument will be accepted to the degree that it convinces and that one can agree with it. If his argument does not convince, and if others do not agree, that is fine, too.

Mr. CLARK. I thank the Senator for his kind remarks. The point I should like to make, very briefly, is this: In my judgment, it is of the utmost importance that the public sector of the economy be shored up promptly, first with a program of public works, and, second, by the creation of desperately needed wealth in the public field, which will enable us to attain a standard of education and living so essential to our keeping up with and going ahead of the Russians in the cold war. I have particular reference to the failure of Congress and the failure of the President to push a school-construction bill, which I believe to be probably the most important single piece of legislation which could be passed in the interest of national security and the economy of the country during this session of Congress.

I plead with the majority leader and the minority leader and the chairman of the Committee on Labor and Public Welfare to report a school-construction bill as soon as one can be reported, and thus give the Senate a chance to vote on it. If they are unable to report a school-construction bill because of a situation in the committee, I ask that at least some education bill be reported from the committee. We can then have a chance to vote on a school-construction bill by amendment on the floor of the Senate, so that we can start the ball rolling, to the end that the educational system of the United States will at least begin to catch up with that of Russia, and at the same time enable us to strike a strong blow in opposition to the recession.

I regret very much that, because I feel such a bill would be quite expensive, because I am a sponsor of a very important and essential housing bill which has reached the floor, and because I have been in favor of expenditures for distressed areas, and because I am in favor of a substantial increase in the Federal budget, I feel I cannot also be in favor of a tax cut, and still keep the deficit within the limits in which every responsible Senator believes it ought to be kept, in order to retain financial confidence in the fiscal solvency and stability of our Government. I appreciate that the Senator from Illinois does not agree with me,

and I know why he does not agree with me. However, I believe I should make my position clear.

Mr. DOUGLAS. I thank the Senator from Pennsylvania. I support much of his program. I favor a considerable program of public works concentrated on housing, urban renewal, schools, and hospitals. It is a Philistine point of view that wealth consists in steel, automobiles, and textiles, but does not consist in schools and education and health, and the other things which are the real wealth of a people. The latter items are real wealth.

Mr. CLARK. I should like to qualify what I have said. Generally, the theory is that wealth is in steel and automobiles and the like if they are owned by private industry, but it ceases to be wealth as soon as it is incorporated into schools or any other Government-supported activity.

Mr. DOUGLAS. Under a proper system of national bookkeeping, that would not be so.

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

Mr. DOUGLAS. I yield.

Mr. CAPEHART. The able Senator from Pennsylvania made a statement a moment ago which perhaps he did not intend to make. He said that we should catch up with Russia in our educational facilities. I am sure he does not mean to leave the impression that Russia is ahead of us.

Mr. CLARK. I thank my friend for calling that comment to my attention.

Mr. CAPEHART. The Russians are making great progress, but they are not up to us.

Mr. CLARK. What I had intended to say was that they are making great progress, and I had intended to refer to their rate of progress being substantially ahead of ours. I have no basis of knowing whether they are actually ahead of us or not, except in certain special fields.

Mr. DOUGLAS. I am sure the Senator did not mean to leave the impression that they were ahead of us.

Mr. CLARK. I thank my friend from Indiana for his helpful comment.

Mr. CAPEHART. I should like to ask a question of the Senator from Illinois.

Mr. DOUGLAS. Certainly.

Mr. CAPEHART. I understood the Senator to say that one of the causes of the recession, or depression, or whatever one may wish to call it, is the drag in capital goods. Is that correct?

Mr. DOUGLAS. Yes; I would say that is one of the causes, although not the exclusive cause.

Mr. CAPEHART. I believe the Senator feels that one of the best ways to cure it is by increasing capital expenditures.

Mr. DOUGLAS. No; I would say that the best way is to proceed in what might seem to be an indirect fashion, namely, by increasing consumption or consuming power. By doing so, we will increase the demand for capital goods. If 30 percent of capital investment remains idle, the direct approach which the Senator from Indiana has been advocating would, I believe, be relatively ineffective. It is necessary to create a demand for products and for machines, before it becomes profitable to invest in them.

Mr. CAPEHART. I believe the Senator said a moment ago that capital goods expenditures were down 17 percent.

Mr. DOUGLAS. That is correct.

Mr. CAPEHART. He said that they were going constantly down, and that we should arrest the decline in capital goods expenditures if we wish to bring an end to the recession.

Mr. DOUGLAS. The Senator from Indiana is moving to a premature conclusion. Merely to try to develop additional investment in capital goods when there is already idle equipment, without building up the consuming power, is like trying to push on a rope. There must be consuming power.

Mr. CAPEHART. I do not know that I have made any statement.

Mr. DOUGLAS. No; the Senator has not done so.

Mr. CAPEHART. I was asking a question.

Mr. DOUGLAS. I am well aware of the Senator's amendments, and I have heard him expound his theory on other occasions. Therefore I know what is in his mind. That is not mindreading, but a statement based on historical experience with my good friend from Indiana.

Mr. CAPEHART. I thought I was certain I had heard the Senator say capital goods expenditures were off 17 percent.

Mr. DOUGLAS. That is correct.

Mr. CAPEHART. I thought I understood him to say that that was the cause of the recession, and that if we had taken action in the past, we would now be on our way toward curing the recession.

Mr. DOUGLAS. I said it had intensified the recession. If the Senator will be patient, he will see that my prescription is slightly different from his.

Mr. CAPEHART. I do not know that I have offered any suggestions.

Mr. DOUGLAS. The Senator has not done so today, but he has amendments at the desk which I have studied, and which he has expounded on various occasions before committees of which I am a member. I ask him to be patient until I give my prescription, before he quarrels with it.

Mr. CAPEHART. Then I did understand the Senator correctly to say there was a 17 percent decline in capital goods expenditures.

Mr. DOUGLAS. That is correct. The Senator has very good hearing.

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

Mr. DOUGLAS. I yield.

Mr. PROXMIRE. First, I wholeheartedly support the position of the Senator from Pennsylvania [Mr. CLARK] relative to the importance of passing education legislation at this session. The need of it at this time is extremely important. If Congress at this session did nothing else, it would be a successful session if we passed a good education bill. The most ambitious education bill proposed, in my judgment, would cost, in the first year, \$1 billion. I think education legislation should come first.

I shall follow that statement by asking the opinion of a distinguished economist—

Mr. DOUGLAS. May I in all modesty express a demur to the adjectives about my ability as an economist? Any attainments which I may have are quite modest.

Mr. PROXMIRE. There is no question in the minds of most Senators or most other Americans that the Senator from Illinois is the outstanding economist in the Senate.

This is what is bothering me greatly: I have had a number of inquiries from friends in Wisconsin about the position which the Senator from Illinois takes, and in which I completely concur, that reducing taxes now and supporting public works programs of the kind he has described is best explained as being inflationary. My own feeling is that that is not inflationary, because we have the excess of supply, we have the vacant capacity, we have the idle workers; and there is no question at all in my mind that the increased income would utilize the idle resources, and not bid up the prices of commodities which are in short supply.

Mr. DOUGLAS. The Senator from Wisconsin is completely correct. The additional monetary purchasing power which would be injected into the economic system by a tax cut would be used to put idle labor to work and idle machines to producing goods which otherwise would not be produced. That would cause an increase in the total national product. This would largely, if not totally, offset the increase in the quantity of money which would be added.

Furthermore, although this anticipates my argument somewhat, I am proposing that about half of the tax cuts be in the form of a reduction or the elimination of excise taxes. This would reduce the prices of goods. Let us remove the tax on local telephone calls, take off the tax on the transportation of commodities, halve the tax on the transportation of persons, remove the tax on television and radio sets, and largely reduce the tax on automobiles.

When the amendments of the Senator from Michigan [Mr. McNAMARA] are considered, I shall vote for them, although I must say that I am as disappointed with the automobile manufacturers as I am with the steel manufacturers for not being willing to go along with the price-reduction program.

What I am trying to say is that half of my tax-reduction program will cause an immediate reduction in prices, and the program as a whole will increase purchasing power. This will add to the national income and, hence, serve to counterbalance any increase in the supply of money and credit.

### III—HOW THE GOVERNMENT HAS MET THIS CHALLENGE

Let us see how the Government has met the challenge by first taking up the question of monetary policy, a policy which is largely under the control of the Federal Reserve Board, but is certainly in cooperation with the administration and the Treasury.

#### 1. MONETARY POLICY

Monetary policy has suffered from two deficiencies during this recession. In the

first place, it is not very effective during a downturn in economic activity; certainly much less effective than when properly used in times of inflation. In the second place, this so-called policy has suffered because of poor execution.

The recession began in August 1957. However, for several months preceding that time there had been a decline in the prices of raw materials. The daily price index of raw materials is the most sensitive price index of all. It is the one which, in a study of economic conditions, should have been observed. But the Federal Reserve Board closed its eyes to this index and centered its attention only on the cost of living index. They were not watching the prices of basic commodities, from which other commodity prices proceed. All the time the Federal Reserve Board was looking only at the end of the index, the cost of living index. Despite the fact that there was a steady slump in the prices of raw materials, the Federal Reserve Board increased its discount rate by one-half of 1 percent in August 1957, at the very time when the general decline in economic activity took place. It was one of the worst economic mistakes which any group has made in recent years.

I have not been one who has joined in condemnation of the Federal Reserve Board in years past. I defended them in the Truman administration. I tried to stop their being forced to purchase Government bonds in 1951, when the effect of such purchases was inflating the price level. I played some part in getting the accord of March 1951 put into effect. I have defended the Federal Reserve Board on many occasions. But when a group makes such a mistake as this one made, they should not try to cover up nor have their apologists cover up for them. They made a bad mistake in August and helped to make matters worse.

At the very time when the economy was going into a slump, the Federal Reserve Board increased the rediscount rate by one-half of 1 percent, although the Board should have known, from the fall in the prices of raw materials, that something else was happening. Finally, on November 15, 1957, 3 months later, the Federal Reserve Board dropped the discount rate to 3 percent, and has followed that action with further belated decreases.

It is not enough merely to ease money and credit. It is not only necessary for banks to have loanable funds. It is also necessary that businesses should want to borrow and that banks should want to lend. However, in practice, the Federal Reserve has increased its United States Government security holdings by less than \$400 million in the period from November 13, 1957, to May 21, 1958, or from \$23,498 million to \$23,876 million. That was an increase of less than 2 percent during that time.

The lowering of the reserve ratio, which gave to the banks the cost-free creation of monetary purchasing power, was largely used to make good the outflow of gold from the country in the amount of \$800 million. But if we examine the reports, we will find that the

net increase of reserve-held Government securities is only, I think, \$378 million in a period of approximately 6 months, or less than 2 percent. In other words, the Federal Reserve Board has not used open-market operations to ease the situation. I think they are subject to criticism and to examination for their failure to follow out such a policy.

Therefore, not only has action by the Federal Reserve been tardy, but it has been largely ineffective in increasing the amounts which member banks have in their reserves against which they may increase loans to their customers. The Federal Reserve has not bought Government bonds in any appreciable amounts from member banks in order to increase the cash reserves of member banks against which loans can be made. This is true even though the discount rate—or the interest rate—has declined from 3.5 to 1.75 percent.

#### 2. PUBLIC WORKS

Mr. President, as the Senator from Pennsylvania [Mr. CLARK] has said, during a recession we should expand the construction of needed public works. However, this method suffers as an anti-recession measure from its relative slowness. Moreover, even the most worthy public works are too often built in areas where unemployment is either nonexistent or low.

We cannot cause public works to come into being overnight. Plans have to be drawn. In many cases they are not yet ready. Land has to be acquired, and that is a slow process. Contracts have to be advertised for, and a waiting period for bids set. Bids then must be taken. All this consumes time. Once a contract has been let, the material and labor must be assembled.

So for most public works a year or more is needed from the time of appropriation to the time the work actually gets underway. In the case of the last depression, it took even longer than that.

Furthermore, Mr. President, there seems to be no likelihood that the administration will move to expand the activities in the areas of greatest social need, such as the building of schools and hospitals and the clearing of the slums. Instead, the evidence is that, in fact, the administration has moved to reduce these needed and worthwhile expenditures, even as it has moved to cut expenditures in some other areas where increased activities eventually would have a stimulating effect on the economy.

Thus, this method of helping to stop or turn around a recession has only limited application; but the administration has refused to use it even to the extent that it could be useful and helpful. It is not a case of public works or something else. It is a case of no public works and—if I may be slightly ungrammatical—no nothing else.

#### 3. TAX CUTS

Mr. President, if the administration has used monetary policy ineptly and too late, and has refused to use public works as an antirecession measure, the only remaining major method of combating a recession is by cutting

taxes. This method is also the quickest and most immediate method of acting. While its long-run stimulus would not be quite as great as that of well-chosen public works, it has a much greater immediate effect. We do not claim that the so-called multiplier, to which I shall address my remarks later, is as great in the case of tax cuts as it is in the case of public works. As a matter of fact, in the case of tax cuts it is smaller. But a tax cut has the great advantage of immediacy and quickness.

The administration, however, is refusing to cut taxes at this time; and the administration has, unfortunately, been joined in that decision by certain influential members of my own party in the other House.

Therefore, we are left with reliance on a do-nothing policy, in expectation that things will just right themselves, and will do so rather quickly. While this conceivably could happen, and although we hope it will happen, the risks that it will fail to happen are so great in both human terms and in terms of the loss of our prestige that I do not think it safe merely to drift along.

In this connection, I recall that in 1930, when there had been a slight seasonal upturn in production and a rise in the stock market, a group of citizens called on President Hoover and urged him to sponsor a public works program of \$2 billion. Friends of mine who were present at the interview said that Mr. Hoover looked at them in a very condescending fashion; and when they had finished, he said to them, "Gentlemen, you are just 6 weeks too late. The depression is over." That was in June 1930. President Hoover mistook a slight seasonal upturn for a permanent improvement.

Similarly, at the present time there is danger that this administration is doing just what Mr. Hoover did 28 years ago.

Mr. President, someone once said that if one does not learn from history, the penalty is that he has to repeat it. I am afraid that could be true.

#### 4. FAILURE TO LOOK AT DEFICITS IN THE ECONOMY

The basic argument on which this decision not to cut taxes rests appears to be the fear of budget deficits. The Budget Bureau and the Treasury now estimate that we shall have a \$3 billion budget deficit, or possibly a deficit of \$4 billion, in the fiscal year 1958, and possibly a deficit of \$8 to \$10 billion in the fiscal year 1959. They argue that a tax cut would merely add to the deficit.

While these gentlemen concentrate on the deficit in the budget, they fail entirely to think of the deficit in our economy, as the colloquy some minutes ago brought out. The budget deficit is not a cause of the recession, but is a result of the recession. The deficit in the budget is the effect of the deficit in the economy and the great decline in our gross national product, in our national income, and in corporation profits and personal income, against which taxes are levied.

The taxable base has shrunk, because the economy has shrunk. The deficit can best be made up by stimulating the economy enough to bring us back to full

employment, so that corporate profits, personal incomes, and consumption expenditures will rise to such an extent that our tax levels will provide additional revenues to offset our expenditures. Proof of this fact can be seen in the anticipated budget deficits themselves, for without any tax cuts whatsoever, and with only small increases in expenditures, the 1958 budget will show a \$3 billion deficit, as opposed to an estimated small surplus, when it was drawn up; and the fiscal year 1959 budget probably will show an \$8 billion to \$10 billion deficit, as a minimum, as opposed to an estimate, on the part of Secretary Anderson, as late as February 1958, of a surplus of about half a billion dollars. In other words, the Director of the Budget, the Secretary of the Treasury, and the administration have been wrong twice; but now they say, "We were so wrong then that we think you should take our advice a third time." However, I should say their reputation as reliable witnesses has been slightly tarnished, in view of the way that time has caught up with them in the past few months. In effect, they have two strikes on them; and now, with eyes closed, they are ready to swing at the next ball, and hope they can make a home run.

Mr. CAPEHART. Mr. President, will the Senator from Illinois yield to me?

The PRESIDING OFFICER (Mr. Morton in the chair). Does the Senator from Illinois yield to the Senator from Indiana?

Mr. DOUGLAS. I yield.

Mr. CAPEHART. There is no way the administration can reduce taxes. Only Congress can reduce taxes.

Mr. DOUGLAS. But the administration could advocate a tax reduction. For instance, if the administration advocated and proposed a reduction in taxes, I am sure the recommendation of the administration would be very persuasive upon the Senator from Indiana.

Mr. CAPEHART. But my point is that only Congress can reduce taxes; and the party of which the able Senator from Illinois is a member is in control of Congress.

Mr. DOUGLAS. I would not say that.

Mr. CAPEHART. The party of which the able Senator from Illinois is a member has a majority of the votes in Congress.

Mr. DOUGLAS. When the roll is called down yonder, I think that more Senators on this side of the aisle will be found voting for a cut in taxes than the Senators on the other side of the aisle who will vote for a tax cut. However, if the Senator from Indiana wishes to join us, we shall welcome him. [Laughter.]

Mr. CAPEHART. But the Senator from Illinois should be true to his own convictions and should endeavor to induce the Members who belong to his party to vote for a cut in taxes, if he believes that taxes should be cut.

I believe they should be cut.

Mr. DOUGLAS. Welcome. Welcome. [Laughter.]

Mr. CAPEHART. I am delighted to see the Senator from Illinois come around to my point of view.

However, the party of which the Senator from Illinois is a member has control of the Congress and has a majority of the votes in the Congress.

Mr. DOUGLAS. We have a narrow margin of one seat in the Senate.

Mr. CAPEHART. Only one vote is required in order to have a majority.

Mr. DOUGLAS. It is also known that the Democratic Party is legion; we are not a monolithic party, as the party represented by the Members on the other side of the aisle generally is. In our party, we have differences of opinion.

Mr. CAPEHART. My opinion is that the members of the party of the Senator from Illinois talk a great deal, but do very little. In other words, the able Senator from Illinois has been talking about this subject, and his party has been talking about it for a long time. If it is a good thing, why does not the Democratic Party act accordingly?

But if I correctly understand the situation, the most powerful Member of the House of Representatives, Speaker RAYBURN, says there should not be any tax cuts.

Mr. DOUGLAS. On this point I disagree with Speaker RAYBURN. He has given great service to the Nation but I have disagreed with him before, and I do so now.

Mr. CAPEHART. But why should the Senator from Illinois be so illogical as to blame the President and the administration, who have no responsibility for this matter, inasmuch as the only instrumentality which can reduce taxes is the Congress. So why not leave the President out of the discussion of who is to blame?

Mr. DOUGLAS. When the roll is called—and I hope the Senator from Indiana will help me obtain the yeas and nays on the question of agreeing to my amendments—all of us will have a share of the responsibility, according to our votes. And by our votes, let us be judged.

Mr. CAPEHART. And let us be judged by the responsibility of the respective parties. The people elected the party of the Senator from Illinois to control of the Congress; and a majority of the Democratic Members run things in the Congress.

Mr. DOUGLAS. I have never noticed that.

Mr. CAPEHART. However, the Democratic Party has not reduced taxes.

Mr. DOUGLAS. The Senator from Indiana knows that for 20 years the Congress has been run by a bipartisan coalition consisting of Members such as himself, on the Republican side, and his friends on this side of the aisle. That is the real majority party. The Senator from Indiana knows that, and the country knows it. So what is the use of concealing it.

Mr. CAPEHART. I did not conceal it. In fact, the Senator from Illinois said it only a moment ago.

Mr. DOUGLAS. I certainly did. I have said it many times, and I repeat it now.

Mr. CAPEHART. If the Senator from Illinois wishes to condemn the members of his own party, that is his privilege.

Mr. DOUGLAS. No; I simply say that the coalition that has been running the country is composed of Members to be found on both sides of the aisle. The Senator from Indiana knows that to be so. The amiable smile on his face indicates that he does know it. [Laughter.]

Mr. CAPEHART. And I also know that the Congress is the only instrumentality that can reduce taxes.

Mr. DOUGLAS. That is what I am trying to have done.

Mr. CAPEHART. And I also know that the Democratic Party controls both Houses of Congress.

Mr. DOUGLAS. The bipartisan coalition, of which the Senator from Indiana is a very important member, controls both Houses.

Mr. CAPEHART. That is the Senator's opinion.

Mr. DOUGLAS. It is very well known.

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

Mr. DOUGLAS. I yield to the Senator from Oregon.

Mr. MORSE. I can well understand why a Republican would want to leave the President out of almost anything today. I can also understand expressions about talking and not acting. I hold in my hand the front-page editorial of the Washington Daily News of today commenting on what I consider to be an inexcusable betrayal of the President's promises to the American people in 1952 in regard to "clean as a hound's tooth," and his defense of a man in the White House who I think is guilty of a shocking betrayal of his trust. I can understand why the Senator from Indiana wants to leave the President out. I think the American people ought to leave him out, because he has sullied his office and he has not exercised his leadership in order to prevent what has happened any more than he has exercised leadership in tax matters. Therefore, action on tax matters has to be taken under the leadership of such Senators as the Senator from Illinois. If we can get a handful of Senators on the other side of the aisle to support a tax cut, we will get one.

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

Mr. DOUGLAS. First let me reply to the Senator from Oregon. I agree that the President has not shown leadership in many matters of basic importance to the country and particularly on economic matters. I think that has been very unfortunate.

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

Mr. DOUGLAS. I yield.

Mr. CAPEHART. I want to say, in answer to the very able Senator from Oregon, I hope visitors from the Philippines who are guests here will not take what he has said too seriously, for this reason: He was once on this side of the aisle defending Republicans. Now he is on the other side of the aisle defending Democrats.

Mr. DOUGLAS. It is proof of the possibility that character can be redeemed.

Mr. CAPEHART. Tomorrow the Senator from Oregon may change his mind.

He is one who is accustomed to changing his mind. We never know from day to day whether he is going to be on this side of the aisle or over on the other side of the aisle.

Mr. DOUGLAS. The Senator from Oregon needs no defense at my hands. I have watched him now for a good many years. I have never seen him change his basic purposes. He may change from one side of the aisle to the other side of the aisle, but he is the same Senator MORSE on either side of the aisle.

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

Mr. DOUGLAS. I yield.

Mr. MORSE. In the past I have had interesting exchanges of repartee with the Senator from Indiana. I only wish to say to him today my mind goes where the facts lead. I recommend that course to the Republican Party.

Mr. CAPEHART. The Senator from Illinois has said the Senator from Oregon does not change his mind. Does that mean the Senator from Oregon has carried the principles he advocated on this side of the aisle over to the other side of the aisle?

Mr. DOUGLAS. The Senator from Oregon recognized that the Democratic Party, with all its faults—and Lord knows we have many—embraced liberal principles more than did the party with which he made an unfortunate liaison in his youth.

Mr. CAPEHART. Does the Senator from Oregon believe what he said when he was on this side of the aisle, or does he believe what he now says on the other side of the aisle?

Mr. DOUGLAS. He believes what he said in both places, but wisdom cometh with the years. [Laughter.]

I return to my manuscript.

The anticipated budget deficits are the result of the wait-and-see, do-nothing policies and do not come from any action taken to relieve or stop or turn around this recession.

#### 5. FALL IN GROSS NATIONAL PRODUCT

The gross national product fell from an annual rate of \$440 billion in the third quarter of 1957 to an annual rate of \$422 billion in the first quarter of 1958. It has obviously gone down since then. There seems to be no real prospect of a rise in the average gross national product for 1958 above the \$420 billion level and, in fact, it is most likely to fall by several more billions. Thus, we have now had a drop in the gross national product on an annual basis of at least \$18 billion when we should have had an increase for the year of at least 3 to 4 percent above the 1957 levels.

As I have stated, it has been estimated by the staff of the Joint Economic Committee that our economy would need to operate at a level of \$460 billion in gross national product in the calendar year 1958 in order to insure recovery with unemployment levels of 4 percent.

There is yet no overall evidence that the economy has been declining at a slower rate or that it has bottomed out—to use a most inelegant phrase—or, especially, that it has begun an up-

ward climb. Even if all of these things were true, we should still cut taxes and act speedily, in the absence of overwhelming evidence that the economy was now recovering at a rate 2 to 3 times that of the 3 to 4 percent yearly average increase which we should normally seek.

These losses in gross national product have occurred without a single cut in taxes. Therefore, tax cuts cannot be blamed for the recession or the deficits. In fact, a major tax cut of the proper kind would hasten the day of recovery. In the absence of major efforts to stop the recession, it will be many months indeed before we return to full-employment levels. Therefore we should act, and act speedily. We should cut taxes, and cut them where it will do the most good. We should be more concerned with the deficits in our economy than the deficits within our budget, for the latter are the result of the former.

The Joint Economic Committee staff has only recently made some projections as to the rate of recovery we need in order to reach the full employment potential. For example, if recovery should begin in the third quarter of 1958, we would need to proceed at an annual rate of 15 percent increase in our gross national product or the expansion of our economy, as compared with the normal 3 to 4 percent in order to have recovery sometime in the first quarter of 1959, or 9 months from now. Even with recovery beginning in the third quarter of 1958, and there is no proof that it will, we would have to advance at a 9-percent rate in order to achieve recovery before the end of 1959, or a year and a half from now.

I ask unanimous consent that a table and explanation which the staff of the Joint Economic Committee has worked out be printed in the RECORD at this time. This table shows the recovery rates needed if recovery starts, on the one hand, in the third quarter and, on the other hand, if it should start in the fourth quarter of 1958 in order to reach full recovery during specified periods.

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

A strong, rapid recovery from present levels, starting in the third quarter or the fourth quarter of 1958, would have to advance the rates tabulated below to reach the potential output by the times shown:

To reach potential by—	These annual rates of increase are needed if recovery starts—	
	In the 3d quarter of 1958 <sup>1</sup>	In the 4th quarter of 1958 <sup>2</sup>
1959—1st quarter	15.0	23.2
2d quarter	11.9	16.3
3d quarter	10.1	12.7
4th quarter	8.8	10.8
1960—1st quarter	8.0	9.3
2d quarter	7.4	8.4
3d quarter	6.9	7.7
4th quarter	6.4	7.2

<sup>1</sup> Assumes that GNP (adjusted for price changes) in the 2d quarter of 1958 is the same as in the 1st quarter.

<sup>2</sup> Assumes that GNP (adjusted for price changes) in the 2d and 3d quarters of 1958 is the same as in the 1st quarter.

A comparison of these rates of recovery with those experienced in the preceding two recessions indicates:

1. A rise starting in the third quarter at the 1949-50 rate of recovery would reach the "potential" output in the second or third quarter of 1959. At the 1954-55 rate, recovery would be complete by the third quarter of 1960. At the alternative 1954-55 annual rate of 9 percent, recovery would be complete by the fourth quarter of 1959.

2. A recovery starting in the fourth quarter at the 1949-50 rate would be completed by about the fourth quarter of 1959, while at the 1954-55 rate, recovery might be completed by the fourth quarter of 1960. At the alternative higher rate of 1954-55, recovery could be completed by the first quarter of 1960.

#### IV—SPECIFIC PROPOSALS

Mr. DOUGLAS. Mr. President, in order to achieve recovery quickly, we need to stimulate the economy in a major way. At the moment, there is nothing in the picture which would stimulate the economy enough to bring about an increase in the gross national product to \$450 to \$460 billion in the remainder of this year which we should need to insure full employment, or to \$470 to \$480 billion next year, which would be needed to bring full employment—with no less than 4 percent unemployed.

We should therefore act, and we should act through a major tax cut.

I am therefore submitting an amendment in the nature of a substitute to H. R. 12695. The effect of this amendment would be to do three things, as follows:

First, to reduce the rate on the first \$1,000 of taxable income from 20 percent to 15 percent for the 1-year period July 1, 1958, to June 30, 1959. That is a terminable 1-year tax cut reducing the tax by 5 percent on the first \$1,000.

Second, to reduce the tax on the first \$25,000 of corporate income from the present 30 percent to 22 percent, or by \$2,000 on the first \$25,000 of corporate profits. This is the so-called small-business tax-relief measure.

Third, to reduce or repeal certain excises, for which we shall give details in a few minutes.

Except for these changes or modifications in the bill, the amendment does not change the other features of the bill, even though the amendment is in the nature of a substitute, because that was the simplest way in which the amendments could be drafted.

I now turn to the specific provisions of the amendment.

#### PERSONAL INCOME TAX CUT

The first of the three major provisions in the amendment is to cut the rate on the first \$1,000 of taxable personal income from 20 percent to 15 percent for the period July 1, 1958, to June 30, 1959. It would be a temporary tax cut, unless extended by Congress. It is a 1-year cut. At the present levels of national income, it would mean an initial revenue loss of approximately \$3 billion, although its eventual cost would be considerably less than that. It would mean a cut of \$50 per person or \$100 for those taxpayers who file joint returns.

This tax cut is designed to have the greatest possible stimulating effect on the economy. It is designed to go to those who will spend it rather than to those who will save it. More than 40 percent of the money value of this cut would go to those with incomes below \$5,000. Another 50 percent would go to those with incomes between \$5,000 and \$10,000.

From studies which have been made by the Bureau of Labor Statistics, particularly the 18-volume study in 1950 of family incomes, expenditures, and savings, we know that families having incomes below \$5,000, as a group—and I emphasize as a group—have no savings at all, but actually have what are called disavings.

We also know that at the present time, those with incomes below \$10,000 do not have savings of great amounts. It is only when incomes exceed \$10,000 that savings as a proportion of income become very high.

This personal tax cut provision gives more of the cut to those with incomes below \$10,000 than does any other serious proposal which we have seen. It meets, therefore, the argument that a tax cut might be saved rather than spent. This tax cut proposal is designed to go to low- and middle-income groups because the lower the income, the greater the amounts spent rather than saved. Conversely, the higher the family income, the greater the actual and relative savings.

A table has been prepared by the Joint Committee on Internal Revenue Taxation, giving the estimated distribution of the tax reduction from this proposal, to cut the rate on the first \$1,000 of taxable income from 20 to 15 percent.

Mr. President, 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:

*Estimated distribution of personal-tax reduction which would reduce the rate on the first \$1,000 of taxable income from 20 to 15 percent*

Adjusted gross income	Tax reduction	
	Amount	Percentage distribution of tax reduction
Under \$5,000	\$1,400	40.3
\$5,000 to \$10,000	1,740	50.1
Over \$10,000	335	9.6
Total	3,475	100.0

Mr. DOUGLAS. Mr. President, this table was prepared earlier in the year on the basis of 1958 revenue estimates and, therefore, overestimates the loss of revenue. Because of the decline in national income and personal income, it is our view that the revenue loss will be about \$3 billion rather than \$3.4 billion.

#### SMALL BUSINESS TAX CUT

The second major item in the amendment is a tax cut for small business. By reversing the existing normal and surtax

rates, the effect of the amendment would be to reduce the corporate tax rate on the first \$25,000 of taxable income by \$2,000. It has been estimated in the past that the revenue losses from this provision of the amendment would be in the magnitude of \$300 million to \$400 million.

This proposal has been put forward on several occasions. It received the endorsement of both the Republican and Democratic platforms in 1956, and of the administration at that time. Of course, each time the proposal has been offered on the floor, the administration has opposed it for one reason or another when the chips were down and the votes were to be cast.

The amendment would actually change the present rate by establishing a normal corporate income-tax rate of 22 percent, as opposed to the existing 30 percent; and it would establish a surtax rate of 30 percent, as opposed to the existing 22 percent.

This provision of the amendment provides that the rate shall be in effect until June 30, 1959, or the date to which we are asked to extend corporate-tax rates in the bill before us.

This provision would help small businesses, and especially businesses with incomes below \$25,000.

A table showing the effect of the amendment on taxes of corporations with various incomes has been prepared.

Mr. President, 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:

*Effect of a normal tax rate of 22 percent and a surtax rate of 30 percent*

Income subject to normal tax and surtax	Present tax liability (normal rate 30 percent, surtax rate 22 percent)	Proposed tax liability (normal rate 22 percent, surtax rate 30 percent)	Change	
			Amount	Percent
\$5,000	\$1,500	\$1,100	-\$400	-26.7
\$10,000	3,000	2,200	-\$800	-26.7
\$15,000	4,500	3,300	-\$1,200	-26.7
\$20,000	6,000	4,400	-\$1,600	-26.7
\$25,000	7,500	5,500	-\$2,000	-26.7
\$50,000	20,500	18,500	-\$2,000	-9.8
\$100,000	46,500	44,500	-\$2,000	-4.3
\$225,000	111,500	109,500	-\$2,000	-1.8
\$500,000	254,500	252,500	-\$2,000	-.8
\$1,000,000	514,500	512,500	-\$2,000	-.4
\$10,000,000	5,194,500	5,192,500	-\$2,000	-.04
\$100,000,000	51,994,500	51,992,500	-\$2,000	-.004

#### EXCISE TAX CUTS

Mr. DOUGLAS. Mr. President, the third major provision of the amendment is the repeal or reduction of certain excise taxes, as follows:

First. Retail excises: These include repeal of the tax on jewelry selling for less than \$25; repeal of the tax on the first \$100 of the retail price of watches and clocks; repeal of the tax on toilet preparations; and repeal of the tax on luggage, handbags, and wallets.

Second. Manufacturer's excises: These include reducing the tax from 10 percent to 5 percent on autos and trucks; the repeal of the tax on auto and truck parts; and the repeal of the tax on refrigerators and refrigerator equipment, air conditioners, electric and gas and oil appliances, power lawnmowers, light bulbs, radio, television sets, phonographs, musical instruments, sporting

goods—except fishing equipment which is earmarked for conservation purposes, cameras, films, household type motion-picture projectors, business machines, mechanical lighters and pencils, fountain and ballpoint pens, and matches.

Third. Excise taxes on facilities and services: These include the repeal of the admissions taxes, including that on musicians, a reduction from 10 percent to 5 percent on long-distance telephone calls, leased wires, and so forth; the repeal of the 10-percent tax on local telephone service, a very important item; a reduction from 8 percent to 4 percent in the tax on wire and equipment services; a reduction from 10 percent to 5 percent on the transportation of persons; and repeal of the 3 percent excise tax on the transportation of property and the 4-cent-per-ton tax on the transportation of coal.

The total revenue losses from these excise-tax cuts come to approximately \$2.6 billion; and there should be added to that amount the relatively small costs of floor-stock refunds for autos and trucks and durable goods and the cost of the retroactive provision for the reduction of the excise tax on autos and trucks to March 1, 1958. The approximate total cost of these excise reductions would be from \$2.6 billion to \$2.7 billion.

I have a table setting forth the detailed provisions of the excise cuts, which I ask unanimous consent to have 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:

#### Excise provisions of proposed Douglas tax cut

##### 1. RETAILER'S EXCISES

Item	Present rate	How collected at present	New proposed rate	Revenue loss as estimated in fiscal year 1959 budget
Sec. 4001: Jewelry selling at retail for \$25 or less and the first \$100 of the retail selling price of watches and clocks.	10 percent of selling price.....	Paid by consumer to retailer.....	Percent	Million
Sec. 4021: Toilet preparations.....	10 percent.....	Retailer.....	0	102.0
Sec. 4031: Luggage, handbags, wallets, etc.....	do.....	do.....	0	60.0

##### 2. MANUFACTURER'S EXCISES

Sec. 4061 (a) (2): Passenger automobiles.....	10 percent (permanent rate 7 percent).....	Paid by manufacturer to Government.....	5	1 \$500.0
Sec. 4061 (a) (1): Truck and bus chassis and bodies.....	10 percent.....	do.....	5	124.0
Sec. 4061 (b): Auto parts and accessories (includes parts for trucks). Sec. 4111:	8 percent (permanent rate 5 percent).....	do.....	0	113.0
1. Refrigeration equipment, household type.	5 percent.....	Paid by manufacturer.....	0	
2. Air conditioners.....	10 percent.....	do.....	0	44.0
Sec. 4121: Electrical, gas, and oil appliances.....	5 percent.....	do.....	0	75.0
Sec. 4131: Light bulbs.....	10 percent.....	do.....	0	28.0
Sec. 4141: Radio and TV, phonographs, etc.....	do.....	do.....	0	179.0
Sec. 4151: Musical Instruments.....	do.....	do.....	0	
Sec. 4161: Sporting goods (except fishing equipment)	do.....	do.....	0	10.0
Sec. 4171:				
1. Cameras and films.....	do.....	do.....	0	
2. Projectors, still and motion of household type.....	5 percent.....	do.....	0	22.0
Sec. 4191: Business machines.....	10 percent.....	do.....	0	93.0
Sec. 4201: Mechanical lighters, pencils, fountain and ball-point pens.	do.....	do.....	0	10.0
Sec. 4211: Matches:				
1. Plain.....	2 cents per 1,000 but not more than 10 percent.....	do.....	0	
2. Fancy.....	5/4 cents per 1,000.....	do.....	0	6.0

<sup>1</sup> A further cut of 2.5 percent should be conditional on manufacturers reducing prices by approximately 6 percent.

## Excise provisions of proposed Douglas tax cut—Continued

## 3. FACILITIES AND SERVICES

Sec. 4231 (1-6): Admissions of all kinds including musicians..	Various (20 percent musicians) .....	Paid by person paying admission; collected from proprietors.	0	\$100.0
Communications:				
Sec. 4251:				
1. Telephone and telegraph leased wires, etc.....	10 percent.....	Imposed on person paying for facility.....	5	
2. Local telephone.....	do.....	do.....	0	517.5
3. Wire and equipment service.....	8 percent.....	do.....	4	
Transportation:				
Sec. 4261: Persons.....	10 percent.....	Paid by person making purchase. Collected by transportation company.	5	107.5
Sec. 4271 (a):				
1. Transportation of property other than coal.....	3 percent.....	Paid by person making purchase of transportation.	0	
2. Transportation of coal.....	4 cents per ton.....	do.....	0	476.0
	Total revenue loss (exclusive of floor stock refunds and the retroactive rate for autos and trucks).			2,677.0

## ESTIMATED REVENUE LOSSES

Mr. DOUGLAS. Mr. President, assuming that there is no increase in national income, the estimated revenue losses from the entire amendment on an annual basis would be as follows:

First. Cut from 20 percent to 15 percent on the first \$1,000 of taxable income for 1 year: \$3 billion.

Second. Repeal or reduction of excises—on the basis of 1959 fiscal year budget estimates: \$2,667,000,000.

Third. Reducing rate on first \$25,000 of corporate profits from 30 percent to 22 percent: \$300 million to \$400 million.

Fourth. Floor stock refunds for autos, trucks, and durable goods, and a retroactive date for autos and trucks to March 1, 1958: \$100 million to \$200 million.

Total revenue losses: \$6,067,000,000 to \$6,267,000,000. Because of the reduction in national income the cut would be nearer the smaller \$6 billion figure than the \$6,300,000,000 figure.

But as we shall see the national gross product money be greatly increased.

## V—HOW IT WOULD WORK

This tax cut would be reflected immediately in at least two ways. First, the weekly paychecks of individuals would increase because the amount of withholding would go down. Therefore, on an annual basis, the immediate effect would be to increase the size of the individual paychecks by \$50 per taxpayer on a yearly basis or \$100 if the taxpayer filed a joint return. In total, this would amount to \$3 billion at an annual rate.

Second, the tax cut would be reflected in lower prices for a variety of items—monthly telephone bills, durable goods of all kinds, toilet preparations, automobiles, light bulbs, films, mechanical pencils, pens and lighters, admissions, and in the cost of the goods which are transported by regulated carrier.

The effect of these price reductions would be to increase the individual's real income. This, in addition, would amount to over \$2.6 billion.

Finally, small businesses would find a great decrease in their taxes, which would mean that fewer of them would go out of business, more of them would be in a position to expand or to hire more workers, and so forth, and they would have more money by which to build up inventories, to advertise, or to better their position.

The effect of this amendment would be to release about \$6 billions of purchasing power. Instead of the existing cumulative downward forces which are working in the economy, this increased purchasing power could put into motion cumulative upward forces.

At the present time when men are unemployed they have less money with which to buy. When they buy less, stores sell less. Stores in turn order less from manufacturers who lay off more people who then have smaller incomes, who in turn buy less from stores which sell less, who order less from manufacturers, who produce less, who pay out smaller amounts in salaries and wages.

If we can increase the purchasing power in the hands of individuals, and if we make certain that the increase goes to those who spend their incomes, as these tax proposals do, individuals will spend more and buy more from stores, which will order more from producers who will produce more and who will hire more workers, who will receive more pay, and who will spend more with stores, which will order more from manufacturers, and so forth. Instead of the vicious spiral of the downswing, we will get the delicious spiral of the upswing.

## THE MULTIPLIER EFFECT

A \$6 billion tax cut which went to lower- and middle-income groups would have a much greater effect than a mere \$6 billion stimulus to the economy. A dollar in tax cuts is spent and respent. The reason that it is important to give such a cut to low-income groups is that they spend it. It is my opinion that a personal tax cut, over 90 percent of which went to those with incomes below \$10,000, and the repeal or reduction of the excises which fall disproportionately and unfairly on low- and middle-income groups, would ultimately result in an increase in our gross national product over what it would otherwise be of about 3 times the size of the actual tax cut. Therefore, the \$6 billion tax cut which I have proposed should result in an eventual increase in our gross national product of about \$18 billion. This amount is based on the assumption that, on the average, at least 75 cents of each dollar of such a cut would be spent and not more than 25 cents of each dollar of such cut would either be paid in taxes or saved and not invested. Therefore, when the \$6 billion was received by consumers, they would spend 75 percent of it, or \$4.5 billion,

and no more than \$1.5 billion would go for taxes or leak into savings which would not be invested. Then, when the \$4.5 billion was received by retailers or businessmen, they, in turn, would spend 75 percent of it, or \$3.38 billion. On the next round, \$2.54 billion would be spent and only \$840 million saved and not invested, and so on until the full effect of the \$6 billion tax cut, as it was spent and respent, would be about 3 times \$6 billion, or around \$18 billion. This is what economists call the multiplier effect.

The effective tax rate on this \$18 billion would be about 25 percent when Federal, State, and local taxes are all taken into account. Therefore, \$4.5 billion of this \$6 billion tax cut eventually would be recouped in taxes so that the effective cost would be only \$1.5 billion. Further, if the tax cut had the effect of stimulating the economy so that recovery comes sooner than it otherwise would, the losses would be even less, for at the moment our tax revenues are decreasing because of the decline in corporate profits and personal incomes.

Thus we can take as a multiplier an estimate of 75 percent of each dollar which is passed on. So we have a series of additions—75 percent of the first dollar; then 75 percent of 75 cents; then 75 percent of the latter figure, and so forth. If we have patience enough to work it all out, it comes to 3.0. If one has any skill in calculus, he can make the same computation in half a minute. I wish the Senator from Pennsylvania [Mr. CLARK] were present so that he might try this arithmetical or mathematical exercise.

Mr. PROXIMIRE. Mr. President, will the Senator yield on that point?

Mr. DOUGLAS. I yield.

Mr. PROXIMIRE. Is it not true that when Senators argue that they cannot vote for such an amendment at this time because of the fact that the budget would be out of balance, they will find three-quarters of the entire answer in the so-called multiplier effect? Without the assumption of an accelerator in the economy, without the assumption that the economy will be otherwise improved, there would be an increase in the budget revenue of three-quarters of the loss flowing directly from the tax cut.

Mr. DOUGLAS. Yes. It is based on this assumption: If we have a multiplier of 3, a \$6 billion tax cut will result in a \$18 billion increase in national product.

About 1 dollar out of every 4 goes for State, local, and Federal expenses. So if we increase the total gross national product by \$18 billion, we should increase income at all levels of Government about \$4.5 billion. So this would mean that the maximum loss due to the tax cut should not exceed \$1½ billion. As a matter of fact, if it sets in motion added private expenditures, and they come from hiding, so to speak, there may be no loss at all.

Mr. PROXMIRE. It might very well be, from the standpoint of those who favor school construction, hospital construction, and other things which are expensive, that this plan might make such a program easier rather than more difficult.

Mr. DOUGLAS. It would not make it more difficult.

Mr. PROXMIRE. It would not make it more difficult. Furthermore, the direct effect, of course, is on the budget.

Mr. DOUGLAS. That is correct.

Mr. PROXMIRE. The indirect effect on the resources of the American people, the indirect effect on the income of businesses and individuals, will be far less because of the \$18 billion increase than it would be without it.

Mr. DOUGLAS. I quite agree. It is very important that the people should realize the so-called multiplier effect. That is one of the things people really need to understand, and they do not. It is essential to our argument.

I should like also to point out that the deficit argument is being used in opposition to schools and other needed social expenditures, as well as against the tax cut.

Mr. PROXMIRE. The argument in that respect, of course, is that when money is spent on schools, there is the same multiplier effect.

Mr. DOUGLAS. As a matter of fact, I think the multiplier for public works is 4, rather than 3, due to the fact that the initial dollar is used for the direct employment of labor and material. If we were to start with \$1, and add 75 cents, and then 75 percent of 75 cents at the next stage, and so on, the multiplier effect would be felt in that direction. I have always maintained therefore that the multiplier for public works is one unit greater than the multiplier in the case of a tax cut.

My objection to public works as the chief method of getting out of the recession is that they are so slow in getting underway that the recession may go into a depression before the stimulating effect of public works is felt.

I have had some personal experience in this field. Harold Ickes, who was the first Public Works Administrator, in the administration of President Franklin D. Roosevelt, was a close personal friend of mine. We were in very close touch with each other during 1933 and 1934. He was given \$3 billion to spend. It was almost the end of 1934 before any of those expenditures really began to bear fruit. The process was so slow that the Civil Works Administration had to be formed.

Mr. PROXMIRE. Is it not true that if the Congress fails to act now it would

seem that the Government of the United States will never act decisively to stop a depression until the present attitudes of Members of Congress are changed? If they should fail to act under these circumstances, on the argument that the budget would be unbalanced, and if we should have an even more severe depression, it would mean that the American people would be told that the Government feels that there is no way to stop a recession or depression. The experience of 1933 can be repeated all over again, notwithstanding all the talk to the effect that the Government would never stand for it. The Government will stand for it, indeed.

Mr. DOUGLAS. I am very much disappointed in this administration. President Eisenhower pledged himself during the campaign to act with determination and vigor should there be a recession or depression. Yet in practice, when we are faced with such a situation, he refuses to act. I can document that statement with excerpts from his speeches.

Mr. PROXMIRE. I am deeply shocked, because I have felt for the past 10 or 12 years, and many other Americans have felt, that we would never again have to confront the kind of depression which the American people confronted in 1930. We felt that Members of Congress and of the administration had learned their lesson, and that they would never permit such a thing.

It seems that that is not true. We have a recession, which could have been avoided at a relatively small cost, as the Senator from Illinois has pointed out. The cost would have been smaller last February and March had the Congress acted on the Senator's advice. Now it is even more reluctant. The cost is greater. If we get into a deeper recession, unless attitudes change dramatically, the American people cannot be assured that their Government will protect them from the disaster of a depression.

Mr. DOUGLAS. I am glad to have the statement of the Senator from Wisconsin. The complacency which the Government exhibits in the face of the great gains which Russia has made in the field of intercontinental missiles and submarines; the complacency with which the administration faces the worsening of our foreign relations in the Near East and other sectors of the world; the complacency with which it refuses to do anything during this very severe economic recession, is extremely depressing.

I realize that, in part, it reflects the complacency of the people generally. But the administration itself has contributed to that complacency, and almost every day injects liberal doses of intellectual anesthetic, so to speak, into the minds of the people.

I quite agree with the Senator from Wisconsin. I hope we may never have to go through an experience such as we had from 1929 to 1932. But the administration is doing nothing to prevent it. Such stability as we have was put into our economy during the New Deal period, by way of unemployment insurance, guaranty of bank deposits, and other measures which have prevented

the bottom from falling out, but which were bitterly attacked at the time.

Mr. PROXMIRE. They have been eroded since. The unemployment compensation is not the cushion now that it was. The Social Security System should be improved if we are to have the protection we need.

Mr. DOUGLAS. Benefits have not kept up with the cost of living, or with the wage rates they were supposed to protect.

The ultimate cost of \$1.5 billion is an inexpensive way to try to obtain recovery. If recovery fails to come, or if the recession is drawn out for many more months, we shall lose that amount or more than that in the decline in revenues because of lower profits and incomes against which taxes are levied.

#### VI—OBJECTIONS TO A TAX CUT

Mr. President, a variety of objections have been advanced against a tax cut. As we have seen, some of these are not well taken. However, let me review them quickly.

It is argued that a tax cut would not be spent and that it would be saved instead. The simple answer to that objection is that if it is given to low- and middle-income groups it will be spent in an overwhelming proportion. Even if as much as 25 percent of it is saved, it would still increase the national product by about \$18 billion. Therefore, if it is given to those groups who have little savings, as my amendment does, this tax cut would be spent.

It is also argued that a tax cut would be inflationary. Again, there are several answers. First of all, some of those who argue that it would be saved also argue that it would be inflationary. They cannot have it both ways. To be inflationary, it must first of all be spent. I think, therefore, that the opponents, by arguing that it would be inflationary, effectively grant that it would be spent rather than saved.

When I say "saved," I refer to savings which are not reinvested. I do not mean savings which are reinvested, because they affect the demand for labor; rather, I mean savings which are not reinvested, but which are sterilized in idle savings accounts.

Second, it would not be inflationary at a time like the present when there is great unused capacity and a great abundance of goods. Inflation comes as a result of an excess of money bid against a shortage of goods, which results in higher prices. This obviously would not be true at this time.

Further, it is said that since a tax cut would increase the deficit, the money would have to be borrowed, and this would again increase the money supply and therefore increase prices. This might be true except that a tax cut at this time would also stimulate production, as the Senator from Wisconsin has said, so that the increase in the money supply would be offset by an increase in the amount of goods against which the money would be bid. Therefore, this argument is also not true. Any tendency of the increase in the money supply to affect prices after the recession is over could be offset by Federal Reserve Board

policy at that time. They could sell Government securities and hence decrease member bank reserves and hence the lending capacity of banks.

Finally, that part of the \$2.6 billion tax cut which went to reduce or repeal the excises would result in an actual decrease in prices. The prices of hundreds of items would be reduced by this kind of a tax cut. Thus, the argument that this tax cut would result in increased prices—or inflation—has no basis whatsoever in fact.

It is further argued that a tax cut would add to the deficit and that we should not increase our deficit at a time when it is anticipated that the deficit for fiscal 1959 will be from eight to ten billion dollars. This objection has already been answered several times, but it will do no harm to repeat the point that the budget deficit is a result of the deficit in the economy. The way to cure the deficit in the budget is to cure the deficit in the economy. If these gentlemen who object to a tax cut are to be consistent, let them increase taxes, balance the budget, and cut Government spending at this time. Such an act would be utter and complete folly and would almost certainly lead us into a terrible depression.

If we really wish to see the deficit cut, we must expand employment, production, and investment in order that our tax rates will bring in greater revenues as corporate profits and personal incomes increase.

These have been the major objections to a tax cut. If we had moved quickly in other directions as early as last fall, perhaps there would be some slight justification in them. However, in the absence of any major countercyclical action on the part of the Federal Government, and with the real possibility that we shall have continuing unemployment of 5 million or more for many months, failure to cut taxes is a great act of human folly. Let us not play Russian roulette with the welfare of the American people.

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

Mr. DOUGLAS. I yield.

Mr. MANSFIELD. I wish to compliment the Senator from Illinois for bringing to the attention of the Senate the material he has submitted today. I am in wholehearted accord with his view that not only would a personal income tax reduction be of some assistance in alleviating the recession in which we find ourselves, but also, as the Senator has so capably pointed out, there is the matter in equity involved in the present tax structure which ought to be corrected, recession or no recession.

It is quite possible that at the time the \$600 exemption was put into effect there might have been some relation between \$600 and the cost of living. However, since that time the cost of living has increased, if my information is correct, for the past 18 months in succession. Is that correct?

Mr. DOUGLAS. That is correct.

Mr. MANSFIELD. During most of that period we have been "enjoying"—and I put the word "enjoying" in quota-

tion marks—the highest cost of living in our history. I hope also that something may be done about the excise taxes, because it is my understanding they were levied as emergency taxes, and are, in effect, sales taxes. The one who ultimately pays those taxes, of course, is the consumer.

Mr. DOUGLAS. That is correct.

Mr. MANSFIELD. It is the little man who pays those taxes.

Mr. DOUGLAS. Yes.

Mr. MANSFIELD. So I hope most sincerely that the amendment being offered by the distinguished Senator from Illinois, who is one of the Nation's outstanding economists in his own right, will be accepted by the Senate, regardless of the attitude of the administration or the advisers of the administration. I wish to commend the distinguished Senator for the service he is performing today.

Mr. DOUGLAS. I thank the Senator from Montana. I may say that the amendment I am offering now reduces the tax from 20 percent to 15 percent on the first thousand dollars of taxable income. That would have almost the same effect as increasing the exemption from \$600 to \$700 for dependents. The total effect would be almost exactly the same.

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

Mr. DOUGLAS. I yield.

Mr. PROXMIRE. I, too, would like to commend the Senator from Illinois on another superb address and on his economic statesmanship. The Senator from Montana has pointed to something which I believe should be mentioned. Throughout the address of the Senator from Illinois there is stressed the notion of equity, which, it seems to me, must permeate our tax structure. If there is any criterion for the passage of tax laws, it should always be equity. The outstanding fact about the Senator's speech is that he stresses it in every line.

The Senator from Illinois has also suggested a tax reduction for small business. Small business urgently needs a tax reduction.

Therefore, when we put the three phases of the Senator's proposal together—an increase in the exemption, which would take care of the person with the modest income, who urgently and desperately needs such assistance; the benefit to small business, which is greatly suffering, as witness the greatest increase ever in the number of bankruptcies and business failures in a long time; and, third, the excise tax elimination which, as the Senator from Montana has said, is really a sales tax and is regressive and unfair, and was levied originally as an emergency tax, and was imposed for the deliberate purpose of discouraging and preventing the sale and production of automobiles during the war, when necessary steel was being used for the war effort—when we add up these items the Senator's proposal is obviously shown to be sensible and sound and one of economic statesmanship and equity.

Mr. DOUGLAS. I thank the Senator.

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

Mr. DOUGLAS. I yield.

Mr. MANSFIELD. I point out also that those who say the Senator's proposal would bring about a deficit in the revenue accruing to the Government ought to keep in mind one point, which the Senator from Illinois has made time and time again, namely, that without a tax reduction we will have a larger deficit than ever; whereas with a tax reduction some of the money will keep rolling along again and will, perhaps, bring about an alleviation of the recession.

The Senator from Illinois has indicated that there are approximately 5 million unemployed in the United States. My question of the Senator is this: How, in a statistical way, is there incorporated in that figure or added to it the 1,300,000 high school and college graduates who every year go into the labor market? How is that done?

Mr. DOUGLAS. It is not reflected in the May figures. But those who do not find employment will be reflected in the June and July figures. The June figures will come out in July; the July figures, in August. That is why I expect to see the estimate of unemployment rise very markedly when the new figures come out in July. Therefore, one of the dangers we face is that the administration and Congress may be deluded by the very slight improvement which occurred in the 2 months from March to May, and will fail to take into account the increase in unemployment in June and July.

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

Mr. DOUGLAS. I yield.

Mr. MORSE. I thank the Senator from Illinois more than I compliment him, although I do compliment him for his speech. But I thank the Senator for the help he has been to our thinking in the great speech he has made this afternoon. He has heard me say heretofore that on the tax issue he is my leader. I think that the speech can be summarized by my saying what I think it means.

I think the Senator's address means that, once again, the Senate is called upon to decide whether it will protect dollar values or human values. I happen to believe it is our obligation to protect human values. I shall support the Senator's amendments. I shall support a tax cut, because I believe that to be the best way to protect human values in the United States. I express my fear that if we do not make a cut, the dollar deficit will be much greater than it now is. I think that one of the most interesting things about our form of society is that when we protect the investments of human values, in the long run we best protect and advance economic values.

I wish that in some way, somehow, the Senate could grasp the idealism—and it is a practical idealism—of the Senator from Illinois, and see the direct relationship between a needed tax cut and the immediate protection of human values and the long-time advancement of economic values.

Mr. DOUGLAS. I thank the Senator from Oregon.

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

Mr. DOUGLAS. I yield.

Mr. CLARK. I compliment the Senator from Illinois on the brilliant speech he has made. I apologize for interrupting him again to propound a question and to ask him how he reacts to it.

I refer to the revenue losses, which appear on page 11-C of his prepared speech. The first \$3 billion are said to occur from a cut from 20 percent to 15 percent in the first thousand dollars of taxable income for 1 year. I have followed the Senator's argument that the major part of his proposed tax cut—he said more than 90 percent of it—would inure to the benefit of those whose incomes were \$10,000 a year or less.

I was wondering if the Senator would agree with my estimate that the major part of that saving would go very quickly to the reduction of consumer debt; that is, to pay for automobiles, refrigerators, other installment purchases, and the like, with respect to which many people, if not most of them, are in default by reason of being underemployed; and that, second, it would go for groceries; and third, for rent.

I hazard the guess, not being an economist, that the major part of the \$3 billion—perhaps the overwhelming part of the \$3 billion—would go to those 3 categories. Would the Senator agree with that statement?

Mr. DOUGLAS. I do not know. I can see the argument which the Senator is leading up to, namely, that the money would be used to pay past debts, rather than to stimulate new purchases.

Mr. CLARK. It would not be used entirely for paying past debts. It would pay for groceries. Yes; past debts in connection with rent. But perhaps the multiplier effect has been somewhat exaggerated.

Mr. DOUGLAS. That is possible. Economics is not an exact science. I do not pretend to have everything down to the last decimal point. I merely call attention to what has been happening in Washington in the last few days. Due, in part, because of the very able work of the Senator from Pennsylvania, Congress has provided a 10-percent increase in pay to the classified civil-service employees.

Mr. CLARK. I wish that I could take credit for much of it, but I cannot.

Mr. DOUGLAS. The Senator can take some credit. What happened? The stores in Washington were jammed with purchasers. Shopping News said sales went up 8 percent. So the people were not merely getting out of debt; they were going to the stores and buying the things which they wanted but had not expected to have. This was before they got any of the money; it was in anticipation of receiving the money.

Mr. CLARK. The Senator will, I am sure, agree that unemployment in the District of Columbia is probably lower than it is in any of the 48 States.

Mr. DOUGLAS. I think that should be considered. It is a good point.

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

Mr. DOUGLAS. I yield.

Mr. PROXIMIRE. On that very point, this proposed tax cut will not benefit the unemployed; it will benefit those who have jobs and have income, and who will be in a position to spend more money. It will not benefit the people who have been laid off, the people who have to make up their defaults on rent or automobile payments which they have not been able to make.

The tax cut proposed by the Senator from Illinois will put people in the position where they can buy automobiles and other things they want.

Mr. DOUGLAS. The Senator from Wisconsin has made a much better reply than I did. The time to have helped the unemployed was when the unemployment-compensation bill was before the Senate. We largely let that opportunity slip through our fingers.

Mr. CLARK. I think the Senator from Wisconsin has a debatable point; but I suspect that a large part of this tax cut will go, not to the unemployed but to the underemployed and to those who perhaps will be reemployed. It is very hard to figure it out definitely.

The experience in the District of Columbia is not typical. I think it will be found that a large part of the money realized will go to finance companies and landlords, and will not get into the flow of expenditures throughout the land, as my friend hopes. I do not wish to labor the point further.

Mr. PROXIMIRE. It will go to the underemployed, too; and they include small-business men who are breaking even, and farmers who are losing money, or are making very little. They also pay virtually no Federal income tax. Although there would be some benefit to people having very small incomes, by and large the tax cut would be for the benefit of people who have moderate incomes, incomes which are being spent. It would increase the amount of their pay checks. It would add to the multiplier effect; and my view is that the multiplier effect is a considerable one.

Mr. DOUGLAS. Mr. President, on these amendments I ask for the yeas and nays.

The yeas and nays were ordered.

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

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

The question is on agreeing to the amendments of the Senator from Illinois [Mr. DOUGLAS].

Mr. MORTON. Mr. President, I rise in opposition to the amendments offered by the Senator from Illinois.

#### DISTILLED SPIRITS EXCISE TAXES

Mr. President, the Finance Committee has reported favorably House bill 12695, which would extend for another year certain temporary Korean war excise taxes. I agree that this is not the time to reduce any taxes which, in the ab-

sence of enactment of the pending bill, would expire. To do so would only add fuel to the fires of inflation. Consequently, I approve of the action taken by the Finance Committee. However, the time will arrive—and it may come sooner than we expect—when we should give serious consideration to reduction of excise taxes. When that time comes, action should certainly be taken to reduce the abnormally high tax on distilled spirits.

#### MOST HEAVILY TAXED COMMODITY

It is illogical that 45 industries and services, among the many hundreds in this country, should bear a special tax, over and above the basic taxes paid by all others, to the extent of furnishing 13.9 percent of the total Federal revenue. It is even more illogical that distilled spirits carry 20 percent of the total present Federal excise-tax burden.

Twenty-six of the 45 categories subject to excise taxes are subject to rates at or below pre-World War II rates, but the present rate on distilled spirits is 162½ percent above the pre-war level.

Most items which bear a manufacturer's excise tax are subject to a maximum rate of 10 percent; but the \$10.50 rate on distilled spirits is five times the cost of manufacture, and is in excess of 40 percent of the retail sale price. When State excise taxes are added to this burden, the total excise taxes account for 55 percent of the retail sale price.

#### CONTINUATION OF KOREAN EMERGENCY INCREASE OF \$1.50

The \$10.50 excise tax still includes the increase of \$1.50 which was imposed to defray expenses of the Korean war. The Korean war is now history, but this special impost continues as part of the present tax. In 1954, 17 of the present 45 excise taxes were reduced; but none of these 17 bore any temporary Korean wartime increase. Certainly, fairness and impartiality in tax administration dictate that temporary excises imposed to meet a special emergency should be the first to be removed when the emergency ceases to exist. But that was not done in the case of distilled spirits.

#### EFFECT ON INCOME OF INDUSTRY

From an economic standpoint, this high tax has served as an effective road-block to the participation by the distilling industry in the record economic growth and prosperity which the country has enjoyed during the past 15 years. For example, between 1942 and 1957, retail sales of all commodities increased 98 percent; consumer expenditures rose 77 percent; and the average net return on assets for all manufacturing industries rose 26.7 percent. By contrast, the consumption of legally distilled spirits—despite a 19.5 percent increase in population—rose only 11.5 percent; the per capita consumption of legally distilled spirits declined nearly 12 percent; and distiller returns on net assets declined 43 percent. As a matter of fact, the net return on investments by the distilling industry for the past 6 years was the lowest of any in the 22 years since repeal of the prohibition law—namely, a return of 7.3 percent for 1957, which is 43 percent below the average for all manufacturing industries.

While all segments of the industry have been affected, this is especially true of the hundreds of thousands of small-business men who are engaged in the wholesale and retail distribution of its products. A fairly recent study of the economic condition of the tavern industry, whose rates of profit are considerably lower than those of other retail operations, shows a decline of 44 percent in net profits since 1948. Similarly, wholesalers of alcoholic beverages, whose returns are also relatively low, have suffered a decline in net profits. In 1957, the ratio of net profits to sales reached the lowest point in the last 10 years—1.47 percent before taxes, as compared to 3.33 percent in 1950.

#### MOONSHINE

The distilling industry is the only industry which has an active tax-evading competitor—the moonshiner. Moonshining has shown a constant increase since the end of World War II. More than 20,000 stills were seized last year. Between 1946 and 1957, Federal seizures of stills more than doubled, and mash seizures—the index relied upon by the Government to indicate the output of the moonshine stills—increased more than threefold. The industry estimates moonshine production at between 60 million and 76 million wine gallons, equal to 25 percent of the total estimated liquor consumption.

Moonshining not only deprives State and Federal governments of millions of dollars in revenue, but, of equal importance, it also breeds an ever-increasing hoard of criminals who flout all laws of our country. These criminal violators not only evade the excise tax; they also evade the payment of all other taxes, such as corporation and personal-income taxes. Through this high tax, we are subsidizing an ever-increasing group of law violators who daily are contributing to the general breakdown of law and order, which extends into all levels of society.

The distilled spirits industry is one of the largest industries in Kentucky. My State has suffered because the distilling industry has been depressed economically for several years. But it is to the interest, not only of Kentucky, but also of the Nation as a whole, that, at the proper time, the tax on distilled spirits be reduced to a sane level, so as to eliminate the moonshiner and so as to channel all the consumption of distilled spirits into the consumption of the legal, taxpaid product. When this is done, all segments of the distilled spirits industry will once again be on a sound economical basis, and thus will contribute to the prosperity of the country.

The PRESIDING OFFICER. The question is on agreeing to the amendments of the Senator from Illinois.

Mr. MORSE. Mr. President, I have a few remarks to make on the amendments of the Senator from Illinois.

As I have said in the Senate on other occasions, I support the position the Senator from Illinois takes on the tax issue; and I am at a complete loss to understand the position taken by the Finance Committee in its report on the pending bill.

This issue once more presents the Senate with a choice between dollar values and human values, namely, the question of whether the Senate will attach more importance to the dollars of a few "haves" than it does to the human values of an increasing number of "have-nots" in America.

I believe that in this case we are really dealing with the question of the philosophy of our form of government. Our Government was not established to place the material values in a position of superiority or greater importance. Instead, our form of government was established to promote human values. The Founding Fathers made that point very clear in the course of the constitutional debates. They wrote into the Constitution the great general welfare clause. As they wrote the provisions for human rights and property rights into the Constitution, they sought to make clear that the government of our society was formed to serve the interests of the people.

So I submit to the Senate this afternoon that a few ugly facts confront us. We have the ugly fact of increasing unemployment. Oh, I know it is said by the administration that there is some seasonal change at the present time; but I am still of the opinion that the most reliable statistics show that even after there is taken into account the seasonal change, and it is weighted as economists weight such statistics, we have an economy which is in a decline, and we have the makings, come the fall and winter months, of an even greater unemployment problem.

I feel the month of June is the time to act in order to prevent that kind of ugly reality coming about in December, January, and February. Admittedly, it is late to be dealing with a condition that has been with us for 6 months, but it is still not too late.

Second, the latest statistics show no decline in bankruptcies. It is interesting to note where bankruptcies for the most part are occurring. They are occurring among the small-business men of America. They are occurring on the Main Streets of the towns of America. The recession has reached the soft goods industry. The Small Business Committee figures show that there has been a remarkable drop in retail sales in many parts of America.

These are very dangerous signposts that may point to the road leading to a serious depression—a road I do not want to travel, and which I do not believe the American people want to travel.

Then, too, I think we in the Senate this afternoon have the obligation to follow the experts, not the politicians. I not only call attention to the advice that is given to us again by the man I have said so many times is my expert in the Congress so far as economic issues are concerned, the Senator from Illinois [Mr. DOUGLAS], but to the interesting fact that he is buttressed, and buttressed over and over and over again, by other great economists and financial experts.

I wish to call the Senate's attention to an article in the April issue of

Harper's magazine, written by Ross M. Robertson, former Reserve Bank economist, a man who is recognized as an expert in his field. I ask unanimous consent, without reading it in its entirety, to have printed in the CONGRESSIONAL RECORD at this point, as a part of my remarks, his article, entitled "Four Steps To Halt the Slump—and Avoid Another."

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

#### FOUR STEPS TO HALT THE SLUMP—AND AVOID ANOTHER

(By Ross M. Robertson)

For the third time within a decade the American economy has suffered the jolt of a business slump. Once again we are enduring the waste of idle men and equipment as total demand falls short of what fully employed resources can produce.

The current recession is particularly frustrating. For one thing, it could have been avoided by prompt and imaginative use of an enlightened public policy. For another, it has been marked by unusually serious unemployment; approximately one-third of the country's major labor-market areas already have reached the danger point of substantial labor surplus. Far more significant, though, is the fact that the present dip portends a slowing of the vigorous, surging growth of the economy which, up to the mid-1950's, most of us had come to accept as normal.

Actually, there is no need for apprehension. The recession can be halted and the economy impelled forward at or near its astonishingly great potential. But exhorting consumers and businessmen to have faith, while depending entirely upon small increases in spending for defense and remodeling post offices, will not do. To achieve an economic stability required by modern standards, the Government must take firm, unequivocal action—and do it now.

As we shall see, the steps to full employment and consistent, uninterrupted economic growth are simple enough. Indeed, they are largely procedural, requiring only minor changes in the agencies responsible for stabilization measures. But before deciding what ought to be done, we need to diagnose our current ills and take a careful look at the outmoded economic philosophy of a good many of today's policymakers.

#### A FAILURE-TO-GROW RECESSION

By the late spring of 1957 every economist in the country worth his salt knew that the economy was faltering, and as the year wore on it became clear that if even routine prosperity were to persist there would have to be a fall upturn comparable to that of 1956. To be sure, the national income, in dollars of falling purchasing power, showed respectable quarter-to-quarter gains, and consumer outlays continued the gentle upward drift of recent years. But when the figures were corrected for price increases, it was apparent that actual output was little more than holding its own. The Federal Reserve index of industrial production bore out the conclusion of loss of momentum. From an all-time high of 147 in December 1956 the index declined to 143 the following April and varied only two points from that figure through September, when it stood at 144 (1947-49 = 100).

In the fourth quarter of 1957, as everyone knows, the leveling-out actually became a downturn, with production and income falling and unemployment rising rather rapidly. What must be understood is that we already were in trouble when, for nearly a year, the amount of goods and services produced and sold held about constant.

Why? The answer is easy. In the postwar era our productive capacity has grown at an

average rate of about 4 percent each year—the result both of increased productivity and of an increase in the quantity of our resources, including labor. It follows that when business activity levels out, excess capacity begins to appear. Or to put it the other way around, the gross national product (the amount of goods and services actually sold in the market place) has to increase at an annual rate of 4 percent if an increasingly productive labor force and physical plant are to remain fully employed.

It can be argued, of course, that we need not concern ourselves with so small a shortfall, in present dollar figures amounting to something like \$17 billion a year. Indeed, there would be little cause for worry if the increasing sluggishness of sales did not react, and rather quickly, on businessmen's expectations. As excess capacity appears, executives begin to revise downward their planned expenditures on new plant and equipment, with a consequent fall in activity in the industries which provide these goods. As unemployment appears in the capital-goods industries, producers of consumer durables—particularly automobiles and appliances—feel the pinch, and incomes fall further. The result, as Professor Robert Turner puts it, is a "failure-to-grow" recession.

How serious can such a recession become? The answer seems to be that—in spite of a generation of legislation aimed at protecting the economy against major storms—recessions can still become bad enough to bring a politically intolerable amount of unemployment.

Let us assume the best, though, rather than the worst. Let us suppose that industrial production turns upward this spring or early summer and that employment rises steadily to the end of the year. Even under this most optimistic assumption, it is hard to see how levels of production and income can be much higher in late 1958 than they were at the end of 1956. And under no circumstances will it be possible for the total output of goods and services to reach the postwar trend line before some time in 1959.

A glance at the chart on this page suggests how far the American economy has missed its output potential since 1955. We have already lost the addition to total production which a normal growth rate in 1956 and 1957 would have given us, and we will lose more in 1958. Idle resources will cause the American people to forgo goods and services worth at least \$50 billion. The social cost of a poorly performing economy is great indeed.

Modern economics can prescribe a remedy, for economics as a discipline has made gains in the past generation comparable to those in the physical and biological sciences. But the prescriptions are of no use if policymakers, whatever their political persuasions, refuse to accept them.

#### ARTICLES OF FAITH

Unfortunately for the cause of economic stability, men in their middle years and later—the ones who are running things now—learned their economics in a day when the subject was little more than a branch of philosophy. Unless they have made a heroic effort to keep up, the economic principles which they absorbed are of little use in solving today's policy problems. They are simply articles of faith, embraced with religious fervor, that stand solidly in the way of responsible, adequate government action when it is required.

Perhaps the sorriest of these beliefs is the notion that somehow or other a temporary interruption in economic expansion is a good thing for the economy and the people in it. All kinds of reassuring figures are conjured up, in the business press and political speeches, to suggest that business must on occasion "catch its breath" or "regroup its forces" or "digest its new gains in capacity."

In the silliest and most vulgar of these images the slowing economy is likened to an inebriate recovering from too many martinis. This is patronizing nonsense. Bad business is bad for business; and unemployment is bad for workers. As Prof. John Lewis has remarked, "The flexibility and efficiency of the productive mechanism is greatest when activity is expanding steadily, not stalling. And certainly the only way to digest new capacity is to use it." Nor can we blink the suffering of the man without a job. Character is not built in the degradation of unemployment or in the hardships of a household with sharply reduced income.

More harmful, though, as a deterrent to positive action, is the fetish of a balanced budget. Because a family or a business cannot long allow outgo to exceed income, it is assumed that the Federal Government cannot do so without risking national bankruptcy. But this simply is not so, for the reason that a sovereign government can always pay its bills. One of the first principles of economics, and possibly the first principle of public finance, is that legitimate and necessary goals of government should never be sacrificed to any pre-judgment about the state of the budget. Of course, it should sometimes be in balance; there are also times when it should be in surplus and times when it should be in deficit.

But there is a third article of faith that stands in the way of a deficit when it is sensible to have one. This is the belief that there is something peculiarly burdensome about the public debt. Business executives whose firms are regularly borrowing in capital markets, because it is often good business to do so, somehow can't understand that Government borrowing may be as productive as corporate or individual borrowing. Moreover, the Federal debt, except for the bookkeeping costs of servicing it, is burdenless. In the aggregate it places no pressure on the economy. We do indeed owe it to ourselves; the \$275 billion of debt is offset by \$275 billion worth of financial assets—i. e., Government securities—owned by some American or an American institution. Even the interest on the debt represents a simple transfer—from citizens as taxpayers to citizens as bondholders. Nor do we shift a burden to our children. They inherit the debt liability, but they inherit an equal amount of Government bonds. And I suspect that our children will thank us for handing this country over to them intact, free of the devastation of war and toolled up for the scientific adventures of the next generation.

Such reasoning is so easily followed and so patently logical that these parts of the orthodox credo might well be dropped, if it were not for the fourth article of faith—the one with just enough sense in it to give credence to the other three. A good many sincere, public-spirited people are convinced that the gravest danger to the United States lies in inflation. The papers these days are full of warnings that we must take care not to "strengthen our defenses and ruin our economy in the process."

It is true that upward pressures on prices probably will present a recurrent problem. Historically, though, the United States has had severe bouts with inflation only during and immediately after wars, and the only time we have suffered a runaway inflation was during the Revolution. It is almost inconceivable that, with present American capacity to produce, we should ever be threatened with the kind of inflation that breaks an economy and ruins the middle class. Furthermore, a case can be made for the assertion that inflation has sometimes had a salubrious influence; as an economic historian I can vouch for the fact that some of our greatest bursts of economic growth have been in times of rising prices.

Nevertheless, we should all agree that the ideal of a continuously expanding economy, performing at or very near its potential with a constant price level, is worth striving for. The point that I would insist on is that stable prices should never be the first goal of public policy and that in the present crisis other objectives clearly have a higher priority. At the moment, we cannot afford to indulge the high-minded devotees of the anti-inflation religion.

#### STEPS TO STABILITY

It is by no means unlikely that political pressures exerted by the American people will result in the actions needed to ease the current economic distress and provide an adequate defense establishment. More than once in the past decade the architects of policy have responded to voter demands which ran counter to the faith.

We cannot, however, safely wait for political pressures to build up. Four steps—one a short-run corrective measure and three for the long pull—should be promptly taken.

1. Unbalance the budget: It would be folly to try to ride out the current recession with the budget in balance, even at the high level of \$74 billion. The drift of the economic indicators plainly calls for a cash deficit until genuine recovery, including a reduction of unemployment to less than 2 million is achieved. Prudence suggests a cash deficit for calendar 1958 at least as great as this year's probable drop in business plant and equipment expenditures—variously estimated at from \$2.5 to \$5 billion. The required income effect can be achieved either by raising expenditures or by cutting taxes, and tax reduction has the advantage of speed. My own preference is for a 15 percent across-the-board reduction in personal income-tax rates, with an automatic return to present rates in January or April of 1959. But the important thing is to get quickly the stimulating effect of a deficit big enough to see with the naked eye.

It follows that there should be an end to quibbling over raising the debt ceiling by some amount such as \$3 or \$5 billion. The ceiling should be removed, not raised. It serves no good purpose, and it keeps us from employing a proper fiscal policy. Moreover, we have had enough of the undignified subterfuges of the Treasury to keep, legally and technically, within the debt limit. They have made public financing needlessly complicated and costly. And surely we should have no more of that kind of parsimony which keeps operational aircraft on the ground to save gasoline or reduces the rate of progress payments to Air Force contractors.

2. Make the Federal Reserve System politically responsible: For the longer run objective of avoiding future trouble, it is imperative to link the Federal Reserve System directly to the executive branch of the Government. The present arrangement, under which the Board of Governors can and does fly in the face of an administration's wishes and responsibility, is intolerable.

I hope that I will not be misunderstood. Perhaps no agency in Government approaches its task in the spirit of dedication shown by the Federal Reserve System. Its officers are men of integrity and great capabilities. The network of economic intelligence maintained by the Board staff and the research departments of the 12 Reserve banks is unrivaled in this country.

The more's the pity, then, when System monetary policies—exerted too long and too vigorously—contribute to, if they do not actually induce, a downturn. Unquestionably, Federal Reserve authorities are more sensitive to the threat of inflation than to the prospect of slump and unemployment. For example, as we emerged from the recession of 1953-54, the monetary authorities

were shifting from ease to restraint late in the fourth quarter of 1954—long before ordinary mortals knew that a boom was beginning. But Federal Reserve moved with no similar alacrity to ease bank reserves and reduce interest rates when, by the mid-summer of 1957, it was perfectly obvious to less knowledgeable observers than Federal Reserve economists that the economy was heading into a storm. Indeed, the System took the unexpected and ill-advised action of raising the discount rate in August, tightening the capital markets almost unbearably.

This move was not made carelessly or in haste. Federal Reserve authorities are for the most part convinced that hyperactivity and inflation, not depression and deflation, now pose the great questions of public policy. They have thus turned to price stability—rather than stability of employment and income—for their chief guide to money management. Until August of 1957, however, it could be assumed that Board members and their top advisers would be content simply to stop price increases and accept the new levels as accomplished, if undesirable, facts of life. Events of the late summer suggested that Chairman Martin and a majority of the Federal Open Market Committee felt that certain inflated prices would have to come down, that temporary over-capacity in some lines would bring them down, and that an easier money policy would not be instituted until they did come down. Although the chairman denied any intention of inducing a recession, the austere money and credit policy pursued vigorously into November—long after demand weakness had materialized—unduly postponed the boost to certain kinds of expenditure that cheaper and more accessible money would have given.

Had the System not been pretty well insulated from political demands by its cherished independence, remedial action would have come much sooner than it did. There are, I suppose, some advantages to keeping the monetary authorities protected from every political tremor coming up from the grassroots. For this reason few would advocate the nationalization of our central bank, following the lead of most other countries of the world, which would make it in effect an adjunct of the Treasury. But the framers of the Federal Reserve Act were aware of the problem of executive responsibility when they originally made two Treasury officials ex officio members of the Federal Reserve Board—an arrangement which was undone by the Banking Act of 1935. It would be a simple matter to make the Secretary of the Treasury once again a member of the Board, and with him the Under Secretary, filling two of the seven places. To do any less is to delegate great power without requiring direct responsibility to the people. And we would then find that monetary and debt-management policies could once again be made consistent, and the unpleasant spectacle of the Treasury and the central bank working at odds would disappear.

3. Unhinge residential building from monetary policy: Whatever compromise is reached with respect to tying the Board of Governors to the executive branch of the Government, it is clear that one link between monetary policy and the economy must be severed. Tight money had its sharpest impact on the housing industry. During the period of rising interest rates, new house starts fell steadily; the number of dwelling units built in 1957 was almost one-third less than the number put up in 1955. Home building declined largely for the reason that VA and FHA loans, with their rigid interest rates, were attractive to lenders only upon the payment of discounts to increase yields.

Anyone who has obtained an FHA-Insured mortgage within the past 3 years knows what a discount is. It is the number of

"points"—the percentage of the mortgage note—deducted from the loan proceeds in order to secure the financing. A discount of 5 points on a \$15,000 mortgage means an addition of \$750 to the downpayment enough to discourage many would be buyers. Moreover, the law prohibits the payment by veteran-borrowers of discounts on VA loans. Builders were thus forced to absorb this extra cost or not sell their existing inventories. They then had to choose between adding the extra financing charges to the price of new construction or not building. Unfortunately, many nonluxury builders took the latter alternative.

In any case, discounts, by adding to the cost of new houses, caused less of them to be taken from the market just when sales of other goods were booming. Following the recent drop in interest rates, discounts will fall, and we shall observe the paradox of improving residential construction in a period of general business decline. A case could be made for letting one industry bear the brunt of stabilization policy if it were not for the high social priority which housing ought to have right now in the United States. I can only conclude that the level of residential building activity must be unhinged from monetary policy by placing competitive, flexible interest rates on federally underwritten mortgages.

4. Require the Council of Economic Advisers to speak forthrightly: But problems like this one cannot be resolved one at a time. We have in the Council of Economic Advisers an agency established to give American economic programs a measure of coherence and consistency which, for all our resources, seems ever to fall short of the mark.

Specifically, the Council in recent years has prepared economic reports which tell, in exquisite and apologetic detail, what has happened, but there has been little attention to programming for the near future. The 1958 report was especially notable for its failure to offer a realistic and helpful prognosis. Yet the Employment Act plainly requires the council to set forth in the economic report "foreseeable trends in the levels of employment, production, and purchasing power" and to set the standard of performance which a full employment economy should attain.

The trouble we are in was widely anticipated by individual economists, in and out of Government, many months ago. It should have been foreseen by the Council, spelled out by the President, and wrestled with by the Joint Economic Committee of Congress while there was still time to prevent the business slide. But since the last of the Truman Councils there have been no published official projections of business activity, and unless we know where we are going we cannot take steps to prevent what we do not like.

The Council of Economic Advisers should be required by law to publish semiannual technical projections of economic performance for the ensuing 6 months, together with detailed recommendations for bringing a slumping economy back to normal activity. The projections would sometimes miss the mark, but not often. Top-notch graduate students consistently have a high degree of accuracy on an exercise like this; the Council, with its well-oiled data-gathering machinery, could turn in a spectacular performance. To do any less is to subject decision makers in Government and business to the continuing tyranny of fuzzy expectations.

#### THE TREND LINE

A wonderful old teacher of economics at Kansas used to say that there are two kinds of economists—the sad-philosopher type and the merry-moron type. Like a good many of John Ise's syncretisms, this one has turned out to be as useful in the booming fifties as it was in the gloomy thirties.

For whether we like it or not, the men who do most of the thinking for Americans on economic subjects divide into two camps. The sad philosophers, somewhat in the minority, are a cheerless lot, who fear above all the bogey of inflation, preferring some unemployment and a good bit of character building to an economy that runs full tilt all the time. The merry morons, who don't worry about inflation, insist that it's wicked not to push output to the limit and urge a hyperactive economy in a mature welfare state.

Between these divergent philosophers there is a middle ground. Public policy must find its way or incur some excessively high social costs.

Those who fret unduly about the evils of an unbalanced budget and inflation should recall the massive deficits of World War II and take comfort. They cured a depression which had lasted 11 years and sent the economy on to brilliant production records. Despite three rounds of inflation, real disposable income—i. e., income after taxes and in dollars on constant purchasing power—has more than doubled since 1939; on a per capita basis it has increased by about 70 percent over the same period. Moreover, since the war the national debt has remained constant while the tax base from which it is serviced has grown steadily, and years of Treasury surplus have just about equaled years of Treasury deficit.

Those who would run the economy under forced draft, who would have the trend line of growth cut through the very peaks of past performance, must be reminded that the quantity of resources and their productivity increase by modest amounts each year. Historically, the problem of inflation has been solved by allowing upward swings in prices to be followed by downward swings. If we decide to eliminate deflation and its accompanying hardship, we must try also to contain inflation and the harm it does to the minority of institutions and people whose incomes fall in real terms as prices rise.

The inescapable fact remains that the current recession involves a great loss, one which the country can ill afford at a time when our very existence requires a clever and imaginative use of our productive machinery. A grave danger of the moment is that the economy will not quickly return to full employment. Early 1958 is no time to restrict necessary defense expenditures on grounds of economy, or to present potty little plans for aid to education, or to reduce foreign-assistance programs to ineffectiveness. There is a positive need for these income-generating expenditures.

Nor will there be a better time to begin work on the long-run problem of keeping production steadily on the postwar trend line of economic growth. A solution will not be easy, but it won't be much tougher than launching a manned satellite—and it obviously is far more important to all of us who expect to keep on living here, rather than on the moon.

MR. MORSE. On page 37 he had this to say, and I do read it for purposes of emphasis:

It would be folly to try to ride out the current recession with the budget in balance, even at the high level of \$74 billion. The drift of the economic indicators plainly calls for a cash deficit until genuine recovery, including a reduction of unemployment to less than 2 million, is achieved. Prudence suggests a cash deficit for calendar 1958 at least as great as this year's probable drop in business plant and equipment expenditures—variously estimated at from \$2.5 billion to \$5 billion. The required income effect can be achieved either by raising expenditures or by cutting taxes, and tax reduction has the advantage of speed. My own preference is for a 15-percent, across-the-board reduction in personal income-tax rates, with an automatic

return to present rates in January or April of 1959. But the important thing is to get quickly the stimulating effect of a deficit big enough to see with the naked eye.

It follows that there should be an end to quibbling over raising the debt ceiling by some amount such as \$3 billion or \$5 billion. The ceiling should be removed, not raised. It serves no good purpose, and it keeps us from employing a proper fiscal policy. Moreover, we have had enough of the undignified subterfuges of the Treasury to keep, legally and technically, within the debt limit. They have made public financing needlessly complicated and costly. And surely we should have no more of that kind of parsimony which keeps operational aircraft on the ground to save gasoline or reduce the rate of progress payments to Air Force contractors.

We have debated this issue over and over again in the Senate. Apparently Senators are divided as to which principles they are going to follow, but I think the choice is clear. The Douglas amendment has a series of titles, one dealing with excise taxes, on which I have spoken at some length heretofore, and therefore I shall not go into a detailed repetition of my previous arguments, which are pretty well known, except that I reiterate for the benefit of the leadership of my party what I think is the ethical obligation we owe the American people.

We undertook this ethical obligation during the war. I happen to be one politician who believes that unless we in Congress are in a position on the facts so that we can go before the American people and say, "We ought to be considered as being relieved of this ethical obligation," we ought to keep the pledge. I know of not a single fact that relieves the Members of Congress from the ethical obligation which was undertaken by the leaders of my party back in the war years, when the excise taxes were put into effect.

A pledge was made, and the pledge was that, come the end of the war, excise taxes would be lifted. We have not done that, and until we do it, we convict ourselves of not keeping the pledge made during the war. I know of no economic fact that justifies a further delay in meeting that pledge.

To the contrary, the economic facts today buttress and strengthen us, it seems to me, in an early keeping of the pledge. I have been heard to say before, and I repeat this afternoon, that the excise taxes, as the Congressional debates of the time clearly show, were put into effect for two purposes: First, to raise quick war revenues; and, second, to discourage civilian use of certain services and the production of so-called civilian consumer goods. It was recognized that in the midst of a war which threatened the very survival of America we needed to use all the sinews of our industry for a successful prosecution of the war, and the time had come to eliminate, to the maximum extent possible, the use of any of our productive power for the production of goods which could be delayed, so far as consumption was concerned.

As was stated earlier this afternoon by the Senator from Wisconsin [Mr. PROXIMIRE] and the Senator from Montana [Mr. MANSFIELD], that was particularly true of such goods as automobiles and

other commodities which caused a drain upon the steel industry and siphoned off steel from the war effort into the consumer goods industry. That was one of the reasons why a similar excise tax was imposed on a good many household appliances whose manufacture required a substantial use of steel.

But that is no longer the fact. I do not know what the exact percentage is, because I have not seen the figure in the last week or two, but the last statistics I saw showed that the steel industry was operating at about 54 percent of capacity.

Bringing steel production up above 50 percent of capacity was not anything to give us great comfort, Mr. President. As I recall, the drop in the last 2 years was from somewhere near 76 percent of capacity to a low of 47.8 percent of capacity, or in the neighborhood of those figures. The difference is not sufficiently great to cause the observation I am seeking to make to be erroneous. A shifting from 47.8 to 54 percent should not give us comfort.

The fact is, Mr. President, the steel industry is down. It is said over and over again, with economic soundness, that as the steel industry goes so in large measure goes the economy of the United States. Yet there are still these excise taxes on needed consumer goods even though there has been a great drop in purchasing demand for them on the part of the consuming public. We imposed an excise tax to discourage buying of consumer goods. How foolish can we be? How economically illiterate are we going to become?

I simply say, most respectfully, that economic literacy calls upon us to remove a large part of the excise taxes and to make a substantial reduction in the others. That is simply common sense, if it is desired to stimulate demand among the consumers of the United States. As the Senator from Illinois brought out, with much greater economic perfection than I am capable of, to maintain an excise tax is to discourage purchasing.

Who can predict? I do not pretend to be a prophet. However, I think we have a responsibility to follow logical cause-to-effect and effect-to-cause reasoning. I believe it is pretty clear logic that, if we were maintaining a tax which was designed in its purpose to discourage consumption, and we desired to encourage consumption, we should remove the tax. It is almost that simple. I think any freshman class would understand the principle, and I wish to stress the lesson.

I shall, therefore, continue to urge support for the Douglas proposal to eliminate the excise taxes in large part and to substantially reduce the others.

Once again I say, as a constitutional liberal, that in making this plea I am supporting American business and I am voicing the views of outstanding industrialists in this country. I am once again sustaining the position taken by the Committee for Economic Development and its able researchers. That committee is composed of outstanding American businessmen and industrialists. Ever since the year 1947, the Committee

for Economic Development has urged the elimination of many of the excise taxes and a substantial reduction in the others. Unless my memory fails me—and I do not think it does in this instance, at least—the distinguished Senator from Vermont [Mr. FLANDERS], whom I see on the floor of the Senate at this moment, some years ago played a very prominent part in the work of the Committee for Economic Development. I think I correctly recall that back in 1947, or 1948, or thereabouts, the Senator made a magnificent speech on the floor of the Senate with regard to some of the recommendations of the Committee for Economic Development. I will be surprised if, when checking the Record against my memory, I do not find something the Senator said in a favorable light about the recommendations of the Committee for Economic Development in regard to the excise tax issue. If I am in error about it, I certainly shall correct the Record later.

Be that as it may, there is no question that in those times there was a great deal of discussion on the floor of the Senate with regard to the recommendations of the Committee for Economic Development. The Senator from Oregon offered in 1947 for the first time a series of tax proposals which sought to carry out the recommendations of the Committee for Economic Development, not only with respect to excise taxes, but with respect to its other tax recommendations.

I wish to say today that in my judgment time has proved that this group of great industrialists and businessmen were right. We would be better off today, in my judgment, if Congress had seen fit to follow the recommendations made by that group of businessmen in the first report in 1947 and in the subsequent reports along the same general line ever since. There was not a Government official on the committee, but the group of industrialists and businessmen, at great expense, hired some of the outstanding tax experts and tax economists of the Nation to do the research work and prepare the scholarly studies which the committee brought forth.

I know on many occasions I have had letters from business institutions and from business schools seeking my good offices in helping them obtain some of the information prepared by the Committee for Economic Development.

I know when I stand on the floor of the Senate today and support the Senator from Illinois in his excise-tax proposals I am standing in support of a tax program which some great businessmen have been urging for years.

The last thing I want to say about the excise-tax issue is by way of specific emphasis and reference to the transportation tax. I said on the floor of the Senate yesterday, I think, when the Senator from Florida [Mr. SMATHERS] announced his intention to offer an amendment, that I would support the amendment although I thought it only scratched the surface of the tax problem which confronts the Senate. I certainly am in favor of the elimination of that tax. If all we can get is a substantial

50-percent reduction in the transportation tax, I am in favor of such action. There is also good reason for following the same point of view with regard to the elimination of most of the other wartime excise taxes.

Let us consider for a moment the transportation tax. I would address my remarks particularly to my colleagues in the Senate who come from the South and the West. These two great areas of America suffer unfavorable freight-rate differentials when compared to the industrial Midwest and East. We are put at a competitive disadvantage. Against us is perpetrated what is recognized by transportation economists to be an economic wrong. I think it is time justice be done to the South and to the West in regard to this matter.

When we propose the elimination of or a large reduction in the transportation excise tax, we are proposing something of help to the whole country. By such action we would be helping the shippers of freight, those who pay the freight charges. I think this represents only a matter of equity. As someone said earlier in the debate, what the Senator from Illinois is really standing for is the doing of equity to the taxpayers who are being done a wrong at the present time by the imposition of these regressive excise taxes. The transportation tax, in particular, is a burden on business and is unfair to consumers who ultimately pay it.

Mr. President, I hope that upon reflection the Senate of the United States will come to the conclusion that this is the time to do tax justice to the people of America.

I close, Mr. President, by making reference to what at least is being talked about by some off the record, namely, the political implications of a tax cut at the present time. I am not interested in them, Mr. President. I hope that no Member of the Senate will vote for or against the Douglas proposals on the basis of any political implications, considerations, or strategy. I happen to believe that Members sit in the Senate of the United States under the primary obligation to exercise their judgment on the basis of the facts as they find them. If we want to translate that view into the field of politics, I would say in the broad sense that it is the best politics, too. But I certainly hope we have not reached the point on this issue in the Senate where any Senator on the Republican side of the aisle will cast a vote against the Douglas amendment because the Eisenhower administration is against a tax cut at this time; and I hope no Senator on the Democratic side of the aisle will cast a vote against the Douglas amendment because certain Democratic leaders have publicly announced that they have joined forces with the Eisenhower administration in opposition to a tax cut.

My plea, as I close, is that each Member of the Senate take a look at the economic facts involved in this issue. If Senators cast their votes on that basis, it is my judgment that an overwhelming majority of the votes will be in favor of the Douglas amendment.

Mr. President, I yield the floor.

Mr. CARROLL. Mr. President, I rise to support the Douglas amendment. I do not intend to take much time on this subject. It has been adequately covered.

I was not present when the distinguished Senator from Illinois made his presentation. I was busy chairing an ad hoc Subcommittee of Judiciary on Bankruptcy. But I have been following the arguments and studies of the able Senator from Illinois in this field for many months.

I have read his fine speech and his supplemental views to the Finance Committee report.

I supported the Senator from Illinois when he made his fight to cut personal income and excise taxes early in this session.

Had the Senate followed his recommendations, I think the Nation would be farther along the road to economic recovery today.

There is another reason why I support the Douglas amendment. On the floor of the Senate not long ago 33 Members of this body voted for a tax cut for small business. One of the reasons why the so-called Fulbright small-business bill was defeated was that we were led to believe that the White House would sponsor an appropriate small-business tax cut before this session of the Congress ended. In my opinion we shall have no such opportunity. As I have said, 33 Members of this body voted for such a small-business tax cut. If I am mistaken, I shall be happy to be corrected by the chairman of the Finance Committee or any other member of the committee.

I ask the chairman, or any other member of the committee, if there is a chance for the passage of the Fulbright or Sparkman small-business tax relief bill.

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

Mr. CARROLL. I yield.

Mr. BENNETT. It is true that there is a bill before the House Ways and Means Committee at the present time which the administration has sponsored, recommending certain changes in taxes for small business. I assume that that bill, in some form, will be referred to the Senate Committee on Finance before the end of the present session.

Mr. CARROLL. Does the Senator from Utah have any idea whether that bill will come before the Senate for action prior to adjournment?

Mr. BENNETT. If the House committee acts promptly—and I understand it is now studying the bill—I think there is every reason to believe that it will be before the Senate.

Mr. CARROLL. Does not the Senator from Utah agree that if we should accept the provisions of the Fulbright bill, as contained in the Douglas amendment, it might stimulate action by the House Ways and Means Committee? It could certainly do no harm in the consideration of proposed legislation before that body.

Mr. BENNETT. The Senator from Utah is one of those who believe that the right of the House to originate such legislation should be recognized, particularly since it is already in process. But

I see no point in voting separately on the Fulbright bill when the other bill is on its way.

Mr. CARROLL. Some years ago I was a member of the House Ways and Means Committee. Almost 10 years ago we had under consideration a measure providing for the complete removal of all war excise taxes. I think at that time the amount of revenue loss involved was more than \$1 billion. We felt, as the distinguished Senator from Oregon [Mr. MORSE] has said, that we had an ethical obligation to remove the war excise taxes.

Then came the Korean war; and in the ensuing years there has been no relief from excise taxes.

This is an opportunity for each Senator, individually, to express himself. Our leadership in the Senate and House has a perfect right to go along with the executive branch and agree to extend taxes. But each individual Senator has the right to express his own opinion and state his own views on tax matters. This I intend to do.

With reference to the personal income tax, I would be less than frank if I did not say that I have some mental reservation. First, I recognize that the executive branch of the Government, the Treasury Department, has not correctly estimated the deficit for the current fiscal year.

It was estimated at the beginning of the year that there would be a \$500 million surplus. It is now estimated that we shall have a deficit of approximately \$3 billion in this fiscal year. It is estimated that in the next fiscal year we shall probably have an additional \$6 billion or \$7 billion deficit.

We are in a period of economic recession. What plans have been proposed to overcome it? One argument made is that families should begin to spend their savings. A great many articles have been written about the tremendous amount of United States savings available for spending. But we find, as we dig beneath the surface figures, that these are not liquid or spendable savings in the savings accounts of the working families of America. We find that 14 million United States families have no liquid personal savings, 10 million families owned less than \$200 in liquid savings and 8 million families own from \$200 to \$500 in liquid or spendable savings. The average savings of unskilled and service workers is \$6 and of this group 49 percent have no savings whatsoever. In my opinion, from what I have read and the study I have made, the liquid savings in this country are not owned by the working people. Actually one-tenth of America's families own two-thirds of all liquid personal United States savings.

Therefore I shall support the personal income-tax proposal as a means of placing purchasing power in the hands of the lower income families.

I do not know what \$50 per individual, or \$100 in the case of a joint return, may mean. I understand it would mean approximately a total saving of \$3 billion to the families affected.

Mr. DOUGLAS. It would mean total savings to the taxpayers of \$3 billion,

90 percent of which would go to those with incomes below \$10,000.

Mr. CARROLL. That was my impression as I read the speech of the Senator from Illinois. If \$3 billion were pumped into the purchasing stream of the Nation, it seems to me it would be bound to have a salutary effect.

In the light of the drop in the gross national product and the national income, what should we do? Should we do nothing in this situation?

All are hopeful that in the third and fourth quarters our economy will pick up. If so, no harm can come from the amendment of the Senator from Illinois. If it does not pick up, the amendment is a constructive device. In a sense, it is a sort of insurance premium. I think the amendment represents sound, sensible legislation. We should have taken this step months ago.

We can be realistic. I am not trying to pour cold water on the very fine efforts of the Senator from Illinois, when I say that in all probability his amendment will not be adopted. But we are making a record for now and for the future, as we did some months ago.

I am grateful for the time, study, and attention given to this subject by the able Senator from Illinois, and I associate myself with the remarks of the distinguished senior Senator from Oregon [Mr. MORSE], and commend him for his own studies in this field.

I sincerely trust that the amendment will be adopted by this body. I suffer from no illusion as to what is likely to happen to it; but I think it is our job to continue to make the record.

Mr. DOUGLAS. Mr. President, I thank the Senator from Colorado for his very generous comments. He is always in the forefront of every fight for the American people.

I now suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. DOUGLAS. 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. CAPEHART. Mr. President, I hope nothing I say will be taken as being personal or as an individual criticism of any Member of the Senate or of any group of people. That is not my purpose. I shall talk as an American and as a taxpayer, and as a Senator with a responsibility to the American people.

I shall support the amendment of the able Senator from Illinois, as a protest against high tax rates. I do not believe framing legislation on the floor of the Senate is a good way to legislate, but I believe the time has come when we must start protesting the high tax rates. What we need in this country is not so much a tax reduction; we need tax reform; we need a reduction in tax rates; we need to analyze our tax laws and our tax rates from the standpoint of creating jobs and stimulating business.

I am not particularly interested in the total number of tax dollars which the Government collects, except that, of

course, I should like to see the Government collect as many tax dollars as it expends in tax dollars; in fact, I should like to see it collect more, because I should like to see the Government make a reduction in the national debt and create a surplus. In my opinion, we have been living in a sort of fool's paradise since the end of World War II, as we were during that war. Our taxes were not high enough during the war period. Since that time our tax rates have been too high. The steam has gone out of the after-World-War-II boom.

There was a time after the war, and also during the war, when there was a pent-up demand for goods and services, and everyone could make money, regardless of price and regardless of efficiency. However, that time is past.

Today our tax rates are unrealistic. We must readjust them. We must look at them from the standpoint of jobs. At the moment there are some 5 million people unemployed in this country. The tax rates are too high. Excise taxes are in effect which were imposed during World War II for the purpose of discouraging people from buying. Transportation taxes were levied to discourage people from traveling. Now there are 5 million unemployed, and we still have the same taxes which were originally put into effect to discourage people from buying and from traveling.

I dislike very much to make any criticism of the Committee on Finance. I do not know of any committee which has more patriotic or finer men serving on it, from both sides of the aisle, than the Committee on Finance. I can speak as a farmer and as a businessman and as a Senator and as a taxpayer. I say that all of us have waited too long to rewrite our tax laws. I do not know of any other way of getting the job done except by voting for some tax measures that I do not like. However, I am doing it as a protest against the failure of Congress to take action, the failure of committees to take action, and the failure of the House to take action. Of course tax bills must originate in the House. We cannot do anything in the Senate except amend a tax bill which comes to us from the House. We cannot originate anything in the way of tax legislation.

Therefore, I shall support the amendment of the Senator from Illinois, purely as a protest. I know I repeat myself a great deal in my remarks, but I do it for a purpose, and I repeat now that tax reform is long overdue.

When are we going to act on taxes? We did not do it when business was booming. Now that we have 5 million unemployed, it is said we cannot do it. When are we going to do it?

I would be willing not to vote for the tax amendment of the Senator from Illinois if I could get some assurance that we would rewrite the tax laws and rearrange the tax rates. What I am talking about particularly is the rates. It is the rates that are wrong. They are inequitable. We should write a tax law which will create jobs and stimulate business.

The only way to put 5 million people back to work is to create jobs; to en-

courage business; to encourage businessmen; to encourage people with savings; to encourage people to invest their money in things which will make jobs. That is not being done. The Government is still operating under the same sort of tax structure which was in effect during World War II and the Korean war. But it is not working.

After these amendments have been disposed of, I intend to offer a depreciation amendment which, in my opinion, will create jobs. It has for its only purpose the creation of jobs. My best judgment is that if we will rewrite the tax laws, keeping in mind at all times the establishment of fair rates and the removal of inequities, we will find ways to reduce the tax rates, and yet create more dollars. It is dollars with which we pay bills. It is with dollars with which the Government pays its expenses. It is not the tax rates.

I shall do this purely as a protest, without criticizing any individual. I well understand the feeling and the attitude of the members of the Committee on Finance and the Committee on Ways and Means. I appreciate the viewpoint of the administration. But my best judgment tells me that it is wrong, and that something will have to be done about the whole matter.

All we need to do is to analyze the recession, and we will end with the conclusion that the tax rates, the tax laws, the failure to remove excise taxes, and the failure to reestablish rates based upon a peace economy, rather than a war economy, are responsible for the recession and for unemployment.

Unemployment may become worse. I feel that the bottom of the recession has been reached. I think the economy is beginning to improve. But I am not certain of it. I may be wrong. It may be going in the other direction. Unemployment may reach 6 million, 7 million, 8 million, 9 million, or 10 million. I do not think we can afford to take a chance on the matter. I do not believe Congress ought to go home without making needed tax reforms, without rearranging the tax rates, without doing things which will create jobs. The best brains in the United States should begin at once to propose adequate tax reforms, because the Government is spending money by the billions of dollars. Should the increase in expenditures continue and the tax dollars begin to decrease, there will be a big deficit.

I should like to see the tax rates adjusted. I do not know how to do it. I do not know how to get action, if you please, out of the administration. I do not know how to get action out of the Committee on Ways and Means, except through a protest.

I do not think this is the way to legislate on tax matters; but when will the legislating be done? When will Congress do it? That is the question I want to have answered, because I know that tax reform is long overdue. I am not talking about tax reduction; I am talking about tax reform. I think there are things which Congress can do which will stimulate the spending of more dollars, so that there will be an overall increase in tax collections by the Federal Gov-

ernment with fewer rates. The tax rates also can be reduced.

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

Mr. CAPEHART. I yield.

Mr. THYE. The question is, what would be the revenue loss if the amendment offered by the Senator from Illinois were adopted?

Mr. CAPEHART. I think it is estimated at about \$3 billion.

Mr. DOUGLAS. The cut in excise taxes, assuming that the national income will not increase, will amount to \$2,700,000,000. The reduction in taxes on small business will be between \$300 million and \$400 million. The reduction in income taxes will be \$3 billion more, or a total of \$6 billion.

But it is believed that this loss of revenue will lead to an increase of about \$18,000,000,000 in the gross national product, and that the increase of \$18,000,000,000 will yield an increase of \$4,500,000,000 in total tax revenues for all branches of the Government. So the net loss should not exceed \$1,500,000,000.

Mr. CAPEHART. We are confronted with the problem of huge expenditures. The Nation is facing large deficits. The tax structure is based on tax rates which are almost unbearable. If it were not for the fact that married persons can split their incomes, the rates would be almost unbearable. The excise taxes are taking the very money which creates jobs and, ultimately, creates tax dollars. Yet Congress is doing nothing to correct the condition.

We may increase the deficit because of the failure to reform the tax laws, to rearrange the tax structure, and to reduce tax rates based upon a peacetime economy, rather than upon a war economy.

I am fearful of what may happen if Congress goes home without reforming the tax structure, but postpones the question until next January and then has to hold hearings again. That will be another 12 months away. If the necessary reforms are not made at this session of Congress, it will be a year before the matter can again be considered. I am fearful of what may happen in the meantime.

I am willing to err at the moment on the side of recommended tax reform, readjusting tax rates, readjusting the depreciation rates, and eliminating some of the excise taxes and reducing others. But I think we had better face up to the fact that it is necessary to reduce expenditures wherever possible, except expenditures which will create jobs. What must be done is to create jobs.

If there were not one unemployed person in the United States tonight, there would not be any problem. So long as people are kept working under the private enterprise system in the United States, it is not necessary to worry about business. Businessmen will not have to worry. The wage earner will not have to worry.

But what is needed to make jobs? It takes capital to create jobs. It takes money to buy the necessary machinery to create jobs. I think the average job in American industry today requires an investment of approximately \$20,000.

The tax laws at the moment discourage the person who has money; they discourage the investor. The present tax laws almost break the back of the small-business man, because he cannot plow his profits back into his business so as to create more jobs.

I could continue to talk for a couple of hours on this subject, but I rose to say only one thing. I shall vote for the amendments of the Senator from Illinois as a protest, if you please. I do not see any opportunity to have the tax structure adjusted in short of a year's time, unless it be done at this session of Congress. I am not too much concerned about running up the national debt \$1 billion, \$2 billion, \$3 billion, or \$5 billion; yes, I would not worry too much if the debt went up \$10 billion more; if at the time it reached \$10 billion, or if at the time the total national debt was \$290 billion, there was a tax structure which was creating jobs and was permitting business to thrive and small business to plow back its profits.

That is the way private business is operated. If a private businessman gets into difficulties or troubles, he rearranges his affairs.

In such a case, a businessman will figure out what caused his business to decline and how to rearrange his business. Either he will invest more money in it, or he will reduce expenditures, or he will raise the prices he charges, or he will lower the prices he charges, or he will borrow more money, or he will construct an addition to his factory. In short, he will do the things he believes necessary to be done in order to restore his business to an even keel.

A similar situation faces us today. It may be that the national debt ceiling will have to be raised. Of course I know that the expenditures of the Government should be reduced and the tax structures should be rearranged—at least, that is my opinion.

So it seems to me that the only thing to do in this case is to vote for the amendments of the Senator from Illinois, as a protest against what is happening.

Mr. BYRD. Mr. President, I rise to oppose the amendments offered by the Senator from Illinois.

These amendments will cost the Treasury, in terms of loss of revenue, \$7 billion.

Mr. President, a \$11 billion deficit confronts us for the next fiscal year. That means that if these amendments are adopted, the deficit next year will be \$18 billion. The adoption of these amendments will mean a national debt of \$300 billion. It will mean that the Congress will have to increase the debt limit from \$280 billion to \$300 billion. Mr. President, the consequences would be terrific.

I have listened with much interest to the eloquent speech which has been made by the Senator from Indiana [Mr. CAPEHART]. In the course of his remarks he said he favors a reduction of taxes, and he said he would vote for tax reductions which would cause a \$7 billion increase in the deficit. He said he would vote for such tax reduction as a protest against high taxes.

Mr. President, I suggest to my distinguished friend, the Senator from Indiana, that he had better make a protest against the high expenditures, instead of voting for amendments which would increase the deficit to \$18 billion, as would be the case should these amendments be agreed to.

If the deficit is increased to the neighborhood of \$18 billion, there are not many Members of this body who will be living to see another balanced budget in our country. Such an increase in the deficit would accelerate the inflation, which already has begun; and that inflation would be destructive of many of the things we hold most dear.

Mr. President, the way to reduce taxes is to reduce expenditures. The only reason for imposing taxes is to pay the cost of the Government.

I am as much opposed to the present high taxes as is anyone else. I realize how burdensome and how terrible their consequences are. I know there are many reforms which should be made in our tax structure, and I know that in many instances taxes should be reduced. I realize that in certain instances, tax reduction would be helpful.

But, Mr. President, to propose a tax reduction which would increase the deficit by \$7 billion, at a time when we are already faced with a deficit of \$11 billion, would simply mean an inflationary period and a deficit of which we would not see the end for years to come.

Mr. THYE. Mr. President, will the Senator from Virginia yield to me?

Mr. BYRD. I yield.

Mr. THYE. President Eisenhower recommended a tax reduction in the interest of giving help to small-business firms. Such proposals have been before us during the past year; but they have not been enacted into law.

What assurance can the chairman of the Finance Committee give me of the possibility of the enactment during this session of tax-reduction measures of that sort, in the case of small-business firms?

Mr. BYRD. Such a proposal is now before the House Ways and Means Committee, and I understand it will meet tonight to consider it. When such a proposal is passed by the House of Representatives and is sent to the Finance Committee, it will receive our most careful consideration.

Let me say that my information is that the loss of revenue which would result from the proposal which now is before the House Ways and Means Committee would be approximately \$250 million.

Mr. THYE. Yes; that is also my understanding.

Mr. BYRD. Such a loss of revenue is entirely different from the revenue loss which would be occasioned by enactment of the amendments which have been proposed by the Senator from Illinois. His amendments would, if enacted into law, increase the deficit by \$7 billion.

But I assure the Senator from Minnesota that the proposal to which he has referred will receive the most earnest consideration by our committee.

Mr. THYE. I am a cosponsor of that proposal, with the distinguished chairman of the Select Committee on Small

Business, the Senator from Alabama [Mr. SPARKMAN]; and in connection with that proposal I have testified before the House Ways and Means Committee and the Senate Finance Committee. In the past 2 years I have endeavored to have a reduction made in the taxes paid by small-business concerns.

A year ago, I was one of those who voted against what was known as the Fulbright amendment. I did so against my better judgment, for I felt that the small-business firms should receive tax relief. But I voted as I did because of the recommendation of the Treasury.

But now we are confronted with amendments which embody much of that proposal for tax relief for small business. For instance, on page 13 of the amendments of the Senator from Illinois, we find that the second major item reads as follows:

(B) Taxable years beginning after June 30, 1959: In the case of taxable years beginning after June 30, 1959, a surtax of 25 percent of the mutual insurance company taxable income (computed as provided in subsection (a) (1)) in excess of \$25,000, or 37.5 percent of the amount by which such taxable income exceeds \$50,000, whichever is the lesser.

That item relates to small business.

I am endeavoring to have such relief provided, because we know that small business is hard pressed.

But if I were to vote against the Douglas amendments, then I would not have voted to accomplish a tax reduction; and I do not know when we shall have another opportunity to vote on a tax bill.

Therefore, I am in much the same frame of mind that the Senator from Indiana [Mr. CAPEHART] is, namely, that if we cannot do anything else in this situation, at least we can register a protest by voting for these amendments.

Mr. BYRD. Mr. President, I may advise the Senator from Minnesota that such a bill is now before the Ways and Means Committee of the House of Representatives. Tax relief would be given by the bill to small business corporations, which constitute about 15 percent of the businesses of the country.

Mr. THYE. That measure would not affect partnerships?

Mr. BYRD. I am advised that it would not affect either partnerships or individuals, except in the case of the reduction proposed in the income tax.

Mr. THYE. Mr. President, knowing the sincerity of the distinguished Chairman of the Finance Committee, the senior Senator from Virginia [Mr. BYRD], and knowing of his complete understanding of the financial situation of the Government, if I have his assurance that the Ways and Means Committee will definitely report a bill—and of course I know the Senator from Virginia also serves on the Joint Committee on Internal Revenue Taxation—and if I also have assurance that before the end of this session of Congress we shall have an opportunity to debate on the Senate floor the question of tax reforms for the benefit of small business firms, and any other tax reforms which would be thoroughly studied and recommended by the committee, that would have a great influence on me.

But I am very greatly disturbed about the situation which confronts the small businesses of the country.

I definitely find that they are hard pressed, as I visit my own State. Every time I speak with them they say, "Well, some tax relief would do a great deal to bring about a revival of business."

That is all we need, because there is a fear psychology gripping the people. When one reads the bank deposit statistics, he finds they are on the increase; but people are not spending. There is a fear psychology in existence. If we could get men and women back into their jobs, working and earning wages, I think the fear psychology would disappear, and our economy would immediately reflect an upturn rather than be wavering on the border of up or down.

Mr. BYRD. My information on this matter comes to me from the chairman of the Ways and Means Committee, and from Mr. Stam, chief of the joint committee staff, who is sitting next to me. Mr. Stam says that they are working on this bill and expect to report it, pass it, and send it to the Senate. I think it will be done, but I have no control over the action of the House, as the Senator knows.

Mr. THYE. My administrative assistant calls my attention to page 11 of the report. There I find the income tax cut deals directly with the individual and with the noncorporate tax base.

Mr. BYRD. The Douglas amendment makes a cut on the first \$1,000 of taxable personal income from 20 to 15 percent.

Mr. THYE. If I correctly understand the amendment, the first of the three major provisions in the amendment is to cut the rate on the first \$1,000 of taxable personal income from 20 percent to 15 percent for the period July 1, 1958 to June 30, 1959. It would be a temporary tax cut unless extended by Congress. It would be a 1-year cut. At the present levels of national income it would mean an initial revenue loss of approximately \$3 billion, although its eventual cost would be considerably less than that. It would mean a cut of \$50 per person or \$100 for taxpayers who file joint returns.

I am referring to page 11 of the report. That is all I had reference to when I referred to individual tax relief.

Mr. ROBERTSON. Mr. President will the Senator yield?

Mr. BYRD. I yield to my colleague.

Mr. ROBERTSON. I wish to remind my distinguished colleague of the fact that the majority of the economists of the Nation, according to a report made today by a large publisher, are of the opinion that within the next year if we have an income-tax cut there will be serious inflation. He said today that in his opinion that was one of the fundamental reasons why the stock market keeps going up. People buying stocks do not look for dividends; they look for inflated prices.

All of us who have given any thought to inflation know that for every 1 percent of inflation, \$3 1/2 billion is added to the costs of goods and services for which people have to pay. If we face an \$11 billion deficit because of spending

already contemplated—and the testimony before the Appropriations Committee this week was that spending for defense alone will be \$40 billion-plus, at a minimum, and that may not be enough—and if we add to that \$11-billion deficit, \$7 billion more by cutting revenues, and the cost of goods and services are increased only 5 percent, the people of the Nation will have to pay more than twice the amount of the tax cut.

Senators may talk all they want to about how to help the farmer, how to help small business, or anybody else who complains about taxes; but certainly nobody is helped by creating uncontrolled inflation.

The junior Senator from Virginia endorses the position taken by the chairman of the committee that this is no time to make any major reductions in taxes.

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

Mr. BYRD. I yield to the Senator from Oregon.

Mr. NEUBERGER. I should like to address a question to the distinguished Senator from Virginia. If some of us hold the line against all the extensive tax reductions proposed by the Douglas amendment, will the chairman of the committee help us bring about the elimination of the Federal transportation tax which is so crushing and so disruptive of the industrial and the agricultural development of the people of the West?

Mr. BYRD. I do not believe I have either the authority or the power to make a deal, so to speak, of this character.

Mr. NEUBERGER. I am not suggesting a deal. What I am saying is this: I heard the speech of the Senator from Virginia in which he pointed out the impact on the Federal budget of increased expenditures, and so forth. What I am stressing is that there is no other tax which is so crushing on one particular region of the United States as is the transportation tax. It is not easy for some of us from the West to vote against the other tax reductions which have been proposed. Yet, I recognize, as one Senator from the West, that every single bit of industrial production and of agricultural production in our area bears the load of this tax, when such production has to go 2,000 or 2,500 miles to market.

The point I make to the Senator from Virginia is this: Is it not possible if we help to hold the line against other tax reductions, the Senator from Virginia, with his great influence, can help us to take the yoke off the neck of western industry and western agriculture?

Mr. BYRD. I do not know whether the Senator has the capacity, so to speak, to deliver enough votes on his side, and I may not have the capacity, on my side, to deliver enough votes to bring about the tax reduction to which he refers. So I suggest that the bill on the transportation tax come up in the course of orderly procedure. I understand it has been introduced. As chairman of the Finance Committee, I am not authorized to make any commitments with respect to it. We were told by the Secretary

of the Treasury that this bill should be enacted without amendment. It is a renewal of the existing laws. That is the position the Senator from Virginia takes.

Mr. NEUBERGER. May I ask the Senator from Virginia a further question? Undoubtedly he has studied the fiscal problems of the Government more than almost any other Member of the Congress. Does he recognize how ruinous this transportation tax is to a region which has to ship most of its products more than 2,000 miles to find markets and consumers?

Mr. BYRD. I would say many of these taxes are extremely burdensome. I just made the statement that if we would reduce expenditures, we could have a tax reform which, in my judgment, would do far more good for this country than is being done by the money we are spending, especially money we are spending abroad.

If the Senator from Oregon will go through the list of excise taxes, he will find that there are many such taxes which are burdensome and very oppressive.

I do not question what the Senator says about the transportation tax, but the Senator from Virginia is not in a position to make any agreement in regard to supporting any tax reduction with respect to the pending bill. The Finance Committee, after adequate hearings, defeated the Douglas proposal. The Secretary of the Treasury made strong recommendations to the Finance Committee to report the bill as it passed the House.

An effort was made in the Ways and Means Committee to amend the bill. It was not amended. The bill we are considering calls for a renewal of the existing taxes.

Mr. NEUBERGER. In the committee consideration, was the transportation tax repeal ever considered alone and on its merits, without any other proposals attached?

Mr. BYRD. The Senator from Florida [Mr. SMATHERS] was present at the committee meeting. He mentioned the matter, but he did not ask for its consideration by the committee.

Mr. NEUBERGER. I should like to ask one further question, if I may. The Senator mentioned taxes on furs, jewelry, and other items. Undoubtedly such taxes are repressive. I agree with the Senator in that respect.

Mr. BYRD. Those are only a few of such taxes.

Mr. NEUBERGER. I know. Virtually all excise taxes are repressive on purchases of the product on which the tax is levied.

Mr. BYRD. Let me make clear to the Senator that some taxes are not affected by the termination date.

Mr. NEUBERGER. I understand.

Mr. BYRD. The Senator knows what taxes those are.

Mr. NEUBERGER. I know the effect. Many of such taxes apply to products which are not necessities and on which the tax should be extended, such as tobacco, liquor, and so on. I fully support the extension of those justified taxes.

The point I desire to make is that the tax on jewelry and the tax on furs is

identically the same, whether it is applied in Seattle, Wash.; Portland, Oreg.; Norfolk, Va.; or Philadelphia, Pa. The transportation tax is quite different. A crate of apples which comes from an orchard in Oregon bears a far heavier transportation tax than does a crate of apples which comes from an orchard in New York, when the two crates of those apples go to the bulk of the consumers who are to eat them. Apart and distinct from all other taxes, the transportation tax bears most heavily on the West, the South, and the Middle West, the products of which have to go the longest distance to find their markets. I beg my colleague to consider the inequity of this one particular tax above all others when we vote on the various proposals, particularly the proposal of the distinguished Senator from Florida [Mr. SMATHERS] for the elimination of the transportation tax.

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

Mr. BYRD. I yield to the Senator from Connecticut.

Mr. BUSH. Mr. President, I thank the Senator from Virginia for making so clear what are the implications in connection with the pending amendment. I think we are facing one of the most serious votes we have faced this year. I believe the adoption of such an amendment could have tragic consequences for the United States.

I have great respect for the author of the amendment. The Senator from Illinois [Mr. DOUGLAS] has made some of the best contributions to economic thought and fiscal sanity which have been made in the Senate of the United States. I have often quoted him and praised him for the soundness of his ideas in respect to fiscal sanity, fiscal order, anti-inflation, the danger of inflation, and so on. In that area no man, as far as I know, has made such a splendid contribution, unless it be the chairman of the Committee on Finance himself.

However, the amendment we are considering strikes me as being, rather than fiscal sanity, almost fiscal madness. How the Senate of the United States can calmly contemplate the possibility of reducing the Government's income by something on the order of \$7 billion in the face of a deficit of \$10 billion or \$11 billion, which now seems to be almost inevitable, is something I fail to understand.

The consequences of an \$18 billion deficit in times like the present are very difficult to estimate, but it would be folly to contemplate that such consequences would not be very severe and would not have a very unfortunate effect upon our whole national life.

Indeed, a deficit of that nature could be financed only in such a way as to produce monetary inflation, which would in effect increase our defense budget of \$40 billion to some such sum as \$44 billion, \$45 billion, or \$46 billion. We cannot figure it precisely, but we know it would be a very substantial amount.

As the Senator from Virginia pointed out, we get into a vicious circle, and the thing adds to itself and gets out of control. We could destroy the credit of the

United States. We could destroy the faith of the people in the dollar. We could destroy the faith of the people in their savings, in their war bonds, in their Treasury bonds, in their life insurance policies, and in their savings accounts.

These are some of the things which we can expect to have to deal with if we experience a deficit on the order of that which is discussed seriously on the floor of the Senate today.

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

Mr. BUSH. Will the Senator permit me to finish, please?

I wish to urge with all the sincerity I can command that the amendment be voted down and that the position of the distinguished chairman of the committee be upheld.

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

Mr. BYRD. I yield to the Senator from Indiana.

Mr. CAPEHART. Mr. President, I wish every Member of the United States Senate could have been present in the Chamber to listen to the remarks of the able senior Senator from Virginia [Mr. BYRD] a moment ago, when he referred to the seriousness of the financial situation of the United States and about a possible \$11 billion deficit or a possible \$18 billion deficit. The Senator's remarks proved the position which I have been trying to take; namely, that we in the Congress of the United States and those in the administration are not taking the matter seriously enough, and, indeed it is a very, very serious matter.

Let me say, in support of the argument of the able Senator from Connecticut, to obtain X number of dollars we must apply a certain percentage, as the tax rate, against the volume of income in the United States. I am concerned about the matter; as seriously concerned as are the able Senator from Virginia and the able Senator from Connecticut.

As a result of the high tax rates, which are inequitable and unfair, we have been placed in a difficult position. Even with the high tax rates we are not going to be able to generate enough dollars so that the deficit can be reduced to less than perhaps \$11 billion. The deficit perhaps will be as large as \$18 billion.

A few minutes ago when I spoke I tried to show the seriousness of the entire situation and to get the Senate and the administration to take the matter seriously. We have 5 million men unemployed. If we should have 6 million, 7 million, 8 million, 9 million, or 10 million men unemployed, the deficit which the able Senator from Virginia talked about would be even larger at the high tax rates.

I stated that we really should not attempt to legislate on the floor of the Senate with regard to taxes. We in the Senate, as I said, have our hands tied, because tax legislation, under the Constitution, must originate in the House of Representatives.

As an individual Senator who feels his responsibility, as does the able Senator from Connecticut, I do not know an easy solution to the problem. I do not know

what to do as a Senator other than to protest, as I am doing today.

As I stated, I wish every Senator could have listened to the able Senator from Virginia, because he is 100 percent correct. We had better start talking about this thing from both ends; from the standpoint of reducing expenditures and rearranging our tax structures so as to create more dollars. We had better be sure we do so.

We have high tax rates and all the other things to which reference has been made. Despite these things, we have 5 million men unemployed. We have inflation in the United States, with the highest prices in the history of the Nation, yet we have 5 million men unemployed.

I rose to state the seriousness of the matter. So did the able Senator from Virginia.

I am suggesting to the administration—to the President, to the Secretary of the Treasury, to others in the administration—and to the chairman of the Committee on Ways and Means of the House, which committee has the responsibility to originate tax legislation, that there should be a reconsideration of the entire matter. I am pleading with Senators and the Congress as a whole to reduce expenditures and to eliminate those which are not going to create jobs.

This matter is serious. If I have made any contribution at all today—and I hope I have—it was a contribution along the line of showing the seriousness of the whole matter and emphasizing the fact that something must be done. We cannot any longer, in my opinion, either in the Congress or in the administration, ignore high tax rates, unemployment, and huge expenditures—many of which expenditures, in my opinion, will not create a single additional job.

I am pleading with Senators to take this matter seriously.

Mr. KNOWLAND. Mr. President, will the Senator from Virginia yield?

Mr. BYRD. I yield.

Mr. KNOWLAND. Let me say to both the Senator from Virginia, who has very ably served as chairman of the Finance Committee, and has not only once, but on numerous occasions, pointed out the fiscal problems facing the Government of the United States, as well as to the Senator from Indiana, that I shall fully support the Senator from Virginia in the position he has taken in opposition to this amendment and certain other amendments which will be offered. I hope the figures which the Senator has mentioned, deficitwise, will not prove to be so high as he has estimated, but certainly there is every indication that for this fiscal year there will be a deficiency of some \$3 billion; and certainly for the following fiscal year it will be more than \$8 billion. Whether it will reach the figure of \$11 billion may depend somewhat upon what the Congress does and what conditions prove to be.

I have felt that the proposal of the Senator from Indiana had merit on the question of the examination of the subject of depreciation, and the acceleration of depreciation. But I certainly hope that amendment will not be attached to this bill.

I believe it would be detrimental to the fiscal policies of our Government for the amendment proposed by the Senator from Illinois [Mr. DOUGLAS] to be attached to the pending bill. This is a time in our country's history when we must have fiscal responsibility. Opening up the doors to a large number of amendments, which would undoubtedly follow the adoption of a single amendment, would very seriously compromise the revenues needed not only for the maintenance of our Federal structure, but the maintenance of our position in the troubled world in which we find ourselves. It is important that we maintain a strong national defense as well.

I hope the position of the Senator from Virginia, chairman of the Finance Committee, will be sustained.

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

Mr. BYRD. I yield.

Mr. DWORSHAK. I have heard some of the discussion this afternoon on proposals to reduce taxes. Without impugning the motives of any of my colleagues, whom I consider to be sincere in their approach to this problem, I say to my good friend from Virginia that it is either nonsensical or demagogic to talk about cutting taxes. If we want to relieve the burden on the taxpayers, there is only one way to begin, and that is by reducing Federal spending.

As a member of the Appropriations Committee for several years, I have been shocked by the actions which have been taken during this session. We may meet the so-called recession by spending more, and thereby, allegedly, creating more jobs; but so long as we continue to expand Federal expenditures, I accept the proposal submitted by Bernard Baruch, namely, if we want more government we should be willing to pay for it.

Certainly we can cut down the excessive and sometimes unnecessary tax burden on the taxpayers of the country; but I appeal to my colleagues, and especially those serving on the Appropriations Committee, to remember that the real challenge facing the Congress is to curb and not to expand Federal spending. If we do that successfully, with the courage we ought to have in this challenging hour, we can justify and rationalize the reduction of taxes, but not before we take some action to curb Federal spending.

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

Mr. BYRD. I yield.

Mr. KERR. Mr. President, I heard a great deal of what was said by the distinguished Senator from Indiana, one of the able Members of this body and one of my cherished personal friends.

I was quite interested in what he said. He said, among other things, "I do not know what to do." As has often been the case when he has made that statement, he proceeded to prove it.

The Senator from Indiana stated that the able Senator from Virginia [Mr. BYRD] is 100 percent right. I do not think that is quite correct, but it is almost correct. Therefore I shall support the able Senator from Virginia, who does know what to do, rather than the

Senator from Indiana, who admits that he does not know what to do.

The Senator from Indiana says that this is no way to legislate. He is correct. It is an amazing situation when he says, "I do not know what to do, but I want you to do this," and then says, "This is no way to legislate, but I am going to support the proposal."

"Behold, I show you a mystery. They shall not all sleep." But it seems that some of them do. The Senator from Indiana said, "I cannot sit here and ignore the situation." The Finance Committee has not ignored it.

It is too bad that my good friend from Indiana has been so busy with other matters that he could not have taken the time to come before the Finance Committee and tell it how to solve the problem. We have been wrestling with it for weeks. We do not claim that the bill we have reported to the Senate is perfect. We admit that it is far from it. But there is some reason for believing, with some basis of justification, that we who have devoted a great deal of time and study to this question have some concept both of the problem and of the proper procedures.

With reference to the bill, it was passed by the House with few dissenting votes. It was worked upon by the Ways and Means Committee of the House for some time, and reported from that committee unanimously or with few dissenting votes.

The Finance Committee of the Senate and the Ways and Means Committee of the House maintain a joint committee, which employs the ablest staff members we can find. The head of that staff is a man by the name of Colin Stam. He was serving in that capacity, working for this Government before it was ever blessed by the services of either the senior Senator from Oklahoma or the distinguished senior Senator from Indiana. Those people got along very well for a long time before either the Senator from Oklahoma or the Senator from Indiana arrived in Washington. I was quite surprised to find that they had done as well as they had without my being here. [Laughter.] I may even have been as shocked as is the distinguished Senator from Indiana by his belated discovery of this situation in our economy, but I am overwhelmed with the realization of the truth of how well they did get along.

The staff of the two committees worked on this matter for many years, and they have been working on tax matters since 1930.

As I have said, Mr. President, the staff of our committees worked on this bill. Then the Treasury Department worked on it. That is the Treasury Department of the Senator's party. I do not always agree with members of his party, or members of the Government. I have voiced my disagreement with them on the floor of the Senate and on the stump and in the press and in many other places. However, I am convinced that they are right about this matter, and they have been persuasive that the bill we brought to the floor is the wisest alternative available to us at this time.

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

Mr. KERR. I yield.

Mr. SYMINGTON. There is no one in the Senate for whom I have greater respect in matters of finance than I have for the Senator from Oklahoma. However, there are some problems which worry me about this situation today. I was disappointed to hear my friend from Connecticut call it madness. I believe my friend from Idaho called it demagoguery. I have been a businessman, and I know that one of the most important things for business is purchasing power. I also know that the only source for taxes is income, including profits. In the early thirties we had what was called a depression. I remember it very well, because I went broke in my business at that time. I recall also that the cost of running the Government of the United States in 1931 was \$3½ billion. Today the cost of running the Government is about \$74 billion.

Mr. KERR. The Senator could revise that figure upward a good deal, and still be accurate.

Mr. SYMINGTON. I thank the Senator very much.

Mr. President, we will have a large Federal Government deficit at the end of this fiscal year and probably a larger one next year. But I do not believe there is a Member of the Senate who does not feel it is important that we get purchasing power flowing back into our economy. Regardless of why our purchasing power has shrunk, there is no question that it has. Currently the annual rate of our gross national production is about \$18 billion less than the annual rate for the third quarter of last year.

The last time this matter came under discussion on the floor of the Senate I felt that a cut in income taxes was wrong. This year, one of the finest jobs that has been done in presenting a fiscal program to the Senate has been done by the distinguished junior Senator from Florida [Mr. SMATHERS] in presenting the problem connected with the excise taxes on transportation.

I believe all of us wish to do what is necessary to be done to get the Government back into the black. If we do not get it back into the black within a reasonable time, we may find ourselves unilaterally disarming against the great and growing menace of the Communist conspiracy or we may find ourselves experiencing an inflation which will destroy investments, insurance, pensions, and social security. So I would say to my good friends on the other side of the aisle they might consider more carefully before they make their observations about what this proposed legislation is all about.

I do not believe words like "madness" and "demagoguery" are fair. I say that because all we want to do is to get the economy back on the rails. If we do not get it back on the rails, we will be forced either to accept the fact that we cannot spend as much money to defend our freedoms as other people can spend to destroy them, or we will go into an inflation which will make all other inflations we have been talking about look small.

I thank my friend from Oklahoma. If I am wrong in my feeling in this matter—and I say this with all sincerity—I shall be glad to be corrected.

Mr. KERR. Mr. President, I appreciate the remarks of the distinguished Senator from Missouri. I have a great deal of respect for him. This would be a wonderful opportunity to talk about how we got into the recession. The Senator from Indiana and I argued that on the floor when it was happening. However, we would not profit from trying to decide how we got where we are. I feel that this is the greatest country in the world; that it is the richest country in the world; that we are not going to be destroyed by deficits; and that we are not going to be destroyed by inflation.

I say to my friend from Missouri that I do not contemplate that the Government will be in the black in 3 years. I do not know that there is any way for us to do that. The Senator from Idaho gave the recipe if we want to do it. We can do it by reducing expenditures to the level of our income. That will put us in the black. I do not believe we will do that.

I believe it would be more shocking to say, because we do not agree on what is happening, and because we think we know who is responsible for it, that we are not going to measure up to our responsibilities to do that which is necessary to provide as much revenue as we reasonably can to meet the expenditures which have been made, are being made, and are going to be made.

I said a little while ago that we had the advice and counsel of our own staff, as well as of the Treasury, and that we have had action by the Ways and Means Committee and of the House of Representatives, and now of the Committee on Finance of the Senate.

Without exception, it is their judgment that we would be very unwise deliberately to take an action which would raise a \$10 billion deficit to a \$17 billion deficit, or deliberately to load down the bill, which is calculated to bring in revenue and to extend taxes which otherwise will expire on the 30th day of this month. The first amendment is one which would result in the loss of about \$6,700,000,000 of revenue, and that amendment would be tied onto a bill which is calculated to raise, we hope, \$2,700,000,000.

The Senator from Indiana may be shocked, and he may feel the urge—which he has difficulty keeping within him—to protest. I would say that that is a fair-sized protest. If I ever get angry at anyone to protest, I am not going to use a blunderbuss and start shooting everywhere and at everyone who is in sight. I am not going to play Russian roulette with the financial stability of my Government, merely because I am angry at someone. If I ever get angry at the Senator from Indiana, and if he ever gets angry at me, I will invite him to step outside, and we will get it out of our systems, and then come back into the Chamber and forget the difference between us as to who are statesmen and who are not, and which party is

right and which party is wrong; and do the thing which, as of this hour, is indicated as necessary for the financial stability of our Government. I hope the bill will pass the Senate without any amendment. Then we will have other opportunities to discuss our differences and how to create greater deficits or reduce taxes or raise taxes. Certainly this bill is no vehicle to do either.

Mr. DOUGLAS obtained the floor.

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

Mr. DOUGLAS. I yield.

Mr. SYMINGTON. As always, I am impressed with what the distinguished Senator from Oklahoma says and how he says it. This is not in reply. However, I want simply to make a further comment with respect to the terms "madness" and "demagoguery."

In my State we have a great banker—Mr. William McDonnell. We are very proud of him. He is the head of one of the largest banks, if not the largest, in Missouri—the First National Bank of St. Louis. He also is the president of the United States Chamber of Commerce, an organization which is not given to demagoguery, to the best of my knowledge.

There are two large national organizations which businessmen connect with business primarily. One is the National Association of Manufacturers; the other is the United States Chamber of Commerce. The president of the National Association of Manufacturers is opposed to a tax cut. On the other hand, the president of the United States Chamber of Commerce, in the first talk he made after he became president, said he thought there should be a tax cut immediately.

I believe our economic strength can be revived and its progress resumed. judiciously chosen tax cuts will help toward that end.

Mr. DOUGLAS. Mr. President, the debate has been in progress for some 4 hours. I had not intended to speak again; but in view of the comments of the Senator from Virginia [Mr. BYRD] and the Senator from Oklahoma [Mr. KERR] and of certain other remarks which have been made, I shall speak for 3 or 4 minutes.

What these Senators are assuming is that without a tax cut there will be a deficit next year of from \$8 billion to \$11 billion, and that a tax cut of \$6 billion will raise the deficit to \$14 billion or \$17 billion.

What they are assuming is that there will be no increase whatsoever in the national income or the tax base upon which taxes are levied. If that were so, I would agree with the harsh words uttered by the Senator from Connecticut [Mr. BUSH] and the Senator from Idaho [Mr. DWORSHAK]. But it is our contention—and commonsense amply supports it—that if additional monetary purchasing power is injected into the bloodstream at a time when labor is unemployed and capital is unemployed, what will happen will be to put idle labor to work on otherwise idle capital, turning out products which otherwise would not be produced.

Earlier in the afternoon I showed roughly how there is a multiplier of 3, so that a \$6 billion cut would cause a total increase in the gross national product of \$18 billion. That means that the taxable base would rise by that amount. Since about \$1 out of every \$4 goes for all the branches of Government and all the levels of Government, this would mean that we would get back, at a minimum, \$4,500,000,000. So the net loss, at most, would be only \$1,500,000.

I submit that that is not an excessive price to pay; on the contrary, it is a low price to pay for an increase in the national income of from \$18 billion to \$20 billion.

That is the issue between us. Some Senators firmly believe that the proposal will have no effect whatsoever except to add to inflation. If labor were relatively fully employed, that would be correct, because then additional monetary purchasing power would be injected into the economic bloodstream, not to put idle labor to work with idle capital, but to give people already at work, people already producing, more money to pay for goods which will not increase in total quantity.

That is why I opposed the Truman administration's efforts to force the Federal Reserve Board to increase bank credit in 1951, and I would oppose such an effort again in a similar economic period. But the problem is very different in a recession or a depression from what it is in a period of comparatively full employment. That is what seems so difficult for many to understand.

The PRESIDING OFFICER (Mr. CLARK in the chair). The question is on agreeing to the amendments, in the nature of a substitute, offered by the Senator from Illinois, and designated "6-10-58-C." 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 New Mexico [Mr. ANDERSON], the Senator from Tennessee [Mr. GORE], the Senator from Arizona [Mr. HAYDEN], the Senator from Washington [Mr. JACKSON], and the Senator from Montana [Mr. MURRAY], are absent on official business.

On this vote, the Senator from Montana [Mr. MURRAY] is paired with the Senator from Tennessee [Mr. GORE]. If present and voting, the Senator from Montana [Mr. MURRAY] would vote "yea," and the Senator from Tennessee [Mr. GORE] would vote "nay."

Mr. DIRKSEN. I announce that the Senator from Arizona [Mr. GOLDWATER] is absent on official business, because of duty with the Air Force.

The Senator from New York [Mr. IVES] is absent on official business.

The Senator from Indiana [Mr. JENNER] is necessarily absent.

The Senator from New York [Mr. IVES] is paired with the Senator from Arizona [Mr. GOLDWATER]. If present and voting, the Senator from New York would vote "nay," and the Senator from Arizona would vote "yea."

The result was announced—yeas 23, nays 65, as follows:

YEAS—23

Capehart	Kennedy	Pastore
Carroll	Langer	Proxmire
Douglas	Long	Smathers
Fulbright	Magnuson	Sparkman
Henning	Mansfield	Symington
Hill	McNamara	Thye
Humphrey	Morse	Yarborough
Johnston, S. C.	O'Mahoney	

NAYS—65

Aiken	Eastland	Monroney
Allott	Ellender	Morton
Barrett	Ervin	Mundt
Beall	Flanders	Neuberger
Bennett	Frear	Payne
Bible	Green	Potter
Bricker	Hickenlooper	Purtell
Bridges	Hoblitzell	Revercomb
Bush	Holland	Robertson
Butler	Hruska	Russell
Byrd	Javits	Saito
Carlson	Johnson, Tex.	Schoepel
Case, N. J.	Jordan	Smith, Maine
Case, S. Dak.	Kefauver	Smith, N. J.
Chavez	Kerr	Stennis
Church	Knowland	Talmadge
Clark	Kuchel	Thurmond
Cooper	Lausche	Watkins
Cotton	Malone	Wiley
Curtis	Martin, Iowa	Williams
Dirksen	Martin, Pa.	Young
Dworsak	McClellan	

NOT VOTING—8

Anderson	Hayden	Jenner
Goldwater	Ives	Murray
Gore	Jackson	

So Mr. DOUGLAS' amendments were rejected.

Mr. BYRD. Mr. President, I move that the vote by which the amendments were rejected be reconsidered.

Mr. JOHNSON of Texas. Mr. President, I move to lay on the table the motion to reconsider.

The PRESIDING OFFICER. The question is on agreeing to the motion to lay on the table the motion to reconsider.

The motion to lay on the table was agreed to.

Mr. McNAMARA obtained the floor.

Mr. JOHNSON of Texas. Mr. President, will the Senator from Michigan yield to me?

Mr. McNAMARA. Mr. President, I am very glad to yield to the distinguished majority leader.

Mr. JOHNSON of Texas. Mr. President, the Senate has worked late into the evening for several evenings because we wished to reach the tax bill and to act on it, have it go to conference, have the conference report agreed to, and have the measure reach the President for his signature before the present law expires on June 30. All Members have been very cooperative, and I am grateful to each and every one of them.

At this time I am prepared to move that the Senate take a recess.

The author of the pending amendment, the Senator from Michigan [Mr. McNAMARA], has assured me that his remarks on the amendment will require less than 5 minutes. He would like to have the amendment voted on this evening.

The senior Senator from Michigan [Mr. POTTER] wishes to speak for 10 minutes on the amendment.

The chairman of the committee, the senior Senator from Virginia [Mr. BYRD], wishes to speak for 2 minutes on the amendment.

That would be, in all, a total of approximately 15 minutes. Then the amendment could be voted on; and then the Senate could take a recess until tomorrow, and not consider any other amendment today.

If other Senators desire to speak on the amendment, I say frankly to the author of the amendment that then, instead, the Senate should now take a recess until tomorrow.

No other urgent measure must be acted on by the Senate this week, after this bill is passed. We believe that the bill will be passed by the Senate in time to have it go to conference and become law by June 30.

Let me say that we do not expect to have the Senate meet on Saturday of this week, although, unpleasant as it would be, we may have to have the Senate hold a session on Saturday of next week, inasmuch as the 30th of June, the end of the fiscal year, will come only 2 days later.

Of course, Mr. President, if the vote on the amendment of the Senator from Michigan [Mr. McNAMARA] is taken approximately 15 minutes from now—

Mr. MONRONEY. Mr. President, I should like to speak for a maximum of 5 minutes on the amendment.

Mr. JOHNSON of Texas. Then, Mr. President, I ask unanimous consent that at the expiration of 20 minutes, the yeas-and-nays be ordered on the question of agreeing to the amendment of the Senator from Michigan [Mr. McNAMARA], and the Senate proceed to vote on the amendment.

The PRESIDING OFFICER. Is there objection?

Mr. POTTER. Mr. President, reserving the right to object—

Mr. MORSE. Mr. President, I would have to object to any unanimous-consent request, for I do not know what will develop.

Mr. JOHNSON of Texas. Then, if it is agreeable to Senators—since it is obvious that it will be impossible for us to finish our action on the bill this evening—I should like to announce to Senators that we do not expect any yea-and-nay votes to be taken during the remainder of the evening, and that any Senator who wishes to speak, and to keep the Senate in session for that purpose, may do so.

Mr. McNAMARA. Mr. President, I believe I have the floor.

The PRESIDING OFFICER. The Senator from Michigan has the floor.

Mr. McNAMARA. Mr. President, as I understand, the pending question is on agreeing to my amendment.

The PRESIDING OFFICER. That is correct.

Mr. McNAMARA. That is my understanding, in connection with the remarks which have been made by the distinguished majority leader.

Mr. JOHNSON of Texas. Mr. President, let me say that my remarks were made only in an attempt to work out an arrangement in accordance with the suggestion the Senator from Michigan had made.

However, judging from statements which have been made this evening—

namely, that some Senators wish to have the Senate remain in session—under the circumstances that is the only thing to do; namely, to have the Senate remain in session as long as Senators may wish to address the Senate, and then to have the session resume on tomorrow.

#### ALASKAN STATEHOOD

Mr. CHURCH. Mr. President, an editorial from the Washington Evening Star of June 17, 1958, Outlook for Alaska, highlights the bipartisan way in which this issue has been handled by the leadership of this body. It praises equally the distinguished majority leader for scheduling action on this measure for this coming week, and the distinguished minority leader for making clear that he will not lend his prestige in support of joining the Hawaiian bill to the pending measure. The Star's editorial is an optimistic one for the friends of statehood. It reflects the hopes of the overwhelming majority of our people. I ask unanimous consent that the editorial be printed at this point in the RECORD.

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

#### OUTLOOK FOR ALASKA

The prospect that Alaska will become the 49th State in the Union has brightened materially in recent days. Statehood legislation passed by the House late in May has been accepted by the Senate Interior Committee as a substitute for a Senate bill, an action which could eliminate the need for a Senate-House conference and the risk of a delaying deadlock over differing provisions. The Senate Democratic leadership has cleared the measure for consideration on the floor, probably during the current week. And Senate Republican Leader KNOWLAND, favoring statehood for both Alaska and Hawaii, has said that he would oppose any move to combine the 2 in 1 piece of legislation—a maneuver that almost assuredly would kill the chances for both in this session of Congress.

There will be opposition to Alaskan statehood on the Senate floor. Very likely, as a last resort, another effort will be made to make a common issue of Alaska and Hawaii. But the fact the bill is not being held back for the adjournment rush minimizes the danger of it being filibustered to death, and the fact that Mr. KNOWLAND says he will not support the tactic of combining the case for the two Territories likewise decreases that hazard.

As for the basic merits, there is nothing to be added to the arguments in either case or on either side. Alaska's qualifications—in population and in political and economic development—have been thoroughly established. A similarly strong case can be made for Hawaii, but with the Alaska legislation this close to passage there could be no justification for bogging it down in purely political maneuvering. It will be a fine thing to welcome Alaska to full partnership in the Union.

#### ROCK HILL, S. C., TEXTILE PLANT TO CLOSE

Mr. THURMOND. Mr. President, in the June 17 edition of the Columbia State of Columbia, S. C., there appears an article entitled "Old Rock Hill Textile Plant To Close Soon."

I wish to call the attention of the Senate to this news story, because the closing of this textile plant should serve as a warning of what may be in store for many other vital American factories unless the Congress makes substantial revisions in this country's trade policy.

The Victoria Mills is a manufacturer of ginghams, which has been operating in Rock Hill, S. C., providing employment there for a period of approximately 60 years. It is an old and well established mill, and was an important part of the industry which provides 75 percent of South Carolina's industrial jobs and 80 percent of the State's industrial payroll.

Those mills, which specialize in the manufacture of ginghams, have been particularly hard hit by the impact of imports from abroad, principally from Japan. Under the voluntary quota arrangement which the Japanese Government established for a 5-year period beginning January 1, 1957, the Japanese limit themselves to sending 35 million square yards of Japanese gingham to this country each year. This amounts to almost 20 percent of the total American production of gingham cloth in 1957, which was 180 million square yards.

This is a disproportionate share of the gingham sold on the American market.

There is no estimate available of the additional gingham cloth which is manufactured in Japan, shipped from there to another foreign country, made into items of apparel, and then shipped to the United States in that form. The impact can be roughly judged by the fact that American gingham production has fallen from a peak of 260 million square yards annually to 180 million square yards.

Unless the United States takes steps to limit the import of textile goods from countries with a wage scale much lower than our own, we can expect that the American textile industry will continue to decline. I urge that every Senator think carefully on this problem.

I ask unanimous consent that the news article to which I referred to be printed in the RECORD, as a part of my remarks.

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

#### OLD ROCK HILL TEXTILE PLANT TO CLOSE SOON

ROCK HILL.—One of Rock Hill's oldest textile plants—Victoria Mills—is closing.

William J. Roddey, president and treasurer of the firm, announced the plant will close when the processing of materials on hand is completed.

He cited bad business conditions as forcing the closing of the plant.

Victoria Mills, manufacturer of ginghams, has been operating here for approximately 60 years.

Roddey did not say when the closing process would be completed. The plant has not been sold, he said, and future status cannot be determined at this time.

#### TRANSPORTATION BILL—STATEMENT OF EDWARD V. KILEY

Mr. SMATHERS. Mr. President, I ask unanimous consent to have printed in the body of the RECORD a statement by Mr. Edward V. Kiley in connection with the hearings on the transportation bill. Mr.

Kiley represented the American Trucking Associations and made some very interesting assertions, which I think the Senate should have the benefit of.

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

My name is Edward V. Kiley, and I am director of the department of research of the American Trucking Associations, Inc., with headquarters at 1424 16th Street NW, Washington, D. C. I appear on behalf of the American trucking industry.

In recently concluded appearances before your committee various railroad industry officials made numerous references to their current financial difficulties being due in part to government subsidization of their competitors. They included highway transportation, and in particular truck transportation, in their charge of subsidy and maintained that truck transportation is availing itself of publicly provided facilities for which it is not making adequate payment through special user charges.

The railroad charge of subsidy as made against highway transportation generally, and truck transportation in particular, is not new as far as the railroad industry is concerned. For more than 35 years the railroads have been contending that highway transportation—all highway transportation including private automobiles—is subsidized. These charges have been forcibly refuted in the past by factual evidence. We believe the facts refute them just as strongly today.

On the basis of these facts, as we know them, we sincerely believe that motortrucks do pay their fair share of highway costs. There is no subsidy of truck transportation, nor of highway transportation generally. Actually the data will show that through special user taxes assessed on both a State and Federal level, highway users are paying more than their fairly assigned share of highway costs.

We appreciate this opportunity to present the pertinent facts for your consideration. We believe the specific data will stand in sharp contrast to the often vague, sweeping assertions presented by the railroad witnesses.

A review of the railroad financial picture, as the railroads have presented it, shows the extent to which their competitive problem involves highway transportation generally, and not merely truck transportation. Repeated statements by railroad witnesses as to the difficulties they are facing in the field of passenger transportation illustrate their concern with the diversion of intercity passenger traffic from railroads to private automobiles. The transportation of freight remains a profitable undertaking for the railroads. It is when freight revenue must absorb the mounting passenger train deficits that the railroads' financial picture takes a turn for the worse.

The seriousness of the competitive battle with the private passenger automobile has been emphasized many times by railroad officials. William White, while president of the New York Central Railroad, in an interview with the editors of the magazine U. S. News & World Report (December 18, 1953) made the following statement:

"The biggest competitor of all is the private automobile. That is the mode of travel at which we have to direct our competitive pricing to try to get people out of their own automobiles back to the railroads."

The late Frank J. McCarthy, when he was assistant vice president of the giant Pennsylvania Railroad made the following statement while testifying before a Congressional committee:<sup>1</sup>

<sup>1</sup> Subcommittee on Roads of the Committee on Public Works, House of Representatives, 83d Cong., July 23, 1953.

"Every time that a highway is speeded up and made capable of handling more vehicles it is going to take more traffic, and it has to take it away from the people who have been moving the traffic otherwise."

This statement had reference to a new highway that was being constructed for the exclusive use of passenger cars.

During the same testimony, Mr. McCarthy made the following reference to the competition of the New Jersey Turnpike:

"I would like to recite to you a little experience that we have had after a new highway had been built that allows accelerated speeds and is put down for the convenience of the motor vehicles and what it does for our business."

"We handled before the New Jersey Turnpike was opened, up to 12,500 people a day from Philadelphia to New York. Today we are handling 7,500."

In a recent testimony before this committee Patrick B. McGinnis, president of the Boston & Maine Railroad, stated:

"We cannot compete with the millions of automobiles that daily traverse thousands of miles of concrete highway."

The competitive situation facing the railroad industry as a result of private passenger car operation is important in the proper evaluation of the overall question of highway transportation subsidy as well as the specific question of whether or not truck transportation is paying its fair share of highway costs. Although the railroads concentrate their subsidy allegation against one group of motor vehicles, they would like to blanket all highway transportation under their subsidy charge. However, this presents them with a difficult and dangerous undertaking. In fact, under our system of levying special taxes for highway use, it is practically impossible for them to maintain that highway transportation is subsidized. We believe it equally impossible for them to sustain their subsidy charge against truck transportation. On the basis of the facts, as they are available today, we sincerely believe that motor trucks do pay their fair share of highway costs. In important respects trucks are actually paying more than their fairly assignable share of highway costs.

#### THE FEDERAL HIGHWAY PROGRAM

The first factual refutation of the railroad industry's subsidy charge lies in the legislative history and the provisions of the Federal-Aid Highway Act of 1956.

Prior to this act the question of Federal user charges to recover the cost to the Government of providing transportation facilities has been a subject of continuing debate and controversy in transportation circles. These discussions were regarded by many as somewhat inconclusive as there was no clear statutory connection between the expenditures made and any charges, or taxes, that could be considered as payment for the facilities provided. Nowhere had this lack of statutory connection between expenditures and user charges been more evident than in the case of highway transportation, and, of course, truck transportation.

Highway transportation has long been a favorite target of the railroads' subsidy charge; accused of having a "free ride" by virtue of the Federal Government's highway expenditures. These charges were made in convenient ignorance of the fact that while the Federal Government had over the years been appropriating vast sums of money for highway purposes, it had also been levying, and collecting, even greater sums in special taxes on those who use the highways. This lack of official, statutory, connection between highway appropriations and the special highway user charges had enabled proponents of the subsidy myth to ignore the one and exploit the other.

Since the enactment of the Federal-aid road act in 1916, and up to, but not including, the Federal-Aid Highway Act of 1956,

the Federal Government has appropriated \$8.1 billion for highway construction. During the same period it was collecting from highway users, in special taxes on motor fuel, new cars, trucks and buses, tires, tubes, parts and accessories approximately \$24 billion. This figure includes only those taxes paid by highway users and does not include the Federal automotive taxes paid by nonhighway users.

These simple facts illustrate the importance and magnitude of the special Federal taxes that have been levied on highway users. The taxes, or charges, have exceeded the Federal Government's highway appropriations by more than \$15½ billion—a fact that hardly supported the charge of subsidy of highway transportation or any group of highway users.

Proponents of the subsidy charge had relied in the past upon the lack of legal connection between Federal highway expenditures, and the special Federal taxes, to support their allegation. The special automotive taxes, they said, were charges for the general support of Government and could not be related to highway expenditures. This bit of specious reasoning led them to their position that the \$8.1 billion for highways was a form of transportation subsidy.

Let us examine this from a logical standpoint. If the special Federal automotive taxes were taxes for the general support of the Government, and could not be considered as highway user charges, it logically followed that such taxes should not have been discriminatory and should have been assessed in an equitable fashion on all forms of transportation. Why should only one form of transportation be singled out to carry such a heavy tax burden for the general support of Government? If, for example, the special Federal tax on motor fuel, truck tires, tubes, lubricating oil, parts and accessories were not special highway user charges, but taxes for the general support of Government, where was the justification in logic or economics for such taxes not being levied on competing forms of transportation? The railroad industry has not paid, nor does it now pay, special Federal taxes on its fuel, new equipment, parts or accessories. Does it not also have an obligation for the general support of Government? In this connection it must be kept in mind that the trucking industry, in addition to paying the special Federal taxes, is also subject to all of the other taxes that apply to the railroad industry, or any other industry.

In reply to this it was mentioned that the special Federal automotive taxes were really user charges and the lack of legal connection was not too pertinent. The railroad industry took this attitude in its arguments as to why the special Federal tax on diesel fuel, enacted in November 1951, should apply only to highway motor vehicles, thus providing an exemption for the many millions of gallons used by diesel locomotives. Apparently they were willing to accept the Federal taxes as user charges. Any other argument led them to the inescapable and distasteful conclusion that the fuel used in their diesel locomotives should also be taxed.

If we choose to overlook the old technical argument about past lack of official connection, or linkage, between Federal highway expenditures and special Federal taxes, we can still completely refute any charge of highway transportation subsidy. As we have seen, the highway user taxes have exceeded highway expenditures by approximately \$15½ billion. In other words, the highway users have fully repaid the Federal Government for its highway outlays and have still dropped \$15½ billion in the till for the general support of Government.

The Federal-Aid Highway Act of 1956 brought us into a new era of Federal highway financing and taxation. Let us look at the new picture resulting from this program. Under the new expanded, highway program

the Federal Government proposes to spend approximately \$38.5 billion for new and improved highways on the various Federal-aid road systems. To finance these expenditures the Congress increased the tax on gasoline, diesel fuel, tires, new trucks, buses and trailers, added a new tax on tire tread material, and a special tax on trucks weighing more than 26,000 pounds. The tax increases, plus the completely new taxes, are expected to produce \$13.5 billion over the life of the highway tax program. To this Congress added revenues from the existing tax on gasoline, diesel fuel, tires, tubes, and part of the existing tax on new trucks, buses, and trailers. These total \$25 billion, and when added to the \$13.5 billion give a total of \$38.5 billion to be placed in the highway trust fund to cover the full cost of the Federal Government's highway program.

It should be noted that all of the increases in the Federal automotive taxes, and the new taxes, apply only to highway users. Included in the revenues from the older taxes which are going to the highway trust fund are relatively small payments by nonhighway users. Examples are the 2-cent-per-gallon tax on aviation fuel and the tax on aircraft tires.

Thus, in the Federal-Aid Highway Act of 1956 the Congress gave statutory recognition to a relationship between Federal expenditures for highways and the levying of special taxes to cover the costs. The Federal highway program is being met virtually in its entirety by special taxes applying only to highway users.

However, in addition to covering the full cost of the highway program, highway users will continue to pay, during the life of the highway-tax program, more than \$17.4 billion into the general fund of Government. This will be due to the fact that the tax on lubricating oil, the tax on motor-vehicle parts and accessories, the tax on new automobiles and part of the tax on new trucks, buses and trailers will continue to go into the general fund of the Government and not to the highway fund.

In summary, during the life of the highway-tax program, under existing taxes as levied in the Federal-Aid Highway Act of 1956, the Nation's highway users will be paying a total of \$55.9 billion in special Federal taxes. Of this, \$38.5 billion will go into the highway trust fund to cover the cost of the highway program and the balance of \$17.4 billion will go into the general fund. This places highway users in the position of not only paying the full cost of the expanded Federal highway program but of continuing to make enormous tax contributions to the general support of Government. This would certainly seem to settle the subsidy question, as it applies to highway transportation, for even the most belligerent.

Truck transportation, under the Federal highway-tax program is making enormous special user tax payments, both in aggregate dollar amounts and in the relative amounts paid by individual vehicles. For example, trucks while representing 16 percent of all registered motor vehicles will be paying close to 40 percent of the total taxes going into the highway trust fund. A typical large intercity truck, about whom the railroad industry seems to complain so bitterly, is paying annual special Federal highway taxes totaling more than \$800 (\$818.34), according to data developed by the United States Bureau of Public Roads and submitted to the Congress in March of this year.<sup>2</sup> The same data show annual payments of a typical small passenger car to be approximately \$20 (\$19.69). In other words, the truck is making special annual tax payments in an amount equivalent to the annual payments of 41 passenger cars.

<sup>2</sup> First Progress Report of the Highway Cost Allocation Study, 85th Cong., 1st sess., House Document No. 106.

The foregoing data indicate the large truck tax differential arising out of the Federal highway user tax program. The Federal tax on motor fuel automatically results in the larger vehicle, because of its proportionately greater use of fuel for each mile of travel, paying 4 to 5 times as much in fuel tax for each mile of travel as compared to the smaller vehicle.

The rubber tax is based on weight of the tires and automatically results in a much higher tax payment by the large truck because the truck tire is considerably larger and heavier, and since a car can be operated with 4 tires and from 10 to as many as 22 tires are required to operate the truck combinations, depending upon the number of axles. In addition to these there is the special excise tax of 5 percent on new trucks and trailers, the special tax on tire retread material and the special tax on trucks weighing more than 26,000 pounds.

The aggregate effect of these taxes results in trucks paying what we believe to be more than their fair share of highway costs. There is a more than adequate user tax program at the Federal level. However, together with other highway user groups, the trucking industry is awaiting the results of the special study being conducted by the United States Bureau of Public Roads, for the Secretary of Commerce, under the directive of section 210 of the Federal-Aid Highway Act of 1956.

The Bureau's study, the results of which are to be included in a report to be made to the Congress in March 1959, will serve as a guide to the Congress in determining the future highway tax program of the Federal Government.

Currently, as indicated above, virtually the entire tax burden of the Federal highway program is being borne by highway users. Recognition of the possible inequity of such a tax burden and the obvious benefits to non-highway users of the Federal highway program, may lead to tax revenues from other sources being included in the trust fund. The study may also indicate the changes, if any, that should be made in the Federal tax program as it applies to various groups of vehicles.

Following a request from the Bureau of Public Roads, the trucking industry has offered its fullest cooperation in the conduct of the section 210 study. We hope the study will supply some needed information in the field of the highway cost-tax relationship and will aid in laying to rest the ghost of highway transportation subsidy, as well as truck transportation subsidy.

The large tax payments being made by trucks to cover the cost of the Federal highway program do not tell the full story of the trucking industry's Federal tax burden.

As indicated earlier the special taxes being paid by highway users, and going into the trust fund to cover the highway program, are being paid concurrently with other special automotive taxes which will not go for highways but will continue to go to the general fund. These taxes will approximate \$17.4 billion during the life of the highway tax program.

The trucking industry will pay, and is paying today, a special tax of 5 percent on all new equipment, a special tax of 8 percent on parts and accessories, and a tax of 6 cents per gallon on lubricating oil. These tax payments, amounting to many millions of dollars yearly, are over and above the highway tax payments. They are going to the Federal Government's general fund to support general activities.

With one minor exception, the lubricating oil tax, the railroads make no similar contributions toward the general support of the Government. This is particularly important in light of the competitive transportation situation. Both the railroad industry and the trucking industry pay Federal income taxes, at the same rates. However, there is

no special Federal tax on railroad equipment, parts, and accessories to cover general Government expenditures such as there is on trucks, truck-trailers, parts, and accessories. Thus, any tax differences at the Federal level are clearly in favor of the railroad industry and against the trucking industry.

#### STATE HIGHWAY USER TAXES AND STATE HIGHWAY COSTS

Just as the charge of subsidy against highway transportation, particularly truck transportation, is subject to factual refutation at the Federal level, so, we believe, is it subject to such refutation at the State level.

In 1955, the last year for which complete, comparable data are available, the Nation's vehicle owners and operators paid a total of \$4,025,657,000 to the States in highway user taxes. This figure does not include any Federal or local taxes nor does it include any payments for use of toll facilities.

During this same period the total cost to the States for construction, maintenance, administration, police, and safety on the State-administered highway systems was \$2,560,262,000. The composition of State-administered systems varies from State to State but, generally, they include all State primary highways, secondary highways under State control and urban extensions of these systems. Thus, the highway users paid in special taxes an amount equal to 157 percent of the total costs of the State highway systems.

Some of the highway user taxes collected by the States are applicable to local governmental units. Without getting into specifics of the transfers back and forth of State and local moneys it can be seen that highway users, including trucks, paid to the States in special levies \$1,465,395,000 more than was spent on the State systems. In addition, local governmental units collected \$57,000,000 in highway user taxes of their own.

Local governmental units spent a total of \$2,406,000,000 on roads and streets, exclusive of Federal funds and toll facilities, in 1955. If the excess of highway user payments to the States is added to the highway user taxes collected by the local governmental units it can be seen that, in addition to meeting the entire State highway costs, highway users contribute \$1,522,395,000 or 61 percent of local governmental unit expenditures for roads and streets.

Trucks, which constitute 16 percent of all registered motor vehicles paid \$1,311,099,000 in State highway user taxes in 1955. This is 33 percent of total highway user payments and 51 percent of the total costs of State highways.

These data, reflecting the magnitude and importance of both total highway user taxes and truck taxes hardly support the charge of subsidy.

The large truck tax payments to the States for highway use are readily understood when we realize that the State motor fuel taxes, and State registration fees, which are the mainstays of the States' highway tax structures, both result in increasingly greater tax payments from the larger vehicles. Data prepared by the United States Bureau of Public Roads on State highway user taxes paid by different motor vehicles show that the average annual State tax payments of a typical large intercity truck combination amount to \$2,018.<sup>3</sup> The average annual tax payments of a light passenger car amount to \$47. In other words, the annual tax payments of a typical truck combination are equivalent to the annual payments of forty-three passenger cars. Both the passenger car annual payment, and that of the truck, are national averages and represent variations from State to State. Some of the larger truck combinations permitted under

the ton-mile theory are national averages and represent variations from State to State. Some of the larger truck combinations permitted under

State law pay as much as \$4,300 per year in State highway user taxes.

The addition of the special Federal highway user taxes to those being paid to the States brings the total average annual tax payments of a typical intercity truck combination to more than \$2,800 (\$2,831.34), as compared to annual average tax payments of approximately \$67 (\$66.69) for a passenger car. Thus, the truck is paying in total annual taxes the equivalent of the annual tax payments of more than forty-two passenger cars. The total annual Federal and State user taxes of the largest permissible truck combinations amounts to more than \$5,200 (\$5,202.23).

We believe these data clearly establish the enormous tax payments being made by the trucking industry to cover its share of highway cost responsibility. Trucks are paying their way on the Nation's highways. There is no free ride or subsidization of truck transportation, which is operating under a more than adequate system of State and Federal highway user charges.

In view of the facts surrounding highway costs and truck tax payments, on what basis does the railroad industry attempt to sustain its charge of subsidy or of inadequate highway user charges?

One method to which the railroads have resorted with great frequency, is to use the ton-mileage of all motor vehicles, passenger cars and trucks, as a common denominator to measure the total responsibility for all elements of highway costs. This method, known as the ton-mile theory, is not new. It has been evaluated and rejected as unsound by outstanding students in the field of highway transportation.

Among them was the late Federal Coordinator of Transportation, Joseph B. Eastman, member of the Interstate Commerce Commission for 25 years, director of Defense Transportation during World War II, and generally considered the country's outstanding transportation expert.

After an exhaustive 6-year study of highway taxation and proposed methods of allocating highway costs among different types of motor vehicles, Mr. Eastman completely discarded the ton-mile theory as unsound.

There are many fallacies in the ton-mile theory. The most outstanding, and the primary reason for its rejection as a suitable measure of highway tax responsibility, is that all highway costs are not directly affected by vehicle weight. Only if they were would the ton-mile theory have a place in the highway cost allocation picture.

Considerable portions of highway expenditures go for such things as engineering, administration, right-of-way, traffic controls, police, and a multitude of other items. Thus, a very large portion of highway costs are not affected in any particular degree by the size and weight of vehicles. Vehicle weight does become a factor in highway surfacing but this represents only part of total highway costs. For example, only 24 percent of the projected cost of the Interstate and Defense System is for surfacing.

The failure of the ton-mile theory to recognize the accepted principles of highway cost determination was emphasized by former Commissioner of Public Roads, the late Thomas H. MacDonald, who in testimony before a subcommittee of the United States Senate in 1950 declared: "There can be no pretense that the gross ton-mile analysis produces an accurate appraisal of the costs occasioned by vehicles of different sizes and weights."

When highway tax responsibility is approached on the accepted basis of a proper relationship between the cost of highways and the use of vehicles of varying sizes and weights, the ton-mile theory is immediately disproved and the general equity in the prevailing highway user tax schedules becomes apparent.

<sup>3</sup>First Progress Report of the Highway Cost Allocation Study, 85th Congress, 1st Session House Document No. 106.

## OTHER RAILROAD ALLEGATIONS

In addition to the subsidy charge the railroad industry apparently attempts to sustain a charge of competitive inequality by pointing to the costs of providing and maintaining railroad rights-of-way and comparing these with taxes paid by their competitors for use of publicly-owned facilities.

Truck transportation is included in this comparison and the railroads seem to conclude that since truck highway user taxes are not equal, on a predetermined basis, with railroad right-of-way costs there is an element of unfairness.

The initial fallacy in this comparison is that the trucking industry's tax payments for the use of the Nation's highways cannot be evaluated in the light of the railroads' costs for privately owned right-of-way. The only criteria of the trucking industry's tax payments is whether or not they are in line with properly determined highway cost responsibility. We believe the trucking industry's payments are in line with this responsibility and the previously submitted data support this position.

Attempts to draw a parallel between the cost of maintaining a privately owned facility with taxes paid by others for use of a publicly owned facility results in a meaningless and irrelevant comparison.

Railroad rights of way are private properties of which the railroads, as owners, have exclusive use with all of the rights and privileges usually associated with property ownership. Truck transportation uses highways jointly with other motor vehicles and does so under various laws and regulations formulated by the several States. This naturally entails limitations and restrictions not encountered by the railroads in the use of their privately owned facilities.

Truck operations on the Nation's highways are conducted under 49 differing sets of size and weight regulations which act to determine the length, height, and width of trucks as well as the loads they may carry. In addition, there is a multitude of tax regulatory features affecting the movement of interstate truck traffic.

This literal gridiron of State patterns just mentioned, results in another fundamental problem of truck transportation which could, but will not, be discussed in far greater detail. Farmers, manufacturers, and consumers are all hurt by punitive and restrictive taxes on trucks of the type known as third-structure taxes; a tax is placed on top of the basic fuel and license fee taxes. Not only do such taxes result in a swollen bureaucracy, but they are often evaded or improperly reported because of their complexity. But far worse than these defects is the fact that invariably when levied by one State they tend to result in border warfare with adjoining States, sometimes to the point of creating regional emergencies. The cost of this unnecessary warfare between States must be borne by the farmer, manufacturer, and distributor and finally exacted from the consumer. The economic impact of such border warfare, such balkanizing of America, is compounded for agricultural and industrial producers through the loss of markets for their products.

The difficulties the trucking industry has faced, and is facing today, in efforts to achieve better motor vehicle reciprocity agreements in and among the several States, and to achieve more practical approaches to size and weight regulation, are illustrations of problems not faced by the railroad industry. In using its privately-owned facilities it encounters difficulties of no such magnitude and no one expects that it should.

Additional efforts to sustain their charge of tax inequality are made by the railroads in their presentation of data purporting to show that total tax payments for class I railroads represent a larger percentage of

gross revenue than is the case of class I motor carriers.

What the railroads never mention, in presenting such data for consideration, is that the information is taken from entirely different types of annual reports; reports which, in turn, are based on entirely different methods of accounting; methods of accounting which, in turn, do not reflect, and are not designed to reflect, comparable tax burdens or responsibilities.

Class I railroads and class I motor carriers are required by the Interstate Commerce Commission to submit annual reports covering their finances and operations. The reports are based on separate systems of accounting prescribed for each group of carriers by the Commission. The differences in the two accounting systems, plus the inherent differences between the structure and operations of railroads and motor carriers, makes the railroad industry's comparison of data taken from the annual reports meaningless for the purpose they intend.

As far as it can be determined, the total Federal, State, and local tax accruals of the class I railroads, which amounted to 10.6 percent of their total revenue in 1956, is fairly complete. In fact, it is perhaps an overstatement. It includes the payments under the Railroad Retirement Act and, as one railroad witness indicated before this committee, these payments probably could be excluded. If they are removed the tax account would then represent 7.4 percent of total operating revenue.

On the other hand, the motor carrier tax account, which amounted to 7.1 percent (or 6.0 percent excluding Social Security) of total revenue in 1956, is far from complete. The income taxes reported by the motor carriers represent corporate income taxes. The taxes paid by single proprietorships and partnerships are not included and there still are many of these companies in the motor-carrier industry.

The motor carrier tax account does not provide for the special Federal excise taxes paid by motor carriers on new equipment, tires and tubes, parts and accessories. The 10 percent Federal tax on new trucks and trailers, half of which goes to the highway trust fund and half of which goes into the general fund, is not reflected in the motor carrier account. Neither is the 8 percent tax on truck parts and accessories which goes to the general fund, nor the special tax on truck tires and retread material, which goes to the highway fund.

Failure of the motor carrier accounting procedure to reflect these enormous special tax payments in the tax account means a considerable understatement of the motor carrier tax burden. This is particularly important because of the special general fund taxes which are not paid by the railroad industry. Additional illustrations of differences in the tax data may be given but we believe the foregoing are sufficient to indicate the inadequacy of the comparison.

However, in view of the railroad industry's basic complaint it is interesting to note that after removal of payments under the Railroad Retirement Act the remaining rail taxes are evenly split between State and local taxes on the one hand and Federal income taxes on the other. Together they make up the 7.4 percent mentioned above.

There is no further division of the State and local tax figure but presumably it consists primarily of income taxes and property taxes. It would seem, therefore, that if the railroad industry is complaining of its tax burden it is complaining of owning too much property and earning too much money, which have always been valid reasons for paying more taxes.

## SUMMARY

Truck transportation is making more than adequate tax payments for its use of the

Nation's highways. The special user taxes paid by the trucking industry to all levels of government are in line with its properly assignable share of these costs. Trucks, which are less than one-sixth of all motor vehicles, are paying more than one-third of all State highway taxes and close to 40 percent of the special Federal highway taxes. These payments, levied under tax schedules that automatically recognize the greater responsibility of the larger vehicles, are resulting in some of the larger types of intercity trucks paying total annual highway taxes of more than \$5,200. A typical intercity truck is paying annual taxes, State and Federal, equivalent to the annual tax payments, State and Federal, of more than forty-two passenger cars.

Special Federal truck highway user taxes, together with those paid by other motor vehicles, are providing virtually all of the funds being expended by the Federal Government under the new, expanded highway program. State highway user taxes on trucks and other motor vehicles are meeting the full cost of all State highway systems, and in addition are providing more than adequate revenues to meet their share of the costs of local roads and streets.

In addition, the trucking industry is making large payments in special Federal taxes on equipment, parts, and accessories over and above the special highway taxes. These taxes, for the general fund of government to support general activities, are not levied against the railroad industry which pays no special tax on its equipment, parts, or accessories.

The trucking industry, in addition to making its special highway user tax payments, is subject to all other taxes applying to industry and business generally. Thus, it pays State and local property taxes when applicable, as well as State and Federal income taxes. Its aggregate tax payments in these areas is in line with its responsibility as determined by property owned and income earned.

## TEXAS SHRIMP SAVORS THE SALAD

Mr. YARBOROUGH. Mr. President, I should like to thank all the hosts who brought us that delightful and delicious Senate Salad of 1958 today.

If there were more salads like that in the world, I will guarantee you that people would eat a lot more salad.

We Texans have always been great ones for salads, and one of the reasons is evident when we look over the recipe for the Senate Salad of 1958. Texas provided 80 pounds of those tasty, mouth-watering Texas Gulf shrimp, 9 bunches of those wonderful Texas green onions, and 6 heads of Texas escarole.

Texas fishermen last year landed more than 46 million pounds of shrimp. The catch was valued at \$32 million.

It takes nothing away from the wonderful ingredients furnished by other parts of this country to say that Texas farmers and fishermen produce virtually every ingredient for delicious salads.

## POLITICAL IMMORALITY

Mr. MORSE. Mr. President, I ask unanimous consent to have printed in the RECORD as a part of my remarks—and I shall make some comments on it—an editorial appearing in today's Washington Daily News entitled "On Setting an Example."

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

**ON SETTING AN EXAMPLE**

We've had the Democrats with their deep freezes and minks and the Republicans with their vacations and vicunas.

The specific case of Sherman Adams, whose further usefulness we question, is unfortunately part of Washington's general climate, particularly since the extraordinary expansion of the quasi-judicial administrative agencies established in the early days of the New Deal.

We discuss Mr. Adams, and the testimony he gave yesterday in a separate editorial on page 28.

Here, we want to talk to our readers, including President Eisenhower, about gift-taking in general. Simply to describe the bi-partisan habit of freeloading as stupid doesn't explain it.

We'd like to offer what we think is at least a partial explanation, and then a corrective suggestion.

Whether you're a Democrat or a Republican, we hope you'll agree with what we propose. If you do, write us; write your Congressman; raise hell.

First, as to the explanation: in recent years, particularly since General Eisenhower has been in the White House, the President has been the recipient of all sorts of gifts.

It would only be a waste of space to even try to sketch the scope of them: from tractors to trinkets; from pewter mugs to pedigree cows; pictures, pianos, pickles and pies.

Over a 4-year term, the take in smoked turkeys, porks, objets d'art and farm tools a President gets must run into thousands and thousands of dollars. Is it any wonder that, since the boss accepts with thanks, the help around the office sees nothing wrong in a serving of gravy for themselves from old friends and admirers?

And that's when the mud begins to fly.

We would like to see President Eisenhower immediately inaugurate a new policy. If he won't, we hope the next President will.

And here's the new policy we would like to see adopted:

Whenever the President is given a mink coat, or a length of vicuna, or a tractor, or a prize bull, or a ukelele, let the White House publicly acknowledge the gift.

And then, since the gift presumably is offered to the President in his official capacity, and not to him as a private individual, let the gift, in turn, be presented—publicly—to some useful institution or charity.

The turkeys, sausages and fruits could go to various homes for the aged or to orphanages.

The minks and vicunas could go to the Salvation Army.

The prize bulls could go to cow colleges.

The ukeleles to kindergartens.

A daily list of all gifts received and all gifts disposed of, including the names of all the donors, then could be mimeographed for the White House correspondents; thus the sweet usage both of publicity and purity would be served.

The President of the United States doesn't need this costly junk.

Yet, by keeping it, he creates the atmosphere which his lieutenants breathe.

The yearly salary of the President is \$100,000, taxable, plus an expense account of \$50,000, taxable, and official entertainment and traveling expenses of \$40,000, nontaxable.

That's enough.

If the gifts he gets are treated in the way we suggest, the President, present or future, will be setting a policy of propriety that he can insist that his staff follow.

Until he does, we're going to be treated term after term, to these smelly, peanut-sized scandals in which previously respected

officials are revealed as, if not dishonest, at least cheap.

**MR. MORSE.** The editor of the News proposes a policy in regard to gifts which I think should be endorsed. He states:

And here's the new policy we would like to see adopted:

Whenever the President is given a mink coat, or a length of vicuna, or a tractor, or a prize bull, or a ukelele, let the White House publicly acknowledge the gift.

And then, since the gift presumably is offered to the President in his official capacity, and not to him as a private individual, let the gift, in turn, be presented—publicly—to some useful institution or charity.

The turkeys, sausages, and fruits could go to various homes for the aged or to orphanages.

The minks and vicunas could go to the Salvation Army.

The prize bulls could go to cow colleges.

The ukeleles to kindergartens.

A daily list of all gifts received and all gifts disposed of, including the names of all the donors, then could be mimeographed for the White House correspondents; thus the sweet usage both of publicity and purity would be served.

I find myself in complete agreement with the editor of the News. I think it makes pretty sensible policy. Now I hope the News will write another editorial in support of the resolution I have pending in the Congress, and which I have introduced year after year, that all officers of the Federal Government, including all Members of Congress, who receive \$10,000 or more in salary be required, as a matter of law, to publicly disclose once a year all the sources of income, including gifts, and the amounts of such income, because, as I have been heard to say before, and I repeat tonight, there is no substitute for full public disclosure.

In a democracy the people are entitled to have a full public disclosure of the financial status of those who are entrusted with the affairs of Government. I recommend that to the President of the United States, because it would apply to the executive branch of the Government as well as to the legislative branch of the Government.

The President of the United States rode into office pretty much on a white charger and with the slogan "The mess in Washington," which he used over and over again in 1952. He promised that he would clean it up and he gave his assurance to the American people that his administration would be "cleaner than a hound's tooth."

It seems to me that now his administration can be characterized as "The decay in the White House." What the White House needs is a veterinarian dentist, because the hound's teeth in the White House are not only in a bad, tattered condition; they are in a state of bad decay. They need to be pulled. One that needs to be pulled is Adams, and quickly.

"But not so," says the President. He says,

I believe that the presentation made by Governor Adams truthfully represents the pertinent facts. I personally like Governor Adams. I admire his abilities. I respect him because of his personal and official integrity. I need him.

Mr. President, the last statement that he needs him in particular is deserving of comment. The President of the United States says he needs this man who, I respectfully say, is guilty of an outrageous betrayal of a public trust.

The President is reported in the press to have said that "Any one who knows Sherman Adams has never had any doubt of his personal integrity and honesty."

I do not know whom the President is trying to convince, unless he is talking to himself for self-conviction. Let me say, Mr. President, there are many of us who do not have any confidence in the honesty or personal integrity of one Sherman Adams. I have none whatsoever. I consider him to be a reprehensible person in the performance of his public functions. This is the same Adams who was involved in the Wenzell matter and the notorious Dixon-Yates contract. This is the same Sherman Adams who was head over heels in the Dixon-Yates scandal, a contract so rotten that the Attorney General of the United States had to recommend that it be cancelled. Yet he is the same Adams the President of the United States says he needs. This is the same Adams who, at the beginning of the Eisenhower administration, set up the principles of political patronage in connection with quasi-judicial tribunals in the United States.

Mr. President, if it were not so tragic there would be some phases of the scandal which would be amusing. Adams says, "I don't own the rug; I just borrowed it." That is an insult to the intelligence of the American people. Does he think he improved the ethics of his actions by saying he just borrowed this expensive rug from this millionaire, for whom he has done favor after favor?

Then, of course, he says this millionaire was a friend. Let me say that one of the tests of the ethical standards of a public servant is whether he is on double guard when it comes to a matter of requests from friends.

The sad fact is that Sherman Adams has been wallowing in the mire of dirty conduct in performing the duties of the second most important post in the White House, that of administrative assistant to the President. Who needs to be hit on the head with a baseball bat to get through his skull the fact that when Sherman Adams calls up a Government agency on the telephone, the Government agency knows, to all intents and purposes, the President of the United States is calling? And when Sherman Adams telephones and makes inquiry about a Goldfine case, do Senators think Mr. Howrey would have to have a bill of particulars as to why Mr. Adams was calling?

Let us have a look at what Mr. Howrey did, because it is rather interesting. The President seems to think that everything was on the legal "up and up."

Mr. President, let me repeat what I have said before about the political immorality of the Eisenhower administration. They do much of their wrongdoing within the law, but that does not make it moral or ethical.

With regard to the Adams call to the Federal Trade Commission, section 10 of the Federal Trade Commission Act reads:

Any officer or employee of the Commission who shall make public any information obtained by the Commission without its authority, unless directed by a court, shall be deemed guilty of a misdemeanor, and, upon conviction thereof, shall be punished by a fine not exceeding \$5,000, or by imprisonment not exceeding 1 year, or by fine and imprisonment, in the discretion of the court.

Does anyone question that Mr. Howrey, as chairman of the Commission, was an officer of the Commission or an employee of the Commission? Is there any question about the fact that he was covered under the language of the act?

Let us turn to the Commission's rules of practice, procedures and organization. I read from paragraph 1.134:

Release of confidential information: (a) Upon good cause shown, the Commission may by order direct that certain records, files, papers, or information be disclosed to a particular applicant.

(b) Application by a member of the public for such disclosure shall be in writing, under oath, setting forth the interest of the applicant in the subject matter; a description of the specific information, files, documents, or other material inspection of which is requested; whether copies are desired; and the purpose for which the information or material, or copies, will be used if the application is granted. Upon receipt of such an application the Commission will take action thereon, having due regard to statutory restrictions, its rules, and the public interest.

(c) In the event that confidential material is desired for inspection, copying, or use by some agency of the Federal or a State Government, a request therefor may be made by the administrative head of such agency. Such request shall be in writing, and shall describe the information or material desired, its relevancy to the work and function of such agency and, if the production of documents or records or the taking of copies thereof is asked, the use which is intended to be made of them. The Commission will consider and act upon such requests, having due regard to statutory restrictions, its rules, and the public interest.

The record is perfectly clear. Adams called up Howrey. He asked for information about the Goldfine case, including a request about who the complainants were. Under the rules of the Commission itself the Chairman had the duty to get permission from the Commission to give this information. The Chairman did not do so. On his own, he prepared a personal memorandum. He gave Mr. Adams information which the Chairman of the Commission had no right to give Mr. Adams. In view of Mr. Adams' relationships with Mr. Goldfine—the payment of his hotel bills, the gift of a vicuna coat, his borrowed rug, if it is borrowed (and it would be interesting to see what would have happened to the rug if this scandal had never arisen). Mr. Adams had no right, so far as decent ethics are concerned, to seek from Mr. Howrey the information which he sought. In my judgment, under the law, when the Chairman was proceeding the way he was proceeding, he was at least compounding a felony, because Mr. Howrey, in my legal opinion, had no legal right at all to give Mr. Adams such information by way of a personal memorandum.

Then what does the record show that Mr. Adams did? He called Mr. Goldfine and told him who the complainants were. Hagerty is trying to cover up on this one. These boys at the White House are great boys after the fact. They try to do a coverup job. Hagerty gave a rather ambiguous statement to the effect that, after all, some attorney for the complainants had indicated who the complainants were. It is perfectly obvious that if such were true—I question whether it is true, from the standpoint of the time sequence, but let us assume it is—from the record, Mr. Adams did not know it. He thought he was giving Goldfine news, and I am satisfied he did give him news. I am satisfied he told Goldfine what Goldfine did not know, and that it was of great advantage to Goldfine to find out who his competitors were or who were claiming the alleged wrongdoings on the part of Mr. Goldfine.

Oh, Mr. President, it simply has a stench attached to it. It has a stench which is always attached to malfeasance in office—a dirty, rotten business.

But the President needs him, he says. Well, I want to let the President in on a secret if he does not know it; the people of the United States no longer need Sherman Adams. If they were in a position to get rid of him, I have no doubt as to what their verdict would be at the polls, because if he is going to participate in this kind of unethical practice, he is certainly not needed.

Not only have the President's hound's teeth decayed, but his administration has decayed into a pretty rotten business.

This is no new position for the senior Senator from Oregon. I got wise to the President during the campaign in 1952, and I found his expediency so rotten that I resigned from his party. I started on Inauguration Day in 1953 by warning the Senate not to confirm the nominations of members of the Cabinet until they had been subjected to a thorough examination. Let the CONGRESSIONAL RECORD speak for itself. I blocked the Cabinet on Inauguration Day, when many of my friends on the Democratic side were pleading with me to go along with Eisenhower on a honeymoon. I wanted no part of that political wedding party. I rejected the offer of that honeymoon, and I stood up on the other side of the aisle and blocked the confirmation of nominations of members of the Cabinet on that day. Let the RECORD speak for itself.

I stated then that we needed time to examine the Cabinet nominations from the standpoint of conflict of interest; and of all the various political immorality of the Eisenhower administration since, the stenchiest one is the matter of conflict of interest, whether we are dealing with Wenzell, Adams, or anyone else. There has been a betrayal of an ethical responsibility to a democratic people.

The CONGRESSIONAL RECORD will show that, in connection with the Talbott case, I stated, "If the Senate confirms this man's nomination today, we shall have trouble with him over conflict of interest before he is out of office." His own testimony before the committee

showed that he has not learned a thing about conflict of interest since World War I, when he and his father were guilty of such a notorious violation of the conflict-of-interest doctrine that the great Charles Evans Hughes handed down a devastating report on the Talbotts, pointing out what they had done in violation of the conflict-of-interest doctrine.

I have been wise to this gang from the beginning. When the history of the Eisenhower administration is written by historians after we have left the scene, it will be recorded as the most corrupt administration in the history of our Nation up to this date. That is the kind of administration we have; and the President says he needs Adams.

I can understand that. I can understand that a President who has made such a sorry record in regard to political morality would need this fellow; but I repeat that the American people do not need him. I hope someone who has some influence with the President can advise him that he really does not need him, and that in the interest of good government he should be removed.

If President Eisenhower follows the course of action which has been indicated, I suppose it may be said that he is pardoning Adams, because this is really a form of executive pardon. Tomorrow we may pick up the newspaper and read that he has issued a pardon to certain individuals from an earlier administration who were convicted as a result of the so-called mess in Washington. I would be against it, let me say; but if he is to pardon Adams, he should go into the pardon business on a grand scale, and pardon some others, who have actually gone through the gamut and have been convicted. If he is going to support this type of person he ought not to discriminate between parties. He ought to issue some other pardons.

Let the RECORD show that my remarks about the pardoning of individuals who have been convicted were made in a jocular vein to emphasize the point that I am against malfeasance in office, whether it be by a Democratic or a Republican administration.

As I close my remarks, I say that the President of the United States, by his statement today, has shown that he has not only an Achilles heel, but clay feet.

Mr. President, I yield the floor.

#### ADJOURNMENT

Mr. PROXMIRE. Mr. President, if there is no further business to come before the Senate, I move that the Senate adjourn.

The motion was agreed to; and (at 6 o'clock and 35 minutes p. m.) the Senate adjourned until tomorrow, Thursday, June 19, 1958, at 12 o'clock meridian.

#### CONFIRMATIONS

Executive nominations confirmed by the Senate June 18, 1958:

##### DIPLOMATIC AND FOREIGN SERVICE

Edward T. Walles, of the District of Columbia; to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Iran.

## IN THE ARMY

Maj. Gen. Robert Vernon Lee, O28882, Army of the United States (brigadier general, U. S. Army), for appointment as The Adjutant General, United States Army, and as major general in the Regular Army of the United States, under the provisions of title 10, United States Code, section 3036.

Chaplain (Brig. Gen.) Frank Alden Tobey, O41698, United States Army, for appointment as Chief of Chaplains, United States Army, as major general in the Regular Army of the United States, and as major general in the Army of the United States, under the provisions of title 10, United States Code, sections 3036, 3442, and 3447.

The following-named officer to be placed on the retired list in the grade indicated under the provisions of title 10, United States Code, section 3962:

Gen. Willard Gordon Wyman, O12356, Army of the United States (major general, U. S. Army), to be general.

The following-named officers under the provisions of title 10, United States Code, section 3066, to be assigned to a position of importance and responsibility designated by the President under subsection (a) of section 3066, in rank as follows:

Lt. Gen. Bruce Cooper Clarke, O16068, Army of the United States (major general, U. S. Army), to be general.

Brig. Gen. Paul Arthur Mayo, O12621, Army of the United States (colonel, U. S. Army), for appointment as Chief of Finance, United States Army, as major general in the Regular Army of the United States, and as major general in the Army of the United States, under the provisions of title 10, United States Code, sections 3036, 3442, and 3447.

The following-named officers for appointment in the Regular Army of the United States to the grade indicated, under the provisions of title 10, United States Code, sections 3284 and 3307:

## To be major generals

Maj. Gen. Raymond Wiley Curtis, O16784, Army of the United States (brigadier general, U. S. Army).

Maj. Gen. Edward Gilbert Farrand, O16788, Army of the United States (brigadier general, U. S. Army).

Maj. Gen. Charles Richard Hutchison, O16796, Army of the United States (brigadier general, U. S. Army).

Maj. Gen. Bertram Arthur Holtzworth, O16804, Army of the United States (brigadier general, U. S. Army).

Maj. Gen. Olaf Helgesen Kyster, Jr., O16830, Army of the United States (brigadier general, U. S. Army).

Maj. Gen. William Jordan Verbeck, O16852, Army of the United States (brigadier general, U. S. Army).

Maj. Gen. Ralph Wise Zwicker, O16878, Army of the United States (brigadier general, U. S. Army).

Maj. Gen. Raymond Earle Bell, O16897, Army of the United States (brigadier general, U. S. Army).

Maj. Gen. David William Traub, O17110, Army of the United States (brigadier general, U. S. Army).

Maj. Gen. Garrison Barkley Coverdale, O17148, Army of the United States (brigadier general, U. S. Army).

Maj. Gen. Paul Amos Gavan, O17169, Army of the United States (brigadier general, U. S. Army).

Maj. Gen. Samuel Leslie Myers, O17180, Army of the United States (brigadier general, U. S. Army).

Maj. Gen. William Mattingly Breckinridge, O17210, Army of the United States (brigadier general, U. S. Army).

Maj. Gen. Wilhelm Paul Johnson, O17229, Army of the United States (brigadier general, U. S. Army).

Maj. Gen. Carl Ferdinand Fritzsche, O17234, Army of the United States (brigadier general, U. S. Army).

Maj. Gen. Thomas Lilley Sherburne, Jr., O17293, Army of the United States (brigadier general, U. S. Army).

Maj. Gen. Robert Henry Wienecke, O41569, Army of the United States (brigadier general, U. S. Army).

## ADDITIONAL CONFIRMATIONS IN THE ARMY

The nominations of Karl B. Anderson, Jr., and 381 other officers for promotion in the Regular Army, which were confirmed today, were received by the Senate on May 27, 1958, and appear in full in the Senate proceedings of the CONGRESSIONAL RECORD of that date, under the caption "Nominations," beginning with the name of Karl B. Anderson, Jr., which is shown on page 9592, and ending with the name of Morton E. Wolverton, which is shown on page 9593.

## IN THE AIR FORCE

The following-named officers for temporary appointment in the United States Air Force under the provisions of chapter 839, title 10, United States Code:

## To be major general

Brig. Gen. Terence P. Finnegan, 18703A (colonel, Regular Air Force), United States Air Force, chaplain.

## To be brigadier general

Col. Robert P. Taylor, 18737A, Regular Air Force, chaplain.

## ADDITIONAL CONFIRMATIONS IN THE AIR FORCE

The nominations of Col. Peter R. Moody, 8884A, and Col. William T. Woodyard, 4827A, to be permanent professors in the United States Air Force Academy, and the nominations of Robert R. Renfro and 733 other officers, which were confirmed today, were received by the Senate on May 7, 1958, and may be found in full in the Senate proceedings of the CONGRESSIONAL RECORD for that date, under the caption "Nominations," beginning with the name of Peter R. Moody, which is shown on page 8253, and ending with the name of Daryl E. Tonini, which is shown on page 8256.

The nominations of Myrl D. Stiles and 1,671 other persons for promotion in the Regular Air Force, which were confirmed today, were received by the Senate May 29, 1958, and may be found in the Senate proceedings of the CONGRESSIONAL RECORD for that date, under the caption "Nominations," beginning with the name of Myrl D. Stiles, which is shown on page 9846, and ending with the name of John J. McCambridge, which is shown on page 9852.

## DEPARTMENT OF THE NAVY

Adm. Felix B. Stump, United States Navy, to be placed on the retired list with the rank of admiral under the provisions of title 10 United States Code, section 5233.

Vice Adm. James S. Russell, United States Navy; to be Vice Chief of Naval Operations in the Department of the Navy under the provisions of title 10, United States Code, section 5085.

Having designated, under the provisions of title 10, United States Code, section 5231, Vice Adm. James S. Russell, United States Navy, for commands and other duties determined by the President to be within the contemplation of said section, he was nominated to have the grade, rank, pay, and allowances of admiral while so serving.

## IN THE NAVY

Vice Adm. Edmund T. Wooldridge, United States Navy; when retired, to be placed on the retired list in the grade of vice admiral in accordance with the provisions of title 10, United States Code, section 5233.

The nominations of Franz Euler III, and 735 other officers, which were confirmed today, were received by the Senate on May 13, 1958, and may be found in full in the Senate proceedings of the CONGRESSIONAL RECORD for that date, under the caption "Nominations," beginning with the name of Franz Euler III, which is shown on page 8581, and ending with the name of Darrel K. Pastrell, which is shown on page 8583.

ate Proceedings of the CONGRESSIONAL RECORD for that date under the caption "Nominations," beginning with the name of Franz Euler III, which is shown on page 8581, and ending with the name of Darrel K. Pastrell, which is shown on page 8583.

## IN THE MARINE CORPS

The nominations of Kenneth E. Martin and 279 other officers for appointment in the Marine Corps, which were confirmed today, were received by the Senate on May 27, 1958, and may be found in full in the Senate proceedings of the CONGRESSIONAL RECORD for that date, under the caption "Nominations," beginning with the name of Kenneth E. Martin, which is shown on page 9593, and ending with the name of William R. Irwin, which occurs on page 9594.

## HOUSE OF REPRESENTATIVES

## WEDNESDAY, JUNE 18, 1958

The House met at 12 o'clock noon. The Chaplain, Rev. Bernard Braskamp, D. D., offered the following prayer:

*Isaiah 40:21: He giveth power to the faint, and to them that have no might He increaseth strength.*

Almighty God, our gracious benefactor, Thou art the light of the hearts that seek Thee, and the life of the souls that love Thee, and the strength of the minds that know Thee.

Grant that throughout this entire day we may walk in closest communion with Thee and receive that joy which comes from service.

May we be strengthened by Thy grace and always look up unto Thee, whence cometh our help, as we encounter hard tasks and heavy responsibilities.

Inspire us to be the messengers of comfort and cheer, eager to share with needy humanity the blessings which Thou dost bestow upon us so abundantly.

Hear us in the name of our blessed Lord. Amen.

The Journal of the proceedings of yesterday was read and approved.

## MESSAGE FROM THE SENATE

A message from the Senate, by Mr. McGown, one of its clerks, announced that the Senate had passed bills of the following titles, in which the concurrence of the House is requested:

S. 3910. An act authorizing the construction, repair, and preservation of certain public works on rivers and harbors for navigation, flood control, and for other purposes; and

S. 3974. An act to provide for the reporting and disclosure of certain financial transactions and administrative practices of labor organizations and employers, to prevent abuse in the administration of trusteeships by labor organizations, to provide standards with respect to the election of officers of labor organizations, and for other purposes.

The message also announced that the Senate agrees to the amendments of the House to a bill of the Senate of the following title:

S. 846. An act for the establishment of a National Outdoor Recreation Resources Review Commission to study the outdoor recreation resources of the public lands and

other land and water areas of the United States, 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. 12540) entitled "An act making appropriations for the Department of Commerce and related agencies for the fiscal year ending June 30, 1959, and for other purposes."

The message also announced that the Senate recedes from amendments of the Senate numbered 2 and 3 to the bill (H. R. 10589) entitled "An act making appropriations for the Executive Office of the President and sundry general Government agencies for the fiscal year ending June 30, 1959, and for other purposes."

#### ENROLLED BILLS SIGNED

**THE SPEAKER.** The Chair desires to announce that pursuant to the authority granted him on Tuesday, June 17, 1958, he did on that day sign the following enrolled bills of the Senate:

S. 734. An act to revise the basic compensation schedules of the Classification Act of 1949, as amended, and for other purposes; and

S. 3093. An act to extend for an additional period of 2 years the authority to regulate exports contained in the Export Control Act of 1949.

#### STATE, JUSTICE, JUDICIARY, AND RELATED AGENCIES APPROPRIATION BILL, 1959

**MR. ROONEY.** Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 12428) making appropriations for the Departments of State and Justice, the Judiciary, and related agencies for the fiscal year ending June 30, 1959, and for other purposes, with Senate amendments thereto, disagree to the amendments of the Senate 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 New York? [After a pause.] The Chair hears none and appoints the following conferees: Messrs. ROONEY, PRESTON, SIKES, MAGNUSON, CANNON, COUDERT, BOW, CLEVENGER, and TABER.

#### NATIONAL AERONAUTICS AND OUTER SPACE ACT OF 1958

**MR. McCORMACK.** Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 12575) to provide for research into problems of flight within and outside the earth's atmosphere, and for other purposes, with Senate amendments thereto, disagree to the amendments of the Senate 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 Massachusetts? [After a pause.] The Chair hears none and appoints the following conferees: Messrs. McCORMACK, BROOKS

of Louisiana, HAYS of Arkansas, O'BRIEN of New York, METCALF, McDONOUGH, FULTON, KEATING, and FORD.

#### RECESS

**THE SPEAKER.** The House will stand in recess subject to the call of the Chair.

Thereupon (at 12 o'clock and 5 minutes p. m.) the House stood in recess subject to the call of the Chair.

#### JOINT MEETING OF THE TWO HOUSES TO HEAR AN ADDRESS BY HIS EXCELLENCY THE PRESIDENT OF THE REPUBLIC OF THE PHILIPPINES

**THE SPEAKER** of the House of Representatives presided.

At 12 o'clock and 25 minutes p. m. the Doorkeeper announced the Vice President and Members of the United States Senate, who entered the Hall of the House of Representatives, the Vice President taking the chair at the right of the Speaker, and the Members of the Senate ate the seats reserved for them.

**THE SPEAKER.** On the part of the House the Chair appoints as members of the committee to escort His Excellency the President of the Republic of the Philippines into the Chamber, the gentleman from Massachusetts, Mr. McCORMACK; the gentleman from Massachusetts, Mr. MARTIN; the gentleman from Illinois, Mr. GORDON; and the gentleman from Illinois, Mr. CHIPERFIELD.

**THE VICE PRESIDENT.** On the part of the Senate the Chair appoints as members of the Committee of Escort the Senator from Texas [Mr. JOHNSON], the Senator from Montana [Mr. MANSFIELD], the Senator from Rhode Island [Mr. GREEN], the Senator from California [Mr. KNOWLAND], the Senator from Illinois [Mr. DIRKSEN], and the Senator from Wisconsin [Mr. WILEY].

The Doorkeeper announced the following guests, who entered the Hall of the House of Representatives and took the seats reserved for them:

The Ambassadors, Ministers, and Chargés d'Affaires of foreign governments.

The members of the President's Cabinet.

At 12 o'clock and 32 minutes p. m. the Doorkeeper announced His Excellency, the President of the Republic of the Philippines.

His Excellency, the President of the Republic of the Philippines, escorted by the committee of Senators and Representatives, entered the Hall of the House of Representatives and stood at the Clerk's desk. [Applause, the Members rising.]

**THE SPEAKER.** Members of the Congress: I have had the great pleasure many times in the past of presenting distinguished guests to the assembled Senators and Members of the House of Representatives in this Chamber, but I have never had an occasion when I felt more honored or more proud than in the duty I am privileged to perform at this time of presenting to you a soldier, a statesman, a patriot, the President of a new

country that was brought into existence without the firing of a gun, but by mutual understanding of the United States of America and the Philippine Islands, a people which have carried on in such fashion as to justify every hope we had that they were capable of establishing a stable and serviceable government, the President of that great republic, the Republic of the Philippines. [Applause, the Members rising.]

#### ADDRESS BY HIS EXCELLENCY CARLOS F. GARCIA, PRESIDENT OF THE REPUBLIC OF THE PHILIPPINES

**PRESIDENT GARCIA.** Mr. Vice President, Mr. Speaker, and honorable Members of the United States Congress, from the bottom of my heart I thank you for this high honor you have accorded me by inviting me to speak to the great American Nation through its Congress. I come here on behalf of the Filipino people, your best friends in Asia, who live in the faith that the heart of this great American Nation has for them a soft spot. [Applause.] I speak for 23 million Filipinos who renew the vow that we stand by this great Nation, the United States of America, as long as her leadership of the Free World continues to be nobly dedicated to the supreme cause of world freedom and peace. [Applause.]

In pledging help to the friends of freedom everywhere to achieve their own security and well-being, the United States, through President Eisenhower, said, "Recognizing economic health as an indispensable basis of military strength and the Free World's peace, you shall strive to foster everywhere and to practice yourselves policies that encourage productivity and profitable trade." On this state visit of mine to your grand country, thanks to the hospitality of your great President and people, I hope to avail myself of the magnificent opportunity to exchange with you renewed pledges of Philippine-American solidarity on the basis of equality, mutuality of interest, and identity of ideals. This is also an opportunity to reiterate the resolve that we the Filipino people, within the limits of our capabilities, will assume our just burden in the common defense of freedom and in the common pursuit of peace. [Applause.]

Twelve years ago, on July 4, 1946, you granted us the precious boon for which we had longed and fought through almost four centuries: our independence. You gave it not by compulsion, but by a voluntary sovereign act. You gave it as free men and as champions of freedom and in just recognition of the fact that we deserved it, and were willing to assume its tremendous responsibilities. With our cities and Provinces buried at the time under the ruin and rubble of the world's most devastating war, with the national economic structure wrecked by 4 years of ruthless enemy occupation, with our industries despoiled and destroyed, and our agriculture neglected, we nevertheless gladly accepted the responsibilities of independent nationhood. We then believed, as we still do, that with freedom and independence as

our instrumentality and with the courage and determination of our people as our inspiration, we could build again what had been destroyed, we could restore what had been lost, and we could establish a regime of justice, liberty and democracy.

We in the Philippines like to believe that in our 12 years of independent national existence, we have proved to the world that we have not betrayed America's trust and confidence. We like to believe that we have shown that your 50 years of arduous and altruistic effort to help us prepare for our independence were neither fruitless nor wasted. We like to believe that the thousands of American soldiers who fought with us in Bataan, Corregidor, Leyte, and other hallowed places did not fight or die in vain. [Applause.] We like to believe that the financial assistance you have given for our country's reconstruction and rehabilitation after the war bespoke the gratitude of the American Nation to the Filipinos who were confronted with the double task of building the foundations of the Philippine Republic and at the same time rebuilding what had been destroyed during a war fought for a common cause. We think that in 12 years we have, with your assistance and inspiration, successfully completed the task of reconstruction and restoration.

Now as we start a new chapter in the unending work of nation building we face another great challenge, namely, the building of a national economy capable of affording down to the humblest citizen of a democratic Philippines economic well-being, social security, and stability. We are determined to succeed in this task. Only then shall we be able to establish the validity of our claim in Asia that the product of 50 years of Philippine-American collaboration is a democracy that offers to its people the reality of a free and abundant life. [Applause.] We shall have proved that freedom means the building up of human dignity, that democracy means more productivity on the farm and in the factory and more harmony and contentment in the home; that liberty means the utilization of our national resources and the full employment of our manpower for the enrichment of our lives and the winning of peace and contentment. By our success in this endeavor, we hope to be able to demonstrate to the world that not communism, but democracy, which stimulates productivity of the mind, the heart, and the hand, is the answer to the needs of the hungry and the prayers of the oppressed in Asia. [Applause.] That democracy, which is founded upon the eternal verities, is the answer to the spiritual wants of 1 billion Asians, as it is the answer to the material wants of more than half of mankind.

In this great task we ask for your understanding, your encouragement and your assistance—not your charity. We need your faith. We seek from you the strength to make our country an effective force for democracy in Asia. The historic role of the United States in Asia, in my humble view, is far from completed. It is true that by the grant of Philippine independence you have started

a libertarian cycle of far-reaching consequences, resulting in the independence of other Asian countries, like India, Burma, Ceylon, Indonesia, and lately, Malaya. And I would add that this cycle, which has rolled on irresistibly into Africa, will not be completed until every nation of the world shall have become free and independent. [Applause.]

Nevertheless, may I be permitted to suggest that the logic of events and the dynamics of history will not permit the United States of America, the recognized leader of the Free World, to stop there. She led triumphantly the forces of freedom in two world wars. She gave the best of her gallant youth to redeem the cause of liberty, held captive in the hands of the oppressor. She has given billions of dollars of her substance to help break down the ramparts of poverty, ignorance, and disease, and to clear the way for a better world. But when these battles have been won, destiny yet calls on America to continue leading the forces of freedom and democracy in the battle for a universal peace founded upon justice, liberty and economic security. The last war taught us to reject isolationism as a national policy. It compelled us to accept the principle of the fundamental unity of the human race—the brotherhood of man. The peace and freedom of Asia, where one-half of humanity lives, is therefore unavoidably the concern of the Free World of which the United States of America is the acknowledged leader. Asia must therefore be won for democracy. She must be won for peace. To that end, Asia should be helped to develop a political, economic and social climate in which freedom and peace can flourish. Asia, the birthplace of the greatest religions of the earth, must not be allowed by the folly of passive indifference to fall under the control of a godless ideology. [Applause.] Asia, with her thirst for capital and modern technology must be won to the conviction that democracy can lead her out of the depths of poverty to the heights of fulfillment. She must be convinced that the democratic ideology which contains the eternal truths preached by Christ and other great religious leaders, prophets and poets is, in modern times, the ideology, that can best satisfy her deep spiritual longings. [Applause.]

In the fields of commerce, industry, agriculture, art, and science, the Asians should be led to the conviction, not by words but by deeds, that human dignity and human freedom are the highest interests of democracy everywhere; that democracy is the sworn foe of oppression, intolerance, social injustice, and economic insecurity everywhere; and that democracy stands squarely on the principle that the state was created for man and not man for the state. These being the very principles upon which American democracy stands, it is difficult to conceive that her leadership coupled with understanding and helpful and imaginative policies, should fail to win the heart of 1 billion Asians whose deepest longings are freedom from want, freedom from fear, freedom to grow and develop in peace, and freedom to lift

themselves up from abasement of the body and the spirit. [Applause.]

The Filipinos happen to have a culture that is an amalgam of the best in the Asian, Latin, and Anglo-American cultures. It is the only country in southeast Asia where the overwhelming majority of the people profess the Christian faith. By geography and racial affinity we are of the East, and by culture we are of the West. Our jurisprudence is a confluence of Asian, Latin, and Anglo-American jurisprudences. The greatest of our writers wrote in Spanish, Tagalog, and other vernaculars, and the modern ones in English. Thus, the breadth and depth of our culture, its varied and multilateral quality, permits us to claim, without being immodest, a fair understanding of both the East and the West and to become a bridge of understanding between the two. This is a role which we would be happy to perform in the higher interests of the Free World and in the service of world peace.

No one, therefore, should underestimate the tremendous impact upon the Asian peoples of the Philippines' success in establishing among its people a real, substantial, and effective democracy as envisaged by Jefferson and Lincoln, and by our own Rizal and Mabini. On the other hand, no one should discount the possibility that the failure of democracy in the Philippines might prove to be a fatal setback to the expanding frontiers of democracy in Asia.

If you will bear with me for a while, may I be allowed to present to you in bold strokes a picture of the political and economic conditions in my country. The 23 million Filipinos are closely and affectionately attached to you in warm friendship, for you have lived with us for more than half a century and have left imperishable influences on our history, politics, economics, and culture. We fought side by side with you when the fortunes of war were at the lowest ebb, and ever after. We never wavered in loyalty, not even under the fire and sword of a ruthless enemy. [Applause.] Our veterans who survived after risking their all have unflinching faith that America will always remember their devotion and they are confident that Congress will ever be mindful of their interests. While Bataan and Corregidor were fought by armies, the Philippine resistance movement was fought by the masses of our people. During our association of nearly half a century, you inspired our people with the immortal principles of your Declaration of Independence. You gave us both the letter and the spirit of your Constitution. The political thinking and practices of our people bear the deep imprint of American political institutions and usages. Our democratic way of life has been enriched and vitalized by your own. Thus, when under the dynamic leadership of President Magsaysay, we quelled the Communist-inspired Huk rebellion and outlawed communism in the Philippines under a law signed by me last year, we acted under the inspiration of our spirit of 1896 not less than under your spirit of 1776. [Applause.]

The English language is the official language of the Philippines and will so remain indefinitely. It is one of the cultural bonds that bind our country to America and to the English-speaking world. American culture has cut a deep swath in our own. Even now, the English-language newspapers in the Philippines continue to be the favorite newspapers of Filipino readers. Side by side with the development of the indigenous culture, we appreciate more and more American art and literature. Your cultural legacy now forms part of the soul of the Philippine nation.

The economic bond between our two countries is equally important. The biggest market for our foreign trade is the United States to which we sell 52 percent of our exports and from which we buy 55 percent of our imports. The Philippines occupies the 11th rank among the foreign markets for American products. Your total investments in the Philippines amount to \$250 million and is thus the biggest foreign investment in the Philippines. Under the so-called parity amendment to our constitution, Americans enjoy the same rights as Filipinos to develop the natural resources of the country and to establish public utilities. We have not given this privilege to any other foreigner. No other country in the world has given it to you. For that reason, the biggest power companies and mining companies in the Philippines up to now are American-owned. American investors come in slowly, but they keep coming. American capital and Philippine labor have harmonious relations. Both our elite and our labor force come from 21 universities, 352 colleges, and 31,000 public and private schools in all of which the democratic ideology is accepted and communism rejected by free choice.

So, I venture to submit my considered view that long after government-to-government treaties are made and unmade, long after agreements are emptied of meaning, long after covenants expire, this people-to-people relation between Filipinos and Americans will endure through the surging centuries of time. [Applause.] These, ladies and gentlemen, are some of the priceless, intangible stakes in our wedded national destinies.

I said awhile ago that our task of reconstruction and restoration is over. We have accomplished that with generous American aid. But now we are starting the more difficult task of building a national economy that will afford the humblest citizen of the country a fair share of the comforts and conveniences of modern civilized life, a fair assurance of continuous employment of our manpower, and a fair measure of economic security and stability for all. Our natural resources in land, mines, forests, marine and hydroelectric power potential are vast and the greatest part of them are yet untapped. Our potential production of rubber, cotton, rice, corn and other cereals, and minerals is unlimited. Our actual production of copra, hemp, and sugar is limited only by the demand of the world market. Some of the world's biggest deposits of nickel, iron,

copper, and other minerals are found in the Philippines. We are hopeful that someday the tremendous efforts of exploration for oil conducted by American companies will yield the expected results. These, in short, are the vast potentialities of my country.

But I must be frank with you and say that our economic situation leaves much to be desired. We are far from our economic goals. To exploit the vast natural resources I have referred to, we lack the capital and in certain cases, the know-how. Our balance of payments in our international trade has been unfavorable in the postwar years. It is true that we have increased our exports from \$263.4 millions in 1947 to \$428.9 millions in 1957. But our imports have increased faster, from \$511.1 millions in 1947 to \$614.6 millions in 1957. It is also true that from 1953 up to the present, pursuant to our industrialization program, we have established with very little foreign borrowing more than 800 new industries. But we are encountering difficulties in providing the dollar requirements of these new industries in machinery, spare parts and raw materials which have to be imported. This has strained our international reserves. We have extensive irrigation projects to bolster our food production. We have also big harbor improvement projects, especially for Manila, to provide port facilities for a growing foreign and domestic trade. We have power development projects to cope with the rapidly expanding industrialization program in the Manila area, Visayas and Mindanao. But principally, we want to realize thereby our ambitious but necessary program of rural electrification by which we hope to stimulate home and cottage industries in the rural areas; bring to our countryside the blessings of newspapers, movies, radio and television and other modern urban conveniences and facilities; improve the living standards of our rural folk, and brighten up their social and economic outlook. But these can no longer be financed with our own resources alone. To finance these development projects, we therefore need foreign capital and credit.

These are some of the urgent and economic problems we have in our country. So much of our working capital has been invested in the building of the projects and industries we have so far undertaken that refinancing has become imperative. We have progressed halfway toward our objective; we cannot turn back. We need strength to take us to the legitimate goal which we believe we can reach with the assistance of our friends.

Lastly, may I express a parting thought as a tribute to this great American nation by borrowing the words of one of its greatest Presidents, Franklin Delano Roosevelt. He said:

The state of this Nation is good—the heart of this Nation is sound—the spirit of this Nation is strong—the faith of this Nation is eternal.

[Applause.]

The Philippines, your loyal friend and ally, appeals to that heart, to that spirit, and to that faith of this Nation.

[Applause, the Members rising.]

At 1 o'clock and 3 minutes p. m., His Excellency the President of the Philippines, accompanied by the Committee of Escort, retired from the Chamber.

The Doorkeeper escorted the invited guests from the Chamber in the following order:

The Members of the President's Cabinet.

The Ambassadors, Ministers, and Chargés d'Affaires of foreign governments.

#### JOINT MEETING DISSOLVED

The SPEAKER. The Chair declares the joint meeting of the two Houses now dissolved.

Thereupon (at 1 o'clock and 5 minutes p. m.) the joint meeting of the two Houses was dissolved.

The Members of the Senate retired to their Chamber.

#### AFTER RECESS

The recess having expired, the House was called to order by the Speaker at 1 o'clock and 30 minutes p. m.

#### PROCEEDINGS DURING RECESS

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that the proceedings that transpired during the recess be printed in the RECORD at this point.

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

There was no objection.

#### DEFICIT INFLATION SPENDING

Mr. Hiestand. 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. Hiestand. Mr. Speaker, in the past few days and weeks, the press has carried numerous reports of comments of many responsible private citizens and Government officials, including Members of Congress, who have called attention to the grave financial crisis facing our Nation. Estimates range from \$3 billion to \$4 billion in deficit spending for the fiscal year ending the 30th of this month, and from \$10 billion to \$14 billion for fiscal 1959.

Even if the most optimistic of these estimates proves correct, it will mean hardship, if not tragedy, for the millions of our citizens who live on more or less fixed incomes.

When we dump deficit dollars into the American economic stream by Federal spending, we are undermining our currency and forcing inflation. Therein lies the tragedy for our fixed-income people. Inflation is invisible taxation in its most vicious form. By Government deficit-inflation spending, we are reversing the ancient, though not necessarily honorable, practice of "soaking the rich" and are embarking on a course for-ordained to "soak the poor." It is ironic that most of the advocates of the huge spending

programs that will bring this about, claim to be working for the little man. They are destroying the little-man class of American citizen; and are creating in his place an American peasant class, property-less people who will never be able to accumulate anything because of Government inflation-taxation.

#### EVIL MACHINATIONS OF COMMUNISM

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

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

There was no objection.

Mr. DEROUNIAN. Mr. Speaker, the Supreme Court, in its actions on Monday, June 16, on the matter of three passport cases, has further tied the hands of our Government in any effort to protect the people from the evil machinations of communism.

Now those persons, untrue to the principles of freedom and democracy on which our Government is founded, but American citizens nevertheless, may, under the protection of the American flag, travel the world over denouncing us if they will and furthering the causes of communism.

Monday was another day of victory for communism.

I do not believe the Congress can stand idly by and watch our laws be rendered so ineffectual as to actually aid those who would belittle and destroy our democracy. To do so is not in defense of freedom.

#### PERSONAL PRIVILEGE

Mr. CANNON. Mr. Speaker, I rise to a question of personal privilege.

The SPEAKER. The gentleman will state the grounds upon which he raises the question of special privilege.

Mr. CANNON. In the CONGRESSIONAL RECORD of last Thursday a letter is printed denying the veracity of certain statements which I had made in a speech on the floor.

The SPEAKER. What is the language that the gentleman objects to?

Mr. CANNON. He refers to the material which I gave on the floor as a lie.

The SPEAKER. The gentleman is recognized.

#### UNPUBLISHED HISTORY

Mr. CANNON. Mr. Speaker, during the Second World War a Subcommittee on Appropriations withheld for something like 3 years information on the development of the atomic bomb until it was completed. From the beginning of the Second World War a similar subcommittee likewise has withheld mention of a report on the bombing of Pearl Harbor.

The subcommittee, consisting of Engel, of Michigan; Snyder, of Pennsylvania; Kerr, of North Carolina; Taber, of New York; and Cannon, of Missouri were informed by the FBI that the enemy was kept advised of local conditions in Hawaii by Japanese tradesmen who commun-

cated by various methods, including display of colored blankets and sheets hung on a clothesline visible from the ocean.

On the suggestion of these local nationals, the attack was timed for Sunday morning, as weekend festivities usually left a part of the Armed Forces with a hangover and correspondingly reduced efficiency. On this particular Saturday evening an elaborate dinner was given by a wealthy American heiress from which six high-ranking officers were carried home. This may account in some respect for the slowness with which the defense forces rallied from the attack. Although the Japanese command had expected to lose a third of their striking force, the loss was negligible. The report says:

The reported sighting of a submarine periscope at 3:42 a. m. on the morning of December 7, in close proximity to Pearl Harbor, even though not verified, should have put the entire Navy command on the qui vive, and when at 6:40 a. m. the presence of a submarine was definitely established the entire Navy command should have been on full alert.

Admiral Smith, Chief of Staff to Admiral Kimmel, said he did not get the information as to the probable location from which the Japanese carriers launched the attack for some 2 days. Notwithstanding the Army radar plotted the withdrawal of the Japanese force to the north after the attack, this vital information was not employed following the raid in searches for the raiders. Witnesses before the investigating committee attributed this lethargy to faulty liaison and a "complete failure in integration of Army-Navy effort." They also testified that while numerous officers of the Army and Navy attended social functions at various points on the island, there was no evidence of excessive drinking by any officer of either service on that night. At another hearing it was testified that "except for a negligible number" the use of intoxicating liquor on the preceding evening did not affect their efficiency. But the very fact that it was considered necessary to emphasize this testimony naturally gives rise to some doubt.

It was also testified that the commanding general, Hawaiian Department, and the commander in chief of the Pacific Fleet were both guests at dinners away from their posts of command that evening, but returned to their quarters at an early hour. FBI handed to the intelligence officers of the 2 commanders urgent notes warning of imminent attack and were informed that 1 of them reprimanded his valet for bothering him with official matters at such a time and the other placed the envelope in his pocket unopened and apparently did not read it until after the attack.

It was the most disastrous defeat in the history of American arms. Three thousand men and a large part of the United States Navy were lost and a crushing blow was dealt American prestige throughout the world.

Investigations started immediately and continued at intervals for years. Within 2 weeks the Roberts Commission, headed by Associate Justice Rob-

erts, of the Supreme Court, was calling witnesses—Admiral Kimmel returned with a stenographer and revised the transcript. Then came the Hart investigation, headed by Admiral Hart—in which Admiral Kimmel declined to participate. He had already edited the transcript in the first investigation and apparently did not want the record complicated by irrelevant facts. And after the passage of nearly 3 years, when the catastrophe had drifted into a hazy background and the indignation of the Nation was somewhat mollified by the hard-fought success of our armed services in the Pacific and European theaters, obliging friends got through a Congressional resolution under which a Naval Court of Inquiry and an Army Pearl Harbor Board instituted inquiries under 3 admirals and 3 generals respectively.

In this inquiry the three admirals who conducted the naval inquiry were, in effect, trying not only Admiral Kimmel but they were by the same rule trying the system, trying the institution under which they had been reared and in which they expected to live the remainder of their official lives, and of course they found him as blameless as the driven snow. He had done absolutely nothing he should not have done. And he had done everything that he should have done, before, during and after the conflagration. The finding of the court of inquiry was so absurd, such a travesty of justice, that Secretary of the Navy Forrestal indignantly assembled an impartial commission under Adm. H. Kent Hewitt, and Secretary of War Stimson convened a similar commission in his department, under Henry W. Clausen, both of which contributed to the factual history of the Pearl Harbor disaster.

But the conflicting testimony and the general dissatisfaction of the Nation had by this time rendered an authoritative overall investigation imperative, and on July 20, 1946, the Joint Committee on the Investigation of the Pearl Harbor Attack, consisting of 5 Members of the House and 5 Members of the Senate, under the chairmanship of Senator Alben W. Barkley, later Vice President, and the vice chairmanship of the late beloved Jere Cooper, issued a final report.

The outstanding feature in these long drawn-out investigations was the astounding conflicts in testimony and the irresponsibility of evidence submitted by high ranking personnel of both the Navy and the Army. Witnesses reversed and re-reversed testimony given in former investigations. Admiral Kimmel himself says in his book, "Admiral Kimmel's Own Story of Pearl Harbor," that witnesses who testified before the Hewitt board changed testimony they had previously sworn to.

In addressing the Senate on September 6, 1945, Senator Barkley declared that the reports on Pearl Harbor by the Roberts Commission, by the Army Pearl Harbor Board, the Navy Court of Inquiry, and other authorities, are confusing and conflicting, when compared to one another, and to some extent contain

contradictions and inconsistencies within themselves." The final report of the joint committee states:

The Navy court exonerated Admiral Kimmel.

But it goes on to say:

The affidavits and testimony at the further investigations contain many instances where witnesses gave evidence materially different from that which they had previously sworn to before the Army board and Navy court. Again, before this committee, these same witnesses further changed their testimony from that sworn to twice previously, or pleaded lapses of memory.

Added to the disgust of the country at these whitewash proceedings was the clamorous demand to know how a position so admirably defended as Pearl Harbor, with every facility, submarine nets, radar, sonar, planes and ships of the line, could be approached both by land and sea by such extensive armaments without detection. The debacle was all the more inexplicable in view of the fact that both commanders had been repeatedly warned and were continuously alerted.

It was my misfortune recently to have to call attention here on the floor to Pearl Harbor and its lessons, in the hope that another such situation might be avoided by providing for better cooperation and coordination of forces through unification of command. In the course of my remarks, I referred to the report by FBI to our subcommittee in December of 1941. In response to those remarks, Admiral Kimmel has sent me and other Members of the House a letter in which he takes issue with my statement that—

A subcommittee of the Committee on Appropriations held hearings in which it was testified that at the time of the attack the naval commander, Admiral Kimmel, and the Army commander, General Short, were not even on speaking terms. And the exhaustive investigations by the committee, appointed by the President, and by the joint committee of the House and Senate, showed that, although both had been repeatedly alerted over a period of weeks prior to the attack, they did not confer on the matter at any time.

In confirmation of his replication, he cites the discredited findings of the three admirals which made the investigation by the joint committee necessary:

Admiral Kimmel and Lieutenant General Short were personal friends. They met frequently, both socially and officially. Their relations were cordial and cooperative in every respect and, in general, this is true as regards their subordinates. They frequently conferred with each other on official matters of common interest, but invariably did so when messages were received by either which had any bearing on the development of the United States-Japanese situation or on their general plans in preparing for war. Each was mindful of his own responsibility and the responsibilities vested in the other. Each was informed of measures being undertaken by the other to a degree sufficient for all practical purposes.

It is significant that it was found necessary in an inquiry of this character to stress the claim that the naval commander and the military commander were friends. What else would be expected of ranking officers of the United

States forces in anticipation of war? Why was it necessary to emphasize it?

It was necessary because there was general knowledge that they were not on friendly terms. Admiral Kimmel himself says in his own book, "My relations with General Short, which were once the subject of considerable confusion in the public mind, have now been clarified." They were clarified when both were before courts of inquiry and all but life itself depended on their convincing the world that they had been friends when they should have been friends. But the Roberts Commission report says, "During a period of 10 days preceding the Japanese attack, the responsible commanders held no conference directed to a discussion of the meaning of the warnings and orders sent them, and failed to collaborate and to coordinate defensive measures which should be taken pursuant to the orders received." And again:

Neither of them informed himself of the measures and dispositions taken by the other.

The report of the joint committee says—in reference to the testimony of the two that they played golf together and dined together—that was what they testified—"but they did not get together on official business in such a manner as to insure that each possessed the same knowledge of the situation as the other and to effect coordination and integration of their efforts."

And again:

That Admiral Kimmel was completely oblivious of what the Army was really doing evinces the ineffectiveness of the liaison that was maintained by the Navy in the Army operations section.

And finally, the joint Congressional committee concludes:

The claim of a satisfactory relationship for practical purposes is not substantiated.

The joint committee explains:

The whole story of discussions during 1941 with respect to unity of command is a picture of jealous adherence to departmental prerogatives and unwillingness to make concessions in the interest of both the Army and the Navy. The same comment is applicable to the near dispute between Admiral Kimmel and General Short as to which of them should command Wake and Midway when the marines were replaced by soldiers. It is proper to suggest that had both the commanding officers in Hawaii been less concerned between November 27 and December 7 about preserving their individual prerogatives with respect to Wake and Midway and more concerned about working together to defend the Hawaiian coastal frontier in the light of the warnings they had received, the defensive situation confronting the Japanese on the morning of December 7 might well have been entirely different.

And Admiral Kimmel, in response to my statement that he had been repeatedly alerted, insists that he was not informed and not notified, and so forth.

When Admiral Kimmel accepted command at Pearl Harbor he is certain to have realized he was taking over an advanced and exposed post. Pearl Harbor had been regarded for years as a potential target for enemy action.

In January 1941, Admiral Stark, in appointing him as commander in chief of the Pacific Fleet, wrote:

I realize fully the enormous responsibility placed on your shoulders in one of the most critical periods in our history, and where the Navy more than any other branch of the Government is likely to have to bear the brunt.

In my humble opinion we may wake up any day with some mines deposited on our front doorstep or with some of our ships bombed.

Prophetic words. No more concise or specific warning could have been given under the circumstances. In March 1941, Captain Zacharias told Admiral Kimmel that should war between the United States and Japan eventuate, it would begin with an attack on the Pacific Fleet, without declaration of war, and on a Sunday morning. And Admiral Stark wrote to the same effect on April 1.

The Roberts Commission found and reported that messages and orders over a period of weeks prior to the attack warned that "hostilities were momentarily possible." "The warnings indicated war and war only."

On February 1, the Secretary of War forwarded to Admiral Kimmel a dispatch from the American Ambassador at Tokyo as follows:

The Peruvian Minister has informed a member of my staff that he has heard from many sources, including a Japanese source, that in any event of trouble breaking out between the United States and Japan, the Japanese intend to make a surprise attack against Pearl Harbor, with all their strength and employing all their equipment.

On February 7, the Secretary of the Navy wrote to Admiral Kimmel:

In replying to your letter of January 24, regarding the possibility of surprise attack upon the fleet of the naval base at Pearl Harbor, I wish to express complete concurrence as to the importance of this matter and the urgency of our making every possible preparation to meet such a hostile effort.

On July 19, Admiral Kimmel was advised of an intercepted Japanese dispatch reading:

Will crush resistance if offered and set up martial law.

And on October 16:

The resignation of the Japanese Cabinet has created a grave situation. You will take due precaution. Acknowledge.

On November 24, Admiral Kimmel received the following message marked for action:

Chances of favorable outcome of negotiations with Japan very doubtful. A surprise aggressive movement in any direction is a possibility.

The committee comments that no action appears to have been taken by Admiral Kimmel pursuant to these dispatches.

November 25 Admiral Stark cabled:

I have been in constant touch with Mr. Hull and it was only after a long talk with him that I sent the message to you a day or two ago showing the gravity of the situation. He confirms it all in today's meeting, as did the President. Neither would be surprised over a Japanese surprise attack. From many

angles an attack on the Philippines would be the most embarrassing thing that could happen to us.

On November 27, Admiral Kimmel received a message beginning with the words:

This dispatch is to be considered a war warning.

The committee commented in its report:

Every naval officer who has testified on the subject stated that never before in his naval experience had he ever seen a dispatch containing the words "war warning."

Admiral Kimmel testified that never before in his some 40 years as a naval officer had he seen these words employed in an official dispatch. The dispatch continued:

Negotiations with Japan looking to stabilization of conditions in the Pacific have ceased and an aggressive move by Japan is expected within the next few days. The time for training for a prospective eventuality has passed. The eventual war, is at hand.

Simultaneously, a warning was sent to General Short concerning prospect of hostile action at any moment signed by General Marshall—a command directive.

A dispatch to Admiral Kimmel dated November 28, concluded:

Be prepared to carry out tasks assigned in WPL 46 so far as they apply to Japan in case hostilities occur.

While Admiral Kimmel and General Short conferred formally on November 27, December 1, 2, and 3 according to the Roberts' Commission report, their conferences related to the dispute between them as to which would command in Wake and Midway. They did not then or subsequently hold any conferences specifically directed to the meaning and significance of the warning messages received by both.

The burning of official papers is traditionally the last step before hostilities start. On December 3 the special FBI agent at Honolulu gave notice that the Japanese consul general in Honolulu was burning his papers. Simultaneously he notified Director J. Edgar Hoover in Washington.

On December 3, Admiral Kimmel was supplied with the following information:

Instructions were sent yesterday to Japanese diplomatic and consular posts to destroy most of their codes and ciphers at once and to destroy all important, confidential and secret documents.

On December 6, the Chief of Naval Operations sent a dispatch to Admiral Kimmel authorizing him to order destruction of American papers in the Pacific islands.

The joint committee reported:

Admiral Kimmel could not have been unaware of the meaning of code destruction and the Japanese reputation for surprise action. He should have been vigilant. He owed this to his position as commander of the fleet.

Said Senator Ferguson in a minority report:

Admiral Kimmel failed in the performance of this obligation.

Admiral Kimmel insists he was on friendly relations with General Short.

Although he received significant information on four different occasions between December 1 and December 6, concerning the destruction of codes and confidential documents in Japanese diplomatic establishments, as well as in his own outlying possessions, he failed to convey that information to General Short.

The joint committee reports:

No conferences were held by Admiral Kimmel and General Short between December 3 and the attack.

Admiral Kimmel insisted that not only was he on the most intimate terms with General Short, but also that "this was true as regards their subordinates."

But Admiral Bellinger stated that between November 27 and December 7 he did not confer with the Army Air Force commander, General Martin, regarding long-range reconnaissance. In other words, there were no discussions during this critical period between the two officers responsible for the air arms of the Navy and Army in Hawaii. And the vast cloud of Japanese planes attacked undetected and destroyed both fleet and airplane forces.

The joint committee comments:

There is no substantial evidence of any specific discussions between Admiral Kimmel and members of his staff on or after receipt of the war warnings—concerning the advisability or practicability of distant reconnaissance from Oahu.

The committee adds:

The picture presented by radio intelligence was among the most significant information relating to when and, to a degree, where the Japanese would possibly attack.

And no one, reading the headlines in the local newspapers alone could have failed to appreciate the increasing tension of the situation and the signs of rapidly approaching war. For example the Honolulu Advertiser carried the following headlines:

November 7, 1941: "Japan Ready to Act Unless Tension Ceases."

November 13, 1941: "Tokyo Radio Asserts War Is Already On."

November 14, 1941: "Japanese Confident of Naval Victory."

Other local newspapers carried headlines of similar import. All these newspapers were daily delivered to both Navy and Army offices.

The joint Congressional committee report sums up the situation:

From a review of dispatches and correspondence sent Admiral Kimmel it is concluded that he was fully informed concerning the progress and deterioration of relations with Japan and was amply warned of the imminence of war with that nation.

He would have been summarily court-martialed but for the fact, as explained, in the Additional Views by Mr. Keefe, that such proceedings would have been impossible without the disclosure of military secrets.

Three thousand American servicemen died that morning without a chance. A great fleet and a mighty air force were wiped out. How many thousands died on the battlefields that followed and

how many billions of dollars have been taken from American taxpayers as a result, are matters of conjecture.

#### AUTHORIZING THE CONSTRUCTION, REPAIR, AND PRESERVATION OF CERTAIN PUBLIC WORKS ON RIVERS AND HARBORS

Mr. DAVIS of Tennessee. Mr. Speaker, I move to suspend the rules and pass the bill (S. 3910) authorizing the construction, repair, and preservation of certain public works on rivers and harbors for navigation, flood control, and for other purposes, with an amendment.

The Clerk read as follows:

Strike out all after the enacting clause and insert—

#### "TITLE I—RIVERS AND HARBORS

"Sec. 101. That the following works of improvement of rivers and harbors and other waterways for navigation, flood control, and other purposes are hereby adopted and authorized to be prosecuted under the direction of the Secretary of the Army and supervision of the Chief of Engineers, in accordance with the plans and subject to the conditions recommended by the Chief of Engineers in the respective reports hereinafter designated: *Provided*, That the provisions of section 1 of the River and Harbor Act approved March 2, 1945 (Public Law No. 14, 79th Cong., 1st sess.), shall govern with respect to projects authorized in this title; and the procedures therein set forth with respect to plans, proposals, or reports for works of improvement for navigation or flood control and for irrigation and purposes incidental thereto, shall apply as if herein set forth in full:

#### "Navigation

"Josias River, Maine: House Document No. 377, 85th Congress, at an estimated cost of \$258,400.

"Salem Harbor, Mass.: House Document No. 31, 85th Congress, at an estimated cost of \$1,100,000;

"Boston Harbor, Mass.: House Document No. 349, 84th Congress, at an estimated cost of \$720,000;

"East Boat Basin, Cape Cod Canal, Mass.: House Document No. 168, 85th Congress, at an estimated cost of \$360,000;

"Bridgeport Harbor, Conn.: House Document No. 136, 85th Congress, at an estimated cost of \$2,300,000;

"New York Harbor, N. Y.: Senate Document No. 45, 74th Congress, at an estimated cost of \$1,678,000;

"Baltimore Harbor and channels, Maryland: House Document No. 86, 85th Congress, at an estimated cost of \$28,161,000;

"Herring Creek, Md.: House Document No. 159, 84th Congress, at an estimated cost of \$110,000;

"Betterton Harbor, Md.: House Document No. 333, 84th Congress, at an estimated cost of \$78,000;

"Delaware River anchorages: House Document No. 185, 85th Congress, at an estimated cost of \$24,447,000;

"Hull Creek, Va.: House Document No. 287, 85th Congress, at an estimated cost of \$269,800;

"Morehead City Harbor, N. C.: Senate Document No. 54, 84th Congress, at an estimated cost of \$1,197,000;

"Intracoastal Waterway, Jacksonville to Miami, Fla.: House Document No. 222, 85th Congress, maintenance;

"Port Everglades Harbor, Fla.: House Document No. 346, 85th Congress, at an estimated cost of \$6,683,000;

"Escambia River, Fla.: House Document No. 75, 85th Congress, at an estimated cost of \$61,000;

"Gulfport Harbor, Miss.: Senate Document No. 123, 84th Congress, maintenance;

"Barataria Bay, La.: House Document No. 82, 85th Congress, at an estimated cost of \$1,647,000;

"Chefuncte River and Bogue Fallo, La.: Senate Document No. 54, 85th Congress, at an estimated cost of \$48,000;

"Pass Cavallo to Port Lavaca, Tex.: House Document No. 131, 84th Congress, at an estimated cost of \$413,000;

"Galveston Harbor and Houston Ship Channel, Tex.: House Document No. 350, 85th Congress, at an estimated cost of \$17,196,000;

"Matagorda Ship Channel, Port Lavaca, Tex.: House Document No. 388, 84th Congress, at an estimated cost of \$9,944,000;

"Port Aransas-Corpus Christi Waterway, Tex.: House Document No. 361, 86th Congress, at an estimated cost of \$6,272,000;

"Port Aransas-Corpus Christi Waterway, Tex., La Quinta Channel: Senate Document No. 33, 85th Congress, at an estimated cost of \$954,000;

"Freeport Harbor, Tex.: House Document No. 433, 84th Congress, at an estimated cost of \$317,000;

"Mississippi River between Missouri River and Minneapolis, Minn., damage to levee and drainage districts: House Document No. 135, 84th Congress, at an estimated cost of \$2,476,000;

"Mississippi River at Alton, Ill., commercial harbor: House Document No. 136, 84th Congress, at an estimated cost of \$246,000;

"Mississippi River at Alton, Ill., small-boat harbor: House Document No. 136, 84th Congress, at an estimated cost of \$101,000;

"Mississippi River at Clinton, Iowa, Beaver Slough: House Document No. 345, 84th Congress, at an estimated cost of \$241,000;

"Mississippi River at Clinton, Iowa, report on damages: House Document No. 412, 84th Congress, at an estimated cost of \$147,000;

"Mississippi River between St. Louis, Mo., and lock and dam No. 26: Senate Document No. 7, 85th Congress, at an estimated cost of \$5,802,000;

"Mississippi River between the Missouri River and Minneapolis, Minn.: Modification of the existing project in the Mississippi River at St. Anthony Falls, Minneapolis, Minn., House Document No. 33, 85th Congress;

"Minnesota River, Minn.: Senate Document No. 144, 84th Congress, at an estimated cost of \$2,539,000: *Provided*, That the channel may be extended five-tenths of a mile upstream to mile 14.7 at an estimated additional cost of \$5,000;

"Vermilion Harbor, Ohio: House Document No. 231, 85th Congress, at an estimated cost of \$474,000;

"Ohio River at Gallipolis, Ohio: House Document No. 423, 84th Congress, at an estimated cost of \$66,000;

"Licking River, Ky.: House Document No. 434, 84th Congress, maintenance;

"Saxon Harbor, Wis.: House Document No. 169, 85th Congress, at an estimated cost of \$393,500;

"Two Rivers Harbor, Wis.: House Document No. 362, 84th Congress, at an estimated cost of \$66,000;

"Port Washington Harbor, Wis.: House Document No. 446, 83d Congress, at an estimated Federal cost of \$2,181,000: *Provided*, That local interests shall contribute 30 percent of the total cost of the project;

"St. Joseph Harbor, Mich.: Senate Document No. 95, 84th Congress, maintenance;

"Old Channel of Rouge River, Mich.: House Document No. 135, 85th Congress, at an estimated cost of \$101,500;

"Cleveland Harbor, Ohio: House Document No. 107, 85th Congress, at an estimated cost of \$14,927,000;

"Toledo Harbor, Ohio: House Document No. 486, 84th Congress, at an estimated cost of \$859,000;

"Irondequoit Bay, N. Y.: House Document No. 332, 84th Congress, at an estimated cost of \$1,938,000;

"Santa Cruz Harbor, Santa Cruz, Calif.: House Document No. 357, 85th Congress, at an estimated cost of \$1,612,000;

"Yaquina Bay and Harbor, Oreg.: Senate Document No. 8, 85th Congress, at an estimated cost of \$19,800,000;

"Sluslaw River, Oreg.: House Document No. 204, 85th Congress, at an estimated cost of \$1,693,100;

"Port Townsend Harbor, Wash.: House Document No. 418, 84th Congress, at an estimated cost of \$387,000;

"Bellingham Harbor, Wash.: Senate Document No. 46, 85th Congress, at an estimated cost of \$63,700;

"Douglas and Juneau Harbors, Alaska: House Document No. 286, 84th Congress, at an estimated cost of \$1,394,000;

"Dillingham Harbor, Alaska: House Document No. 390, 84th Congress, at an estimated cost of \$372,000;

"Naknek River, Alaska: House Document No. 390, 84th Congress, at an estimated cost of \$19,000;

"Cook Inlet, navigation improvements, Alaska: House Document No. 34, 85th Congress, at an estimated cost of \$5,199,200;

"San Juan Harbor, P. R.: House Document No. 38, 85th Congress, at an estimated cost of \$6,476,800;

#### *"Beach erosion*

"State of Connecticut, area 9, East River to New Haven Harbor: House Document No. 395, 84th Congress, at an estimated cost of \$12,000;

"Connecticut shoreline, areas 8 and 11, Saugatuck River to Byram River: House Document No. 174, 85th Congress, at an estimated cost of \$229,000;

"Fire Island Inlet, Long Island, N. Y.: House Document No. 411, 84th Congress, at an estimated cost of \$2,724,000;

"Atlantic coast of New Jersey, Sandy Hook to Barnegat Inlet: House Document No. 332, 85th Congress at an estimated cost of \$6,755,000;

"Delaware coast from Kitts Hummock to Fenwick Island, Del.: House Document No. 216, 85th Congress, at an estimated cost of \$28,000;

"Palm Beach County, from Lake Worth Inlet to South Lake Worth Inlet, Fla.: House Document No. 342, 85th Congress, at an estimated cost of \$222,500;

"Berrien County, Mich.: House Document No. 336, 85th Congress, at an estimated cost of \$226,000;

"Manitowoc County, Wis.: House Document No. 348, 84th Congress, at an estimated cost of \$50,000;

"Fair Haven Beach State Park, N. Y.: House Document No. 134, 84th Congress, at an estimated cost of \$114,000;

"Hamlin Beach State Park, N. Y.: House Document No. 138, 84th Congress, at an estimated cost of \$404,000;

"Humboldt Bay, Calif.: House Document No. 282, 85th Congress, at an estimated cost of \$38,200;

"Santa Cruz County, Calif.: House Document No. 179, 85th Congress, at an estimated cost of \$516,000;

"San Diego County, Calif.: House Document No. 399, 84th Congress at an estimated cost of \$289,000;

"Waimea Beach and Hanapepe Bay, Island of Kauai, T. H.: House Document No. 432, 84th Congress, at an estimated cost of \$20,000.

"*Sec. 102.* That the Secretary of the Army is hereby authorized to reimburse local interests for such work done by them, on the beach erosion projects authorized in section 101, subsequent to the initiation of the cooperative studies which form the basis for

the projects: *Provided*, That the work which may have been done on these projects is approved by the Chief of Engineers as being in accordance with the projects hereby adopted: *Provided further*, That such reimbursement shall be subject to appropriations applicable thereto or funds available therefor and shall not take precedence over other pending projects of higher priority for improvements.

"*Sec. 103.* That pending fulfillment of the conditions of local cooperation for the Gulf Intracoastal Waterway, Algiers Canal, as authorized by the River and Harbor Act of March 2, 1945, appropriations heretofore or hereafter made for maintenance of rivers and harbors may be used for operation and maintenance of the railroad bridge over Algiers Canal for the period from September 1, 1956, to December 31, 1958.

"*Sec. 104.* That there is hereby authorized a comprehensive project to provide for control and progressive eradication of the water-hyacinth, alligator weed, and other obnoxious aquatic plant growths from the navigable waters, tributary streams, connecting channels, and other allied waters in the States of North Carolina, South Carolina, Georgia, Florida, Alabama, Mississippi, Louisiana, and Texas, in the combined interest of navigation, flood control, drainage, agriculture, fish and wildlife conservation, public health, and related purposes, including continued research for development of the most effective and economic control measures, at an estimated additional cost for the expanded program over that now underway of \$1,350,000 annually for 5 years, of which 70 percent, presently estimated at \$945,000, shall be borne by the United States and 30 percent, presently estimated at \$405,000, by local interests, to be administered by the Chief of Engineers, under the direction of the Secretary of the Army in cooperation with other Federal and State agencies in accordance with the report of the Chief of Engineers, published as House Document No. 37, 85th Congress: *Provided*, That local interests agree to hold and save the United States free from claims that may occur from such operations and participate to the extent of 30 percent of the cost of the additional program: *Provided further*, That Federal funds appropriated for this project shall be allocated by the Chief of Engineers on a priority basis, based upon the urgency and need of each area, and the availability of local funds.

"*Sec. 105.* That for preliminary examinations and surveys authorized in previous river and harbor and flood-control acts, the Secretary of the Army is hereby directed to cause investigations and reports for navigation and allied purposes to be prepared under the supervision of the Chief of Engineers in the form of survey reports, and that preliminary examination reports shall no longer be required to be prepared.

"*Sec. 106.* That the improvement of Apalachicola Bay, Fla., authorized by the River and Harbor Act of 1954 in accordance with the recommendations of the Chief of Engineers in House Document No. 156, 82d Congress; and the improvement of Apalachicola Bay, Fla., channel across St. George Island, authorized by the River and Harbor Act of 1954, in accordance with the recommendations of the Chief of Engineers in House Document No. 557, 82d Congress, are hereby modified to provide that the Secretary of the Army shall reimburse local interests for such work as they may have done upon the projects insofar as this work shall be approved by the Chief of Engineers and found to have been done in accordance with the projects adopted by the act of 1954: *Provided*, That reimbursement shall be based upon the reduction in the amount of material which will have to be removed to provide project dimensions at such time as Federal dredging of the channels is undertaken: *Provided fur-*

ther, That such reimbursement shall be subject to appropriations applicable thereto and shall not take precedence over authorized Federal improvements of higher priority.

"SEC. 107. That the improvement of Pas-cagoula Harbor, Dog River Cutoff, Miss., authorized by the River and Harbor Act of 1950, in accordance with the recommendations of the Chief of Engineers in House Document No. 188, 81st Congress, is hereby modified to provide that the Secretary of the Army shall reimburse local interests for such work as they may have done on this project, within the limits of the Federal portion of the project, over and above any items required as a part of the local cooperation for the project, insofar as the same shall be approved by the Chief of Engineers and found to have been done in accordance with project modification adopted in said act: *Provided*, That such payment shall not exceed the sum of \$44,000: *Provided further*, That such reimbursement shall be subject to appropriations therefor and shall not have precedence over authorized Federal improvements of higher priority: *And provided further*, That no reimbursement to local interests shall be made until they have met all the requirements of local cooperation in the recommendations of the Chief of Engineers in House Document No. 188, 81st Congress.

"SEC. 108. That the Federal project structures, appurtenances, and real property of the upper Fox River, Wis., shall be disposed of in accordance with the provisions of this section: *Provided*, That all or any part of the right, title, and interest of the United States to any portion of the said property may, regardless of any other provision of law, be conveyed, upon such terms and conditions as may be advisable: *Provided further*, That, if the State of Wisconsin offers to take over said property under the terms and conditions hereinafter prescribed, the Secretary of the Army is hereby authorized to convey by quitclaim deed to said State, without monetary consideration, all such right, title, and interest of the United States in said property, and the United States shall thereafter have no further obligations with respect to the property so conveyed. In consideration of the State accepting such conveyance, and assuming responsibility for said property, there is hereby authorized to be expended from appropriations hereafter made for civil functions administered by the Department of the Army toward the work of placing the project facilities in a condition suitable for public purposes, not to exceed \$300,000. The Chief of Engineers is authorized to enter into agreements with the duly authorized representatives of the States with respect to the details of the work to be performed and transfer of the property. If the State fails to present a satisfactory offer within 2 years after the date of enactment of this act, said property may be disposed of pursuant to the provisions of existing law and upon such terms and conditions as may be determined to be in the public interest: *And provided further*, That, after acceptance of said property by the State of Wisconsin, the Federal laws, other than the Federal Power Act, governing the protection and preservation of navigable waters shall not apply to the reach of the upper Fox River, Wis., above its juncture with the mouth of the Wolf River.

"SEC. 109. The projects for the Illinois Waterway and Grand Calumet River, Ill. and Ind. (Calumet-Sag navigation project), authorized by the River and Harbor Act of July 24, 1946, is hereby modified in accordance with the recommendations in House Document No. 45, 85th Congress, insofar as they apply to existing highway bridges in part I, Sag Junction to Lake Calumet, at an estimated additional cost of \$9,884,000.

"SEC. 110. (a) The Secretary of the Army hereby is authorized to acquire on behalf of the United States the fee simple title in

and to the lands in the lake (known as Sinnissippi Lake) created by the Government dam constructed across Rock River between Sterling and Rock Falls, Ill., and over which the United States now holds flowage rights or easement, and in and to all other lands upon which the United States has rights or easements used for the purpose of and appurtenant to the operation of the Federal project known as the Illinois and Mississippi Canal (which lake, canal, feeder, and appurtenances thereto are referred to collectively in this section as the canal) in the State of Illinois; said fee simple title to be acquired subject to the continuing right of access to Sinnissippi Lake by the riparian owners whose land adjoins and abuts said lake. Such acquisition may be accomplished by purchase, acceptance of donation, exchange, exercise of the power of eminent domain, or otherwise.

"(b) The Secretary of the Army further is authorized out of appropriations hereafter made for civil functions administered by the Department of the Army, to cause the canal to be repaired and modified for the purpose of placing the same in proper condition for public recreational use other than through-navigation, including (but not limited to) the repair or reconstruction of the aforesaid Government dam across Rock River; the repair or reconstruction of retaining walls, embankments, and fixed portions of the lock and dam structures, on both the feeder and the main portions of the canal; the removal of presently existing lock gates and the construction of fixed dams in lieu thereof; the repair of culverts, drainage ditches, fences, and other structures and improvements, except bridges and roads, which the United States has maintained or has been obligated to maintain; the replacement of aqueducts with inverted siphons or flumes; such other repair, renovation, or reconstruction work as the Chief of Engineers may deem necessary or advisable to prepare the canal for public recreational use other than through-navigation; and the sale or other disposition of equipment, buildings, and other structures, which are designated by the State of Illinois as not suitable or needed for such use. The work of repair and modification shall be performed by the Corps of Engineers, and upon completion thereof the Chief of Engineers shall certify such completion to the Secretary of the Army. The work of repair and modification authorized in this subsection, as well as the land acquisition authorized in the preceding subsection, shall not be commenced prior to the approval by the Chief of Engineers and the responsible State representative of the agreement authorized in subsection (e) which shall include assurance from the State of Illinois that it will accept the conveyance of all right, title, and interest of the United States in and to the canal. Upon such conveyance the United States shall have no further obligation with respect to the canal.

"(c) Upon the request of the State of Illinois and of any corporation owning a railroad which crosses a bridge over the canal, the Secretary of the Army is authorized to convey to said corporation, at any time before the conveyance of the canal to the State of Illinois as provided in subsection (d) of this section, all right, title, and interest of the United States in and to such bridge, and the delivery of any such bridge conveyance shall operate as a complete release and discharge of the United States from all further obligation with respect to such bridge. If the request also provides for the replacement of such bridge with a land fill, the Secretary of the Army further is authorized to permit the said corporation to make such replacement, but shall require adequate provision for culverts and other structures allowing passage of the waters of the canal and necessary drainage, and for right-of-

way for necessary and appropriate road crossings.

"(d) The Secretary of the Army further is authorized and directed, upon execution of the foregoing provisions of this section, to convey and transfer to the State of Illinois, by quitclaim deed and such other instruments as the Secretary may deem appropriate, without further consideration, the property of the canal; and to execute such other documents and to perform such other acts as shall be necessary and appropriate to complete the transfer to the said State of all right, title, and interest of the United States in and to the canal. Upon and after the delivery of such deed, the State of Illinois is authorized, at all times, to use such quantity of water drawn from Rock River at Sinnissippi Lake, as is adequate and appropriate to operate the canal for public recreational use other than through navigation.

"(e) In the execution of the provisions of this section, the Chief of Engineers is authorized to enter into agreements with the duly authorized representatives of the State of Illinois with respect to the details of repair and modification of the canal and the transfer thereof to the State.

"(f) There is hereby authorized to be appropriated the sum of \$2 million to carry out the provisions of this section.

"SEC. 111. Whenever, during the construction or reconstruction of any navigation, flood control, or related water development project under the direction of the Secretary of the Army, the Chief of Engineers determines that any structure or facility owned by an agency of government and utilized in the performance of a governmental function should be protected, altered, reconstructed, relocated, or replaced to meet the requirements of navigation or flood control, or both; or to preserve the safety or integrity of such facility when its safety or usefulness is determined by the Chief of Engineers to be adversely affected or threatened by the project, the Chief of Engineers may, if he deems such action to be in the public interest, enter into a contract providing for the payment from appropriations made for the construction or maintenance of such project, of the reasonable actual cost of such remedial work, or for the payment of a lump sum representing the estimated reasonable cost: *Provided*, That this section shall not be construed as modifying any existing or future requirement of local cooperation, or as indicating a policy that local interests shall not hereafter be required to assume costs of modifying such facilities. The provisions of this section may be applied to projects hereafter authorized and to those heretofore authorized but not completed as of the date of this act, and notwithstanding the navigation servitude vested in the United States, they may be applied to such structures or facilities occupying the beds of navigable waters of the United States.

"SEC. 112. The Secretary of the Army is hereby authorized and directed to cause surveys to be made at the following named localities and subject to all applicable provisions of section 110 of the River and Harbor Act of 1950:

"Stave Island Harbor at South Goldsboro, Maine.

"Tashmoo Pond, Martha's Vineyard, Mass.

"Sachem's Head Harbor at Guilford, Conn.

"Poquonock River at Groton, Conn.

"Water route from Albany, N. Y., into Lake Champlain, N. Y. and Vt., including the advisability of modifying existing Federal and State improvements, with due consideration of ultimate connection with the St. Lawrence River in Canada.

"Hammonds Cove entrance to Locust Point Harbor, Long Island Sound, N. Y.

"Indian River Bay to Assawoman Canal known as White's Creek, and up White's Creek, Del.

"Indian River Bay via Pepper's Creek to Dagsboro, Del.

"Chesapeake Bay and tributaries, Maryland, Delaware, and Virginia, with a view to elimination of the water chestnut (*Trapa natans*).

"Area from Cuckold Creek through Neale Creek and Neale Sound to the Wicomico River, Charles County, Md., to determine the feasibility of providing a safe and continuous inland channel for the navigation of small boats.

"Currioman Bay, Va.

"Tabbs Creek, Lancaster County, Va.

"Wrights Creek, N. C.

"Savannah River, with a view to providing 9-foot navigation to Augusta, Ga.

"Little Gasparilla Pass, Charlotte County, Fla.

"Frenchman Creek, Fla.

"Streams and harbor facilities and needs therefor at and in the vicinity of Bayport, Fla., in the interest of present and prospective commerce and other purposes, with the view of improving the harbor facilities of Bayport as a port for commerce and for refuge on the Gulf of Mexico.

"Channel from Lynn Haven Bayou, Fla., into North Bay, Fla.

"Small-boat channel from the port of Panacea, Fla., into Apalachee Bay, Fla.

"Dredged channel, vicinity of Sunshine Skyway, Tampa Bay, Fla.

"Tampa Bay, Fla., with a view to determining the feasibility of a fresh water lake at that location.

"Apalachicola River Chipola Cutoff, Fla., via Wewahitchka, with a view to providing a channel 9 feet deep and 100 feet wide.

"Apalachicola River, Fla., in the vicinity of Bristol and in the vicinity of Blountstown.

"Streams at and in the vicinity of Gulfport, Fla.

"Trinity River, Tex.

"Missouri River, with a view to extending 9-foot navigation from Sioux City, Iowa, to Gavins Point Dam, S. Dak.-Nebr.

"Channel from Port Inland, Mich., to deep water in Lake Michigan.

"Connecting channel between Namakan Lake and Ash River, Minn.

"Camp Pendleton Harbor and Oceanside, Calif., with a view to determining the extent of Federal aid which should be granted toward recommended beach erosion control measures at Oceanside, Calif., in equity without regard to limitations of Federal law applicable to beach erosion control.

"Anaheim Bay, Calif., with a view to determining the extent of Federal aid which should be granted in equity without regard to limitations of Federal law applicable to beach erosion control.

"SEC. 113. Title I may be cited as the 'River and Harbor Act of 1958.'

#### "TITLE II—FLOOD CONTROL

"SEC. 201. That section 3 of the act approved June 22, 1936 (Public Law No. 738, 74th Cong.), as amended by section 2 of the act approved June 28, 1938 (Public Law No. 761, 75th Cong.), shall apply to all works authorized in this title except that for any channel improvement or channel rectification project, provisions (a), (b), and (c) of section 3 of said act of June 22, 1936, shall apply thereto, and except as otherwise provided by law: *Provided*, That the authorization for any flood-control project herein adopted requiring local cooperation shall expire 5 years from the date on which local interests are notified in writing by the Department of the Army of the requirements of local cooperation, unless said interests shall within said time furnish assurances satisfactory to the Secretary of the Army that the required cooperation will be furnished.

"SEC. 202. The provisions of section 1 of the act of December 22, 1944 (Public Law No. 534, 78th Cong., 2d sess.), shall govern with respect to projects authorized in this

act, and the procedures therein set forth with respect to plans, proposals, or reports for works of improvement for navigation or flood control and for irrigation and purposes incidental thereto shall apply as if herein set forth in full.

"Sec. 203. The following works of improvement for the benefit of navigation and the control of destructive floodwaters and other purposes are hereby adopted and authorized to be prosecuted under the direction of the Secretary of the Army and the supervision of the Chief of Engineers in accordance with the plans in the respective reports herein-after designated and subject to the conditions set forth therein: *Provided*, That the necessary plans, specifications, and preliminary work may be prosecuted on any project authorized in this title with funds from appropriations heretofore or hereafter made for flood control so as to be ready for rapid inauguration of a construction program: *Provided further*, That the projects authorized herein shall be initiated as expeditiously and prosecuted as vigorously as may be consistent with budgetary requirements: *And provided further*, That penstocks and other similar facilities adapted to possible future use in the development of hydroelectric power shall be installed in any dam authorized in this act for construction by the Department of the Army when approved by the Secretary of the Army on the recommendation of the Chief of Engineers and the Federal Power Commission.

#### "New Bedford, Fairhaven, and Acushnet, Mass.

"The project for hurricane-flood protection at New Bedford, Fairhaven, and Acushnet, Mass., is hereby authorized substantially in accordance with the recommendations of the Chief of Engineers in Senate Document No. 59, 85th Congress, at an estimated Federal cost of \$10,480,000 and at an estimated Federal cost of maintenance and operation of \$55,000 annually: *Provided*, That in lieu of the local cooperation recommended in the report of the Chief of Engineers in Senate Document No. 59, 85th Congress, local interests (a) contribute 30 percent of the first cost of the project, said 30 percent being presently estimated at \$5,160,000, including the value of lands, easements, and rights-of-way; (b) contribute the capitalized value of annual maintenance and operation for the main harbor barrier presently estimated at \$1,560,000; (c) hold and save the United States free from damages due to the construction works; and (d) maintain and operate all the works except the main harbor barrier after completion in accordance with regulations prescribed by the Secretary of the Army.

#### "Narragansett Bay area, Rhode Island and Massachusetts

"The project for hurricane-flood protection in the Narragansett Bay area, Rhode Island and Massachusetts, is hereby authorized substantially in accordance with the recommendations of the Chief of Engineers in House Document No. 230, 85th Congress, at an estimated Federal cost of \$11,550,000: *Provided*, That in lieu of the local cooperation recommended in the report of the Chief of Engineers in House Document No. 230, 85th Congress, local interests (a) contribute 30 percent of the first cost of the project, said 30 percent being presently estimated at \$4,050,000, including the value of lands, easements, and rights-of-way; (b) hold and save the United States free from damages due to the construction works; and (c) maintain and operate the improvements after completion in accordance with regulations prescribed by the Secretary of the Army.

#### "Connecticut River Basin

"In addition to previous authorizations, there is hereby authorized to be appropriated the sum of \$24 million for the prosecution of the comprehensive plan for the

Connecticut River Basin, approved in the act of June 28, 1938, as amended and supplemented by subsequent acts of Congress, and such comprehensive plan is hereby modified to include the construction of the Littleville Reservoir on the Middle Branch of Westfield River, Mass., substantially in accordance with the recommendations of the Chief of Engineers in Senate Document No. 17, 85th Congress, at an estimated cost of \$5,090,000.

"The project for the Mad River Dam and Reservoir on the Mad River above Winsted, Conn., is hereby authorized substantially in accordance with the recommendations of the Chief of Engineers in House Document No. 137, 85th Congress, at an estimated cost of \$5,430,000.

#### "Housatonic River Basin

"The project for the flood-control dam and reservoir on Hall Meadow Brook in Torrington and Goshen, Conn., is hereby authorized substantially in accordance with the recommendations of the Chief of Engineers in House Document No. 81, 85th Congress, at an estimated cost of \$1,960,000.

"The project for the flood-control dam and reservoir on the East Branch of the Naugatuck River in Torrington, Conn., is hereby authorized substantially in accordance with the recommendations of the Chief of Engineers in House Document No. 81, 85th Congress, at an estimated cost of \$1,780,000.

#### "Susquehanna River Basin

"The project for flood protection on the North Branch of the Susquehanna River, N. Y. and Pa., is hereby authorized substantially in accordance with the recommendations of the Chief of Engineers in House Document No. 394, 84th Congress, and there is hereby authorized to be appropriated the sum of \$30 million for partial accomplishment of that plan.

#### "Hudson River Basin

"The project for flood protection on the Mohawk River, N. Y., is hereby authorized substantially in accordance with the recommendations of the Chief of Engineers in House Document No. 172, 85th Congress, at an estimated cost of \$2,069,000.

#### "Pantero and Cucklers Creek, N. C.

"The project for flood protection on Pantero and Cucklers Creek, N. C., is hereby authorized substantially in accordance with the recommendations of the Chief of Engineers in House Document No. 398, 84th Congress, at an estimated cost of \$413,000.

#### "Savannah River Basin

"In addition to previous authorizations, there is hereby authorized the completion of Hartwell Reservoir, approved in the Flood Control Act of December 22, 1944, and May 17, 1950, in accordance with the report of the Chief of Engineers contained in House Document No. 657, 78th Congress, at an estimated cost of \$44,300,000.

#### "Central and southern Florida

"In addition to previous authorizations, there is hereby authorized to be appropriated the sum of \$40 million for the prosecution of the comprehensive plan for flood control and other purposes in central and southern Florida approved in the act of June 30, 1948, and subsequent acts of Congress, and such comprehensive plan is hereby modified as recommended by the Chief of Engineers in House Document No. 186, 85th Congress, and is further modified to include the following:

"The project for canals, levees, water control structures on the west side of the Everglades agricultural and conservation areas in Hendry County, Fla., substantially in accordance with the recommendations of the Chief of Engineers contained in Senate Document No. 48, 85th Congress, at an estimated cost of \$3,172,000: *Provided*, That cost sharing for the works herein authorized

shall be on the same basis as that prescribed for works authorized in the Flood Control Act of 1954.

*"Mobile River Basin"*

(*"Tombigbee, Warrior, and Alabama-Coosa"*)

"The project for flood control and related purposes on the Tombigbee River and tributaries, Mississippi, and Alabama, is hereby authorized substantially in accordance with recommendations of the Chief of Engineers in his report published as House Document No. 167, 84th Congress, at an estimated cost of \$19,311,000: *Provided*, That in lieu of the cash contribution contained in item (f) of the recommendations of the Chief of Engineers, local interests contribute in cash or equivalent work, the sum of \$1,473,000 in addition to other items of local cooperation.

"The project for flood protection on the Alabama River at Montgomery, Ala., is hereby authorized substantially in accordance with the recommendations of the Chief of Engineers in House Document No. 83, 85th Congress, at an estimated cost of \$1,300,000.

*"Lower Mississippi River"*

"The project for flood control and improvement of the lower Mississippi River adopted by the act approved May 15, 1928, as amended by subsequent acts, is hereby modified and expanded to include the following items and the authorization for said project is increased accordingly:

(a) Modification of the White River backwater project, Arkansas, substantially in accordance with the recommendation of the Chief of Engineers in Senate Document No. 26, 85th Congress, at an estimated cost, over that now authorized, of \$2,380,000 for construction and \$57,000 annually for maintenance: *Provided*, That the Secretary of the Interior shall grant to the White River Drainage District of Phillips and Desha Counties, Ark., such permits, rights-of-way, and easements over lands of the United States in the White River Migratory Refuge, as the Chief of Engineers may determine to be required for the construction, operation, and maintenance of this project.

(b) Modification and extension of plan of improvement in the Boeuf and Tensas Rivers and Bayou Macon Basin, Ark., substantially in accordance with the recommendations of the Chief of Engineers in House Document No. 108, 85th Congress, at an estimated cost of \$1,212,000.

(c) In addition to the previous authorization, the sum of \$28,200,000 for prosecution of the plan of improvement for the control of Old and Atchafalaya Rivers and a navigation lock approved in the act of September 3, 1954.

(d) In addition to previous authorizations, the sum of \$35,674,000 for prosecution of the plan of improvement in the St. Francis River Basin approved in the act of May 17, 1950.

(e) The project for flood protection on Wolf River and tributaries, Tennessee, substantially in accordance with the recommendations of the Chief of Engineers in House Document No. 76, 85th Congress, at an estimated cost of \$1,932,000.

(f) The project for Greenville Harbor, Miss., substantially in accordance with the recommendations of the Mississippi River Commission, dated April 26, 1957, at an estimated cost of \$2,580,000.

"The project for flood protection and related purposes on Bayou Chevreuil, La., is hereby authorized substantially in accordance with the recommendations of the Chief of Engineers in House Document No. 347, 84th Congress, at an estimated cost of \$547,000: *Provided*, That work already performed by local interests on this project, in accordance with the recommended plan as determined by the Chief of Engineers, may be credited to the cash contribution required of local interests.

*"Trinity River Basin, Tex."*

"Notwithstanding clause (b) of paragraph 5 of the report of the Chief of Engineers dated May 28, 1954, with respect to the project for the Navarro Mills Reservoir on Richland Creek, Tex., authorized by section 203 of the Flood Control Act of 1954, local interests shall be required to pay \$300,000 as the total cost of the project attributable to increase in net returns from higher utilization of the downstream valley lands.

*"Red-Ouachita River Basin"*

"The general plan for flood control on Red River, Tex., Okla., Ark., and La., below Denison Dam, Tex. and Okla., as authorized by the Flood Control Act of 1946, is modified and expanded, at an estimated cost in addition to that now authorized of \$53,235,000, substantially in accordance with the recommendations of the Chief of Engineers in House Document No. 170, 85th Congress, on Millwood Reservoir and alternate reservoirs, Little River, Okla. and Ark., except as follows:

(1) All flood-control and land-enhancement benefits shall be nonreimbursable.

(2) Penstocks or other facilities, to provide for future power installations, shall be provided in the reservoirs to be constructed above the Millwood Reservoir.

*"Gulf of Mexico"*

"The project for hurricane-flood protection on Galveston Bay, Tex., at and in the vicinity of Texas City, is hereby authorized substantially in accordance with the recommendations of the Chief of Engineers in House Document No. 347, 85th Congress, at an estimated Federal cost of \$5,662,000: *Provided*, That in lieu of the local cooperation recommended in the report of the Chief of Engineers in House Document No. 347, 85th Congress, local interests (a) contribute 30 percent of the first cost of the project, said 30 percent being presently estimated at \$2,427,000, including the cost of lands, easements, and rights-of-way; (b) contribute, at their option, the additional cost of providing ramps in lieu of closure structures presently estimated at \$200,000; (c) hold and save the United States free from damages due to the construction works; and (d) maintain and operate all the works after completion.

*"Arkansas River Basin"*

"The project for the Trinidad Dam on Purgatoire River, Colo., is hereby authorized substantially in accordance with the recommendations of the Chief of Engineers in House Document No. 325, 84th Congress, at an estimated cost of \$16,628,000.

"The first section of the act entitled 'An act to provide for the construction of the Markham Ferry project on the Grand River in Oklahoma by the Grand River Dam Authority, an instrumentality of the State of Oklahoma,' approved July 6, 1954 (68 Stat. 450), is amended by inserting after 'as recommended by the Chief of Engineers,' the following: 'or such additional flood storage or pool elevations, or both, as may be approved by the Chief of Engineers.'

*"White River Basin"*

"In addition to previous authorizations, there is hereby authorized the sum of \$57 million for the prosecution of the comprehensive plan for the White River Basin, approved in the act of June 28, 1938, as amended and supplemented by subsequent acts of Congress, and such comprehensive plan is hereby modified to provide that penstocks or other facilities, to provide for future power installations, shall be provided in the Lone Rock Reservoir.

*"Pecos River Basin"*

"The project for flood protection on the Pecos River at Carlsbad, N. Mex., is hereby authorized substantially in accordance with the recommendations of the Chief of Engi-

neers in House Document No. 224, 85th Congress, at an estimated Federal cost of \$1,791,200.

*"Rio Grande Basin"*

"The project for flood protection on the Rio Grande at Socorro, N. Mex., is hereby authorized substantially in accordance with the recommendations of the Chief of Engineers in Senate Document No. 58, 85th Congress, at an estimated Federal cost of \$3,102,700.

*"Upper Mississippi River Basin"*

"In addition to previous authorizations, there is hereby authorized to be appropriated the sum of \$21 million for the prosecution of the comprehensive plan for the upper Mississippi River Basin, approved in the act of June 28, 1938, as amended and supplemented by subsequent acts of Congress.

"The project for flood protection on the Rock and Green Rivers, Ill., is hereby authorized substantially in accordance with the recommendations of the Chief of Engineers in House Document No. 173, 85th Congress, at an estimated cost of \$6,996,000.

"The project for flood protection on the Eau Galle River at Spring Valley, Wis., is hereby authorized substantially in accordance with recommendations of the Chief of Engineers in Senate Document No. 52, 84th Congress, at an estimated cost of \$6,690,000.

"The project for flood protection on the Mississippi River at Winona, Minn., is hereby authorized substantially in accordance with the recommendations of the Chief of Engineers in House Document No. 324, 84th Congress, at an estimated cost of \$1,620,000.

"The projects for flood protection on the Mississippi River at St. Paul and South St. Paul, Minn., are hereby authorized substantially in accordance with the recommendations of the Chief of Engineers in House Document No. 223, 85th Congress, at an estimated cost of \$5,705,500.

"The project for flood protection on the Minnesota River at Mankato and North Mankato, Minn., is hereby authorized substantially as recommended by the Chief of Engineers in House Document No. 437, 84th Congress, at an estimated cost of \$1,870,000.

"The project for the Saylorville Reservoir on the Des Moines River, Iowa, is hereby authorized substantially in accordance with the recommendations of the Chief of Engineers in Senate Document No. 9, 85th Congress, at an estimated cost of \$44,500,000: *Provided*, That if the reservoir is used for water conservation, such use shall be in accord with title III of this act.

"The project for the Kaskaskia River, Ill., is hereby authorized substantially as recommended by the Chief of Engineers in House Document No. 232, 85th Congress, at an estimated cost of \$23 million.

"The project for flood protection on the Root River at Rushford, Minn., is hereby authorized substantially as recommended by the Chief of Engineers, in House Document No. 431, 84th Congress, at an estimated cost of \$796,000.

*"Great Lakes Basin"*

"The project for flood protection on the Bad River at Mellen and Odanah, Wis., is hereby authorized substantially in accordance with the recommendations of the Chief of Engineers in House Document No. 165, 84th Congress, at an estimated cost of \$917,000.

"The project for flood protection on the Kalamazoo River at Kalamazoo, Mich., is hereby authorized substantially in accordance with the recommendations of the Chief of Engineers in Senate Document No. 53, 84th Congress, at an estimated cost of \$5,358,000.

"The project for flood protection on the Grand River, Mich., is hereby authorized substantially in accordance with the recommendations of the Chief of Engineers in

Senate Document No. 132, 84th Congress, at an estimated cost of \$9,825,000.

"The project for flood protection on the Saginaw River, Mich., is hereby authorized substantially in accordance with the recommendations of the Chief of Engineers in House Document No. 346, 84th Congress, at an estimated cost of \$16,085,000.

"The project for flood protection on Owasco Outlet, tributary of Oswego River, at Auburn, N. Y., is hereby authorized substantially in accordance with the recommendations of the Chief of Engineers in Senate Document No. 133, 84th Congress, at an estimated cost of \$305,000.

*"Missouri River Basin"*

"In addition to previous authorizations, there is hereby authorized to be appropriated the sum of \$200 million for the prosecution of the comprehensive plan for the Missouri River Basin, approved in the act of June 28, 1938, as amended and supplemented by subsequent acts of Congress: *Provided*, That with respect to any power attributable to any dam in such plan to be constructed by the Corps of Engineers, the construction of which has not been started, a reasonable amount of such power as may be determined by the Secretary of Interior, or such portions thereof as may be required from time to time to meet loads under contract made within this reservation, shall be made available for use in the State where such dam is constructed: *Provided*, That the distribution of such power shall not be inconsistent with the provisions of section 5 of the Flood Control Act of 1944.

"The Secretary of the Army, acting through the Corps of Engineers, is authorized and directed to undertake the construction and to provide suitable sewer facilities, conforming to applicable standards of the South Dakota Department of Health, to replace certain existing water or sewer facilities of (1) the Saint Joseph's Indian School, Chamberlain, S. Dak., by facilities to provide for treatment of sewage or connection to the city system not exceeding \$42,000 in cost; (2) Fort Pierre, S. Dak., sewer facilities not exceeding \$120,000, and water facilities not exceeding \$25,000; and (3) the city of Pierre, S. Dak., sewer facilities not exceeding \$210,000; and the Secretary of the Army, acting through the Corps of Engineers, is further authorized and directed to pay to the Chamberlain Water Co., Chamberlain, S. Dak., as reimbursement for removal expenses, not to exceed \$5,000, under the provisions of Public Law 534, 82d Congress: *Provided*, That the Secretary of the Army is authorized to provide the sums necessary to carry out the provisions of this paragraph out of any sums appropriated for the construction of the Oahe and Fort Randall Dam and Reservoir projects, Missouri River.

"The project for flood protection on the Sun River at Great Falls, Mont., is hereby authorized substantially in accordance with the recommendations of the Chief of Engineers in House Document No. 343, 85th Congress, at an estimated cost of \$1,405,000.

"The project for flood protection on the Cannonball River at Mott, N. Dak., is hereby authorized substantially in accordance with the recommendations of the Chief of Engineers in House Document No. 35, 85th Congress, at an estimated cost of \$434,000.

"The project for flood protection on the Floyd River, Iowa, is hereby authorized substantially as recommended by the Chief of Engineers in House Document No. 417, 84th Congress, at an estimated cost of \$8,060,000.

"The project for flood protection on the Black Vermillion River at Frankfort, Kans., is hereby authorized substantially as recommended by the Chief of Engineers in House Document No. 409, 84th Congress, at an estimated cost of \$850,000.

"The project for flood protection in the Cering and Mitchell Valleys, Nebraska, is

hereby authorized substantially as recommended by the Chief of Engineers in Senate Document No. 139, 84th Congress, at an estimated cost of \$1,214,000.

"The project for flood control on Salt Creek and tributaries, Nebraska, is hereby authorized substantially as recommended by the Chief of Engineers in House Document No. 396, 84th Congress, at an estimated cost of \$13,314,000.

"The project for flood protection on Shell Creek, Nebraska, is hereby authorized substantially in accordance with the recommendations of the Chief of Engineers in House Document No. 187, 85th Congress, at an estimated cost of \$2,025,000.

*"Red River of the North Basin"*

"The project for flood protection on Ruffy Brook and Lost River, Minn., is hereby authorized substantially in accordance with the recommendations of the Chief of Engineers in Senate Document No. 141, 84th Congress, at an estimated cost of \$632,000.

*"Ohio River Basin"*

"The project for the Saline River and tributaries, Illinois, is hereby authorized substantially in accordance with the recommendations of the Chief of Engineers in his report published as House Document No. 316, 84th Congress, at an estimated cost of \$5,917,000: *Provided*, That in lieu of the cash contribution recommended by the Chief of Engineers, local interests contribute in cash, the sum of \$286,000, in addition to other items of local cooperation.

"The project for the upper Wabash River and tributaries, Indiana, is hereby authorized substantially in accordance with the recommendations of the Chief of Engineers in House Document No. 435, 84th Congress, at an estimated cost of \$45,500,000.

"The project for flood protection on Brush Creek at Princeton, W. Va., is hereby authorized substantially in accordance with the recommendations of the Chief of Engineers in Senate Document No. 122, 84th Congress, at an estimated cost of \$917,000.

"The project for flood protection on Meadow River at East Rainelle, W. Va., is hereby authorized substantially in accordance with the recommendations of the Chief of Engineers in Senate Document No. 137, 84th Congress, at an estimated cost of \$708,000.

"The project for flood protection on the Tug Fork of Big Sandy River at Williamson, W. Va., is hereby authorized substantially in accordance with the recommendations of the Chief of Engineers in Senate Document No. 105, 85th Congress, at an estimated cost of \$625,000.

"The project for flood protection on Lake Chautauqua and Chadakoin River at Jamestown, N. Y., is hereby authorized substantially in accordance with the recommendations of the Chief of Engineers in Senate Document No. 103, 84th Congress, at an estimated cost of \$4,796,000.

"The project for flood protection on the West Branch of the Mahoning River, Ohio, is hereby authorized substantially in accordance with the recommendations of the Chief of Engineers in House Document No. 191, 85th Congress, at an estimated cost of \$12,585,000.

"The project for flood protection on Chartiers Creek, at and in the vicinity of Washington, Pa., is hereby authorized substantially in accordance with the recommendations of the Chief of Engineers in House Document No. 286, 85th Congress, at an estimated cost of \$1,286,000.

"The project for flood protection on Sandy Lick Creek at Brookville, Pa., is hereby authorized substantially in accordance with the recommendations of the Chief of Engineers in House Document No. 166, 85th Congress, at an estimated cost of \$1,188,000.

"The project for flood control, and other purposes, in the Turtle Creek Basin, Pa., is hereby authorized substantially

in accordance with the recommendations of the Chief of Engineers in House Document No. 390, 85th Congress, at an estimated cost of \$13,417,000.

"The general comprehensive plan for flood control and other purposes in the Ohio River Basin is modified to provide for a reservoir at the Monroe Reservoir site, mile 25.6, on Salt Creek, White River Basin, Ind., in accordance with the recommendations of the Chief of Engineers in House Document No. 192, 85th Congress, at an estimated cost of \$4,359,000.

*"Sacramento River Basin"*

"In addition to previous authorizations, there is hereby authorized to be appropriated the sum of \$17 million for the prosecution of the comprehensive plan approved in the act of December 22, 1944, as amended and supplemented by subsequent acts of Congress.

"The project for flood protection on the Sacramento River from Chico Landing to Red Bluff, Calif., is hereby authorized substantially in accordance with the recommendations of the Chief of Engineers in House Document No. 272, 84th Congress, at an estimated cost of \$1,560,000.

*"Eel River Basin"*

"The project for flood protection on the Eel River in the Sandy Prairie region, California, is hereby authorized substantially in accordance with the recommendations of the Chief of Engineers, in House Document No. 80, 85th Congress, at an estimated cost of \$707,000.

*"Weber River Basin, Utah"*

"The project for flood protection on the Weber River and tributaries, Utah, is hereby authorized substantially in accordance with the recommendations of the Chief of Engineers in House Document No. 158, 84th Congress, at an estimated cost of \$520,000.

*"San Joaquin River Basin"*

"In addition to previous authorizations, there is hereby authorized to be appropriated the sum of \$13 million for the prosecution of the comprehensive plan approved in the act of December 22, 1944, as amended and supplemented by subsequent acts of Congress.

*"Kaweah and Tule River Basins"*

"In addition to previous authorizations, the completion of the comprehensive plan approved in the act of December 22, 1944, as amended and supplemented by subsequent acts of Congress is hereby authorized at an estimated cost of \$28 million.

*"Los Angeles River Basin"*

"In addition to previous authorizations, there is hereby authorized to be appropriated the sum of \$44 million for the prosecution of the comprehensive plan approved in the act of August 18, 1941, as amended and supplemented by subsequent acts of Congress.

*"Santa Ana River Basin"*

"In addition to previous authorizations, there is hereby authorized to be appropriated the sum of \$8 million for the prosecution of the comprehensive plan approved in the act of June 22, 1936, as amended and supplemented by subsequent acts of Congress.

*"San Dieguito River Basin"*

"The project for the San Dieguito River, Calif., is hereby authorized substantially in accordance with the recommendations of the Chief of Engineers in House Document No. 288, 85th Congress, at an estimated cost of \$1,961,000.

*"Columbia River Basin"*

"In addition to previous authorizations, there is hereby authorized to be appropriated the sum of \$112 million for the prosecution of the projects and plans for the Columbia River Basin, including the Willam-

ette River Basin, authorized by the Flood Control Act of June 28, 1938, and subsequent acts of Congress, including the Flood Control Acts of May 17, 1950, and September 3, 1954.

"In carrying out the review of House Document No. 531, 81st Congress, 2d session, and other reports on the Columbia River and its tributaries, pursuant to the resolution of the Committee on Public Works of the United States Senate dated July 28, 1955, the Chief of Engineers shall be guided by flood-control goals not less than those contained in said House Document No. 531.

"The preparation of detailed plans for the Brices Eddy Dam and Reservoir on the North Fork of the Clearwater River, Idaho, substantially in accordance with the recommendations of the Chief of Engineers in Senate Document No. 51, 84th Congress, is hereby authorized at an estimated cost of \$1,200,000.

*"Sammamish River Basin"*

"The project for flood protection and related purposes on the Sammamish River, Wash., is hereby authorized substantially as recommended by the Chief of Engineers in House Document No. 157, 84th Congress, at an estimated cost of \$825,000.

*"Territory of Alaska"*

"The project for flood protection on Chena River at Fairbanks, Alaska, is hereby authorized substantially in accordance with the recommendations of the Chief of Engineers in House Document No. 137, 84th Congress, at an estimated cost of \$9,727,000.

"The project for flood protection at Cook Inlet, Alaska (Talkeetna), is hereby authorized substantially in accordance with the recommendations of the Chief of Engineers in House Document No. 34, 85th Congress, at an estimated cost of \$64,900.

"SEC. 204. That, in recognition of the flood-control accomplishments of the multiple-purpose Oroville Dam and Reservoir, proposed to be constructed on the Feather River by the State of California, there is hereby authorized to be appropriated a monetary contribution toward the construction cost of such dam and reservoir and the amount of such contribution shall be determined by the Secretary of the Army in cooperation with the State of California, subject to a finding by the Secretary of the Army, approved by the President, of economic justification for allocation of the amount of flood control, such funds to be administered by the Secretary of the Army: *Provided*, That prior to making the monetary contribution or any part thereof, the Department of the Army and the State of California shall have entered into an agreement providing for operation of the Oroville Dam in such manner as will produce the flood-control benefits upon which the monetary contribution is predicated, and such operation of the dam for flood control shall be in accordance with rules prescribed by the Secretary of the Army pursuant to the provisions of section 7 of the Flood Control Act of 1955 (58 Stat. 890): *Provided further*, That the funds appropriated under this authorization shall be administered by the Secretary of the Army in a manner which shall assure that the annual Federal contribution during the project construction period does not exceed the percentage of the annual expenditure for the Oroville Dam and Reservoir which the total flood-control contribution bears to the total cost of the dam and reservoir: *And provided further*, That, unless construction of the Oroville Dam and Reservoir is undertaken within 4 years from the date of enactment of this act, the authority for the monetary contribution contained herein shall expire.

"SEC. 205. (a) In order to provide adjustments in the lands or interests in land heretofore acquired for the Grapevine Garza-Little Elm, Benbrook, Belton, and Whitney

Reservoir projects in Texas to conform such acquisition to a lesser estate in lands now being acquired to complete the real-estate requirements of the projects the Secretary of the Army (hereinafter referred to as the "Secretary") is authorized to reconvey any such land heretofore acquired to the former owners thereof whenever he shall determine that such land is not required for public purposes, including public recreational use, and he shall have received an application for reconveyance as hereinafter provided, subject to the following limitations:

"(1) No reconveyance shall be made if within 30 days after the last date that notice of the proposed reconveyance has been published by the Secretary in a local newspaper, an objection in writing is received by the former owner and the Secretary from a present record owner of land abutting a portion of the reservoir made available for reconveyance, unless within 90 days after receipt by the former owner and the Secretary of such notice of objection, the present record owner of land and the former owner involved indicate to the Secretary that agreement has been reached concerning the reconveyance.

"(2) If no agreement is reached between the present record owner of land and the former owner within 90 days after notice of objection has been filed with the former owner and the Secretary, the land made available for reconveyance in accordance with this section shall be reported to the Administrator of General Services for disposal in accordance with the Federal Property and Administrative Services Act of 1949, as amended (63 Stat. 377).

"(3) No lands heretofore conveyed to the United States Government by the city of Dallas in connection with the Garza-Little Elm Reservoir project shall be subject to revestment of title to private owners, but shall remain subject to the terms and conditions of the instrument or instruments of conveyance which transferred the title to the United States Government.

"(b) Any such reconveyance of any such land or interests shall be made only after the Secretary (1) has given notice, in such manner (including publication) as regulations prescribe to the former owner of such land or interests, and (2) has received an application for the reconveyance of such land or interests from such former owner in such form as he shall by regulation prescribe. Such application shall be made within a period of 90 days following the date of issuance of such notice, but on good cause the Secretary may waive this requirement.

"(c) Any reconveyance of land therein made under this section shall be subject to such exceptions, restrictions, and reservations (including a reservation to the United States of flowage rights) as the Secretary may determine are in the public interest, except that no mineral rights may be reserved in said lands unless the Secretary finds that such reservation is needed for the efficient operation of the reservoir projects designated in this section.

"(d) Any land reconveyed under this section shall be sold for an amount determined by the Secretary to be equal to the price for which the land was acquired by the United States, adjusted to reflect (1) any increase in the value thereof resulting from improvements made thereon by the United States (the Government shall receive no payment as a result of any enhancement of values resulting from the construction of the reservoir projects specified in subsection (a) of this section), or (2) any decrease in the value thereof resulting from (A) any reservation, exception, restrictions, and condition to which the reconveyance is made subject, and (B) any damage to the land caused by the United States. In addition, the cost of any surveys or boundary markings necessary as an incident of such reconveyance shall be borne by the grantee.

"(e) The requirements of this section shall not be applicable with respect to the disposition of any land, or interest therein, described in subsection (a) if the Secretary shall certify that notice has been given to the former owner of such land or interest as provided in subsection (b) and that no qualified applicant has made timely application for the reconveyance of such land or interest.

"(f) As used in this section the term "former owner" means the person from whom any land, or interests therein, was acquired by the United States, or if such person is deceased, his spouse, or if such spouse is deceased, his children, or the heirs at law; and the term "present record owner of land" shall mean the person or persons in whose name such land shall, on the date of approval of this act, be recorded on the deed records of the respective county in which such land is located.

"(g) The Secretary of the Army may delegate any authority conferred upon him by this section to any officer or employee of the Department of the Army. Any such officer or employee shall exercise the authority so delegated under rules and regulations approved by the Secretary.

"(h) Any proceeds from reconveyances made under this act shall be covered into the Treasury of the United States as miscellaneous receipts.

"(i) This section shall terminate 3 years after the date of its enactment.

"SEC. 206. The Secretary of the Army is hereby authorized and directed to cause surveys for flood control and allied purposes, including channel and major drainage improvements, and floods aggravated by or due to wind or tidal effects, to be made under the direction of the Chief of Engineers, in drainage areas of the United States and its Territorial possessions, which include the following-named localities: *Provided*, That after the regular or formal reports made on any survey are submitted to Congress, no supplemental or additional report or estimate shall be made unless authorized by law except that the Secretary of the Army may cause a review of any examination or survey to be made and a report thereon submitted to Congress if such review is required by the national defense or by changed physical or economic conditions: *Provided further*, That the Government shall not be deemed to have entered upon any project for the improvement of any waterway or harbor mentioned in this title until the project for the proposed work shall have been adopted by law:

"Short Sands section of York Beach, York County, Maine.

"Streams, river basins, and areas in New York and New Jersey for flood control, major drainage, navigation, channel improvement, and land reclamation, as follows: Hackensack River, Passaic River, Raritan River, Arthur Kill, and Kill Van Kull, including the portions of these river basins in Bergen, Hudson, Essex, Middlesex, Passaic, Union, and Monmouth Counties, N. J.

"Deep Creek, St. Marys County, Md.

"Mills Creek, Fla.

"Streams in Seminole County, Fla., draining into the St. Johns River.

"Streams in Brevard County, Fla., draining Indian River and adjacent coastal areas including Merritt Island, and the area of Turnbull Hammock in Volusia County.

"Lake Ponchartrain, La., in the interest of protecting Salt Bayou Road.

"San Felipe Creek, Tex., at and in the vicinity of Del Rio, Tex.

"El Paso, El Paso County, Tex.

"Rio Grande and tributaries, at and in the vicinity of Fort Hancock, Hudspeth County, Tex.

"Missouri River Basin, S. Dak., with reference to utilization of floodwaters stored in authorized reservoirs for purposes of municipal and industrial use and maintenance of natural lake levels.

"Stump Creek, tributary of North Fork of Mahoning Creek, at Sykesville, Pa.

"Little River and Cayuga Creek, at and in the vicinity of Cayuga Island, Niagara County, N. Y.

"Bird, Caney, and Verdigris Rivers, Okla., and Kans.

"Watersheds of the Illinois River, at and in the vicinity of Chicago, Ill., the Chicago River, Ill., the Calumet River, Ill., and Ind., and their tributaries, and any areas in northeast Illinois and northwest Indiana which drain directly into Lake Michigan with respect to flood control and major drainage problems.

"All streams flowing into Lake Saint Clair and Detroit River in Oakland, Macomb, and Wayne Counties, Mich.

"Sacramento River Basin, Calif., with reference to cost allocation studies for Oroville Dam.

"Pasadero Creek, Calif.

"Soquel Creek, Calif.

"San Gregorio Creek and tributaries, California.

"Redwood Creek, San Mateo, Calif.

"Streams at and in the vicinity of San Mateo, Calif.

"Streams at and in the vicinity of South San Francisco, Calif.

"Streams at and in the vicinity of Burlingame, Calif.

"Kellogg and Marsh Creeks, Contra Costa County, Calif.

"Eastkoot Creek, Stinson Beach area, Marin County, Calif.

"Rodeo Creek, tributary of San Pablo Bay, Contra Costa County, Calif.

"Pinole Creek, tributary of San Pablo Bay, Contra Costa County, Calif.

"Rogue River, Oreg., in the interest of flood control, navigation, hydroelectric power, irrigation, and allied purposes.

"Kihel District, Island of Maui, Territory of Hawaii.

**SEC. 207.** In addition to previous authorizations, there is hereby authorized to be appropriated the sum of \$200 million for the prosecution of the comprehensive plan adopted by section 9 (a) of the act approved December 22, 1944 (Public No. 534, 78th Cong.), as amended and supplemented by subsequent Acts of Congress, for continuing the works in the Missouri River Basin to be undertaken under said plans by the Secretary of the Interior.

**SEC. 208.** That for preliminary examinations and surveys authorized in previous river and harbor and flood control acts, the Secretary of the Army is hereby directed to cause investigations and reports for flood control and allied purposes, to be prepared under the supervision of the Chief of Engineers in the form of survey reports, and that preliminary examination reports shall no longer be required to be prepared.

**Sec. 209.** Title II may be cited as the "Flood Control Act of 1958."

#### TITLE III—WATER SUPPLY

**SEC. 301.** (a) It is hereby declared to be the policy of the Congress to recognize the primary responsibilities of the States and local interests in developing water supplies for domestic, municipal, industrial, and other purposes and that the Federal Government should participate and cooperate with States and local interests in developing such water supplies in connection with the construction, maintenance, and operation of Federal navigation, flood control, irrigation, or multiple-purpose projects.

(b) In carrying out the policy set forth in this section, it is hereby provided that storage may be included in any reservoir project surveyed, planned, constructed, or to be planned, surveyed, and/or constructed by the Corps of Engineers or the Bureau of Reclamation to impound water for present or anticipated future demand or need for municipal or industrial water, and the rea-

sonable value thereof may be taken into account in estimating the economic value of the entire project: *Provided*, That before construction or modification of any project including water supply provisions is initiated, State or local interests shall agree to pay for the cost of such provisions on the basis that all authorized purposes served by the project shall share equitably in the benefits of multiple-purpose construction as determined by the Secretary of the Army or the Secretary of the Interior as the case may be: *Provided further*, That not to exceed 30 percent of the total estimated cost of any project may be allocated to anticipated future demands where States or local interests give reasonable assurances that they will contract for the use of storage for anticipated future demands within a period of time which will permit paying out the costs allocated to water supply within the life of the project: *And provided further*, That the entire amount of the construction costs, including interest during construction, allocated to water supply shall be repaid within the life of the project, but in no event to exceed 50 years after the project is first used for the storage of water for water supply purposes, except that (1) no payment need be made with respect to storage for future water supply until such supply is first used, and (2) no interest shall be charged on such cost until such supply is first used, but in no case shall the interest-free period exceed 10 years. The interest rate used for purposes of computing interest during construction and interest on the unpaid balance shall be determined by the Secretary of the Treasury, as of the beginning of the fiscal year in which construction is initiated, on the basis of the computed average interest rate payable by the Treasury upon its outstanding marketable public obligations, which are neither due nor callable for redemption for 15 years from date of issue. The provisions of this subsection insofar as they relate to the Bureau of Reclamation and the Secretary of the Interior shall be alternative to and not a substitute for the provisions of the Reclamation Projects Act of 1939 (53 Stat. 1187) relating to the same subject.

(c) The provisions of this section shall not be construed to modify the provisions of section 1 and section 8 of the Flood Control Act of 1944 (58 Stat. 887), as amended and extended, or the provisions of section 8 of the Reclamation Act of 1902 (32 Stat. 390), nor shall any storage provided under the provisions of this section be operated in such manner as to adversely affect the lawful uses of the water.

(d) Modifications of a reservoir project heretofore authorized, surveyed, planned, or constructed to include storage as provided in subsection (b), which would seriously affect the purposes for which the project was authorized, surveyed, planned, or constructed, or which would involve major structural or operational changes shall be made only upon the approval of Congress as now provided by law.

**Sec. 302.** Title III may be cited as the "Water Supply Act of 1958."

**THE SPEAKER.** Is a second demanded?

**Mr. McGREGOR.** Mr. Speaker, I demand a second.

**THE SPEAKER.** Without objection, a second will be considered as ordered.

There was no objection.

**Mr. DAVIS of Tennessee.** Mr. Speaker, I yield myself 2 minutes.

**Mr. Speaker,** I should like to pay tribute to the members of the Committee on Public Works on both sides of the aisle for the very fine and faithful and hard work and attention they have given this bill. Especially would I like to pay

tribute and express appreciation to the senior member of the committee on the minority side, the gentleman from Ohio [Mr. McGREGOR] for his very thorough and wholehearted consideration.

This bill comes to you, Mr. Speaker, with but about three or possibly four very minor differences, so minor that I am hopeful that there will be no trouble in securing a signature to this bill after the conference.

**Mr. ASPINALL.** Mr. Speaker, will the gentleman yield for a question?

**Mr. DAVIS of Tennessee.** I yield to the gentleman from Colorado.

**Mr. ASPINALL.** Mr. Speaker, this bill does not contain one bit of benefit for the vast area which I represent, but I am in accord with what it purports to do and intend to support it wholeheartedly. However, I do have one question which I should like to propound to the author of the bill. I should like to ask the author of the bill and chairman of the subcommittee handling this legislation one question with respect to the language in subsection (e) of section 301 which states that the storage authorized for municipal and industrial water shall not be operated in such manner as to adversely affect the lawful uses of the water. I am pleased to see that language included and I interpret this language as protecting all uses of water for which rights have been initiated or perfected under the laws of the several States. I would like to ask the subcommittee chairman if my interpretation of this language is correct?

**Mr. DAVIS of Tennessee.** I am glad to say that the interpretation given the language by the distinguished gentleman is correct.

**Mr. ASPINALL.** I thank the gentleman.

**Mr. McGREGOR.** Mr. Speaker, I certainly appreciate the kind comments of the subcommittee chairman, the gentleman from Tennessee [Mr. Davis]. I, too, want to pay my respects to the majority side as well as to the minority Members and to our staff for the tremendous work that they have done in this particular legislation over a period of nearly 4 years.

Mr. Speaker, H. R. 12955, which is now before the House, for consideration is a compromise River and Harbor and Flood Control bill, containing authorizations that substantially follow the recommendations of the Secretary of the Army, the Chief of Engineers, and the Bureau of the Budget. Hence the bill now more closely adheres to established policy with respect to the approval of Navigation, beach erosion, and flood control projects. The President, in his veto message, stressed the point that S. 497 departed from this policy in too many instances and the Committee has worked diligently to meet the President's objections and be in conformity with the law.

Section 202 of the River and Harbor and Flood Control Act of 1954 declares it to be the policy of Congress that—

No project or any modification not authorized, of a project for flood control or rivers and harbors, shall be authorized by the Congress unless a report for such project or modification has been previously sub-

mitted by the Chief of Engineers, United States Army, in conformity with existing law.

There has been a genuine spirit of compromise and the minority has worked along with the majority to attain a bill that may meet with the President's approval and we of the minority go along with H. R. 12955 with this end in view.

When S. 497, the bill which was vetoed by the President, was reported to the House it carried 18 projects amounting to more than \$300 million to which the minority objected on the basis of adverse recommendations by the Chief of Engineers and the Bureau of the Budget as follows, and therefor was not in conformity with the law:

*Project and estimated project costs*

<b>Title I—Rivers and Harbors:</b>	
LaQuinta Channel, Tex.	\$954,000
Water-hyacinth control	15,062,500
<b>Title II—Flood Control:</b>	
Mohawk River at Rome, N. Y.	240,000
Hendry County, Fla.	3,172,000
Tombigbee River Basin, Ala. and Miss.	19,199,000
White River Backwater, Ark.	2,380,000
Boeuf, Tensas, and Bayou Macon, Ark.	1,212,000
Greenville Harbor, Miss.	2,530,000
Red-Ouachita River Basin, Ark. and Okla., Millwood and alternatives	109,480,000
White River Basin, Gilbert and Lone Rock Reservoirs, Ark.	57,000,000
Pecos River at Carlsbad, N. Mex.	2,066,000
Rio Grande at Socorro, N. Mex.	3,152,000
Saylorville Reservoir, Iowa	44,500,000
Kaskaskia River, Ill.	23,000,000
Saline River and tributaries, Ill.	5,970,000
Oahe Dam, S. Dak., damages	42,000
Buchanan Reservoir, Calif.	10,900,000
Hidden Reservoir, Calif.	12,500,000
<b>Grand total</b>	<b>303,359,500</b>

\* Costs for 5-year program.

\* S. 497 as reported fails to make provision for cost of modifications of Corps of Engineers report estimated by the Corps of Engineers at \$56,245,000.

\* S. 497 as reported provides for authorization of additional features in White River Basin costing \$57,000,000 which is the amount added to the basin authorization.

Prior to reporting S. 497 the minority members of the Committee on Public Works had succeeded in either amending or deleting a number of other projects subject to the same objections.

The President, in his veto of S. 497, sustained the position taken by the minority.

H. R. 12955 definitely modifies the project authorizations in controversy to make the bill an acceptable compromise. With reservations with respect to the White River Basin, Saline River, Ill., and items which may be resolved in conference, the minority feels that the authorizations in H. R. 12955 have been brought into substantial conformity with the recommendations of the Chief of Engineers and the Bureau of the Budget and, in general, meet objections heretofore expressed by the minority.

It has been the constant objective of the minority to bring all authorizations

into conformity with procedures heretofore established by Congress for the consideration and approval of river and harbor, beach erosion, and flood-control projects.

Mr. Speaker, I yield to the gentleman from Florida [Mr. CRAMER].

Mr. CRAMER. Mr. Speaker, I join in the remarks made by the distinguished ranking minority member of our committee, the gentleman from Ohio [Mr. McGREGOR].

I support this bill, having myself introduced H. R. 12335, which has the same objective of getting action on the Omnibus Rivers and Harbors bill which has lain dormant since the President's veto of S. 497 on April 15 of this year. This action adheres to the ground rules laid down in the President's veto message requiring a uniform standard to be applied to all public works projects, calling for fiscal responsibility in such projects and cutting out the pork in the bill.

My bill would have accomplished this, as does the present bill, in that this bill conforms to the recommendations of the Bureau of the Budget and the Army Engineers it brings into conformity those 18 projects to which the minority objected in their presentation on the floor during debate of S. 497 and in the minority report on the bill. Thus, the objections of the minority to the total of \$303,359,500 authorization as contained in those 18 projects has substantially been complied with. I believe that the President will sign this bill in that his veto objections are being met to a greater extend than in any vetoed bill within my recollection.

Thus, the pork has been trimmed from the bill and uniform standards have been observed. Two minor exceptions, referred to in the minority views on page 2 of the report, are taken to the bill by the minority. They relate to Lone Rock Reservoir in that the minority believes that the installation of penstocks should be discretionary with the Army engineers and, relating to Saline River, where a dispute over the amount of local contributions involved only the difference between \$5,917,000 and \$5,272,000 in Federal cost.

Incidentally, on the floor during the debate of S. 497, I stated repeatedly that I hope that the majority would agree to the minority amendments, thus bringing the bill into conformity with the Bureau of the Budget and Army engineers reports, and thus making acceptable to the President. I regret that every effort to acquire this conformity—a concept wholly accepted in the present bill—was repeatedly beaten down. As examples: My position on Millwood during debate on S. 497 was sustained, as appears in the report on this bill on page 91 where it is stated: "The committee, after careful consideration, has deleted the provision which would authorize Sherwood Reservoir, thus bringing the project to be authorized into accord with that recommended by the Chief of Engineers"; and my position on the Gilbert and Lone Rock Reservoirs acknowledging the lack of economic justification under established standards for judging same. On

the water-hyacinth matter on which I introduced an amendment during consideration of S. 497, this bill conforms within a few dollars to that amendment, providing for a 70-percent Federal participation, which was agreed to by the Bureau of the Budget and which I announced on the floor that at that time I thought they would agree to because it was a newly authorized type of program and an amount that conforms to other programs such as hurricane protection and beach erosion where Federal contribution is 70 percent.

The urgency of this bill at this time is evidenced by the fact that there are some six basin authorizations that have run out of money authorization, they include the central and southern flood control in Florida, and the \$5,250,000 contained in the public works appropriation bill soon to come up on the floor. As is the case in the other five, they would be of little value for authorization for spending must precede the funds. Thus these basins would be at a standstill without this bill. Also some other 10 projects included in this authorization bill which were also contained in the appropriation bill could not go forward—and likely would be subject to a point of order without the passage of this bill preceding the appropriations bill.

As I see it the urgency of the situation has forced this omnibus authorization bill out and I am glad that a sound bill will at last pass the House after 4 years of effort on the part of many of us to see a law passed that can become law.

This authorization bill contains the following projects in Florida:

Palm Beach County, \$222,500.  
Port Everglades Harbor, \$6,683,000.  
Intracoastal Waterway, Jacksonville to Miami—maintenance.  
Escambia River, \$61,000.  
Hendry County, \$3,172,000.  
Central and southern flood control, \$40 million.

Included in water hyacinth program—surveys authorized, \$5,063,000.

Little Gasparilla Pass, Charlotte County.

Frenchmans Creek, Pinellas County, Bayport, streams and harbor facilities.

Lynhaven Bayou Channel into North Bay.

Apalachee Bay small boat channel to Panacea.

Dredged channel, Sunshine Skyway, Tampa Bay.

To determine feasibility of freshwater lake, Tampa Bay.

Apalachicola River cutoff at Wewahitchka.

Apalachicola River vicinity of Bristol. Streams in vicinity of Gulfport.

Mills Creek.

Streams in Seminole County.

Streams in Brevard County.

Gulfport Harbor.

The appropriations bill, which is to follow this afternoon, H. R. 12858, and which has been held up pending the passage of the pending authorization bill, contains the following projects in Florida:

Central and southern Florida, \$5,260,000.

Intracoastal Waterway, Caloosahatchee River to Anclote River, \$135,000.

Intracoastal Waterway, Jacksonville to Miami, \$1,100,000.

Tampa Harbor: 34-foot channel, \$2,950,000.

I am glad to see the legislative logjam broken so that the many good projects that have been at a standstill because of lack of action on the omnibus Public Works Authorization bill can go forward on a sound, responsible and carefully studied basis.

Mr. McGREGOR. Mr. Speaker, I yield such time as he may desire to the gentleman from California [Mr. BALDWIN].

Mr. BALDWIN. Mr. Speaker, I rise in support of S. 3910. This omnibus rivers and harbors and flood control bill is a compromise resulting from a long series of meetings on the part of members of the Public Works Committee. It is a bill which we have hopes that the President will sign.

It is urgent that this bill be passed during the present session of Congress. There are many areas in urgent need of flood control. In the State of California, for example, construction on the Los Angeles River Basin project and on the Kaweah and Tule River Basins projects will be brought to a standstill unless this authorization legislation is passed promptly.

It would be a tragedy if this Congress failed to take action to provide assistance to the many areas both in California and in the rest of the country which have suffered flood damage. In the State of California a very serious flood occurred in April 1958. I am particularly pleased that H. R. 12955 contains an authorization of \$166,683,200 in California projects. These projects are urgently needed and will provide employment to many workers who are having difficulty in finding employment at the present time.

Every California project included in this bill has been approved by the United States Army Corps of Engineers, by the United States Army Board of Engineers for Rivers and Harbors, by the Secretary of the Army, by the Budget Bureau, and by the State of California.

Mr. McGREGOR. Mr. Speaker, I yield such time as he may desire to the gentleman from Kansas [Mr. GEORGE].

Mr. GEORGE. Mr. Speaker, I wish to congratulate the Members on both sides of the aisle. This is a highly controversial subject and the fact that we have worked it out to the point where I think it can finally become law is a matter for congratulations. The legislation is an absolute necessity. There are some continuing authorizations for valley improvements throughout the United States in this bill that must be extended. So I urge the Members of the Congress to support the bill in its entirety.

Mr. McGREGOR. Mr. Speaker, I yield such time as he may desire to the gentleman from Indiana [Mr. BEAMER].

Mr. BEAMER. 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 Indiana?

There was no objection.

Mr. BEAMER. Mr. Speaker, many residents in Indiana will be pleased that the House Public Works Committee has reported H. R. 12955, the omnibus rivers and harbors bill. Indiana has been visited only recently with the most disastrous floods that have been experienced in our State for 45 years. The estimated damages for this one year will total many times the cost of the recommended expenditures for flood control provided in this bill.

The committee also is to be complimented for presenting a clean bill, one that contains no unapproved projects. The President quite properly vetoed two previous measures because too many of these unapproved projects had been included. This bill has the appearances of one that will receive the President's approval.

The floods of the Wabash, Mississippi, Salamonie and White Rivers in Indiana and most especially in the 5th Congressional District have ruined thousands of acres of farm crops and damaged millions of dollars worth of homes and household furniture.

My office has been receiving many plaintive pleas for assistance from these stricken homes. This measure includes authorization for projects that are designed to avert similar disasters in the future.

The measure from the Senate, S. 3910, is comparable to H. R. 12955 and for this reason the Senate bill is supported.

It is hoped that the provisions for reimbursement of relocated and dispossessed individuals will be strengthened. It seems only just that those who suffer losses from relocations created by these projects should be repaid in a manner comparable at least to the benefits accruing to others in the area. I shall support such legislation.

#### GENERAL LEAVE TO EXTEND

Mr. McGREGOR. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks on this bill.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

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

Mr. McGREGOR. I yield to the gentleman from Connecticut.

Mr. MORANO. Mr. Speaker, I know that the Bridgeport Harbor item is in this bill. May I ask the gentleman, are there any beach erosion projects in this authorization bill?

Mr. McGREGOR. Yes.

Mr. MORANO. Is the item for beach erosion in my District that was in the previous bill also in this bill?

Mr. McGREGOR. I would have to look it up, but I am of the definite opinion that the exact wording of the previous bill is carried over into this bill.

Mr. MORANO. I find the item at the bottom of page 8 and the top of page 9:

Connecticut shoreline, areas 8 and 11, Saugatuck River to Byram River.

I thank the gentleman.

Mr. McGREGOR. Mr. Speaker, I yield such time as she may desire to the gentlewoman from Indiana [Mrs. HARDEN].

Mrs. HARDEN. Mr. Speaker, I should like to add to the report just made to the House by my good friend and colleague, the Honorable JOHN V. BEAMER of Indiana's Fifth Congressional District.

My own Sixth District in west-central Indiana has again taken a beating from Mother Nature, with new flood records being set throughout the Wabash Valley in what has now seemingly become an every-year occurrence.

But the storied Wabash was not the only offending river this June, for the White River again overflowed its banks and wreaked havoc all along its course in central Indiana. Hamilton County, in my District, was badly hit and damage estimates are at the \$2 million mark. Even worse conditions occurred upstream in the Anderson vicinity.

Sixth District communities along the Wabash suffered tremendous damage, with West Terre Haute getting the heaviest blow as a broken levee inundated half the community. Thousands of acres of rich valley farmland flooded and farmers in many cases may be unable to make any kind of crop this season, since the water drains out so slowly.

In a statement made yesterday, I called for a comprehensive flood control program for the Wabash River Basin. The Senate last night authorized three giant reservoir projects in the Upper Wabash, near Peru, Huntington, and Wabash. The House today is considering the same authorizations. All three projects have been long sought by the Indiana Flood Control Commission and by my good friend and colleague, the Hon. JOHN BEAMER, of the Fifth District.

Eventual construction of these reservoirs will lessen the chance of floods such as we experienced this month, a year ago, and in years past. But they will not do the whole job. Other reservoirs are needed.

I have asked the Army Engineers to speed up survey work on three other Wabash Basin reservoirs—near Attica, Lafayette, and Turkey Run State Park. All three have the approval of our State's flood control commission.

Two portions of the Wabash reservoir system already are either in being or under construction. The Cagles Mill Reservoir in Putnam County was completed about 5 years ago, and construction work is now under way on the Mansfield project in Parke County.

So we are making some progress—with two of the necessary reservoirs either completed or under way, three others authorized by Congress and with survey work progressing on the remainder. In time—and work of this sort takes a great deal of time, since we must compete for funds with all the other States of the Union—the Wabash Basin flood problem will have been solved.

Now to the White River. Flood control engineers do not believe a reservoir system such as planned for the Wabash is suitable on the White. They propose, instead, the building of levees on river turns, stabilization of river banks, deep-

ening and changing of stream channels and constant clearing of debris.

New State legislation may be sought from the Indiana Legislature by the flood control commission. It would prohibit any type of building in the plain of the stream; that is in the natural overflow area of the river at floodstage. Golf courses, recreational areas, picnic groves, and similar public-use areas would be encouraged in the river plain. Thus the river would retain its natural overflow width area, while recreational usage of the area would be promoted and encouraged.

Federal help is necessary in the building of reservoirs such as those necessary or programmed for the Wabash. State and local funds might solve the White River problem.

In any event, both rivers present problems which must be solved, and solved soon.

Mr. AVERY. Mr. Speaker, will the gentleman from Tennessee yield?

Mr. DAVIS of Tennessee. I yield to the gentleman from Kansas.

Mr. AVERY. May I inquire of the subcommittee chairman, the gentleman from Tennessee, about this matter: I notice that in this bill, besides authorizing certain projects, we have extended to the Corps of Engineers certain authority in connection with the construction of such projects. I am referring particularly to section 111 of the bill. That authority would affect several projects in my part of Kansas because reservoirs are being constructed that are inundating several communities. There are other subjects related to community problems that are not covered in section 111, and several of us have individual bills relating to these matters. Are we to take it from the inclusion of section 111 and the exclusion of these other items that no further consideration will be given to them?

Mr. DAVIS of Tennessee. There is a special section having to do with navigation and relocation. It is a special section, section 111.

Mr. AVERY. I thank the gentleman. Mr. DAVIS of Tennessee. Mr. Speaker, I yield such time as he may desire to the gentleman from Mississippi [Mr. SMITH].

Mr. SMITH of Mississippi. Mr. Speaker, I urge the passage of H. R. 12955, the new omnibus flood control bill offered by my distinguished colleague, the gentleman from Tennessee, Representative CLIFF DAVIS, in the belief that it is the best possible legislation that can be developed under the existing circumstances.

Since the President has vetoed two bills in this field, I think great progress has been made in sustaining the position of the Congress in regard to many of these items in dispute. By withdrawing their objections to 10 of the projects and accepting minor modifications in a number of others, the Bureau of the Budget and the administration have made clear how tenuous their position was in the veto message on S. 497.

I think the most noteworthy change in the position of the Bureau of the Budget has to do with the White River backwater project and the Boeuf-Tensas

projects in Arkansas. I am glad that the Bureau of the Budget has seen fit to accept the traditional policy in regard to local contributions for projects within the lower Mississippi Valley. This policy was first adopted in 1928 and has been carried forward through successive flood control bills since that time. The only objections raised to it have been those in recent years through interpretations made by the Bureau of the Budget.

The Bureau of the Budget's acceptance of this policy will make it possible for new and badly needed work to be authorized in the future in the Lower Mississippi Valley under terms that can be met by the people in the area.

The bill before us includes the authorization of a modified form of the project for harbor and river improvements at Greenville, Miss. I have reluctantly agreed to accept the proposed modification contained in the bill, even though it involves a local contribution far greater than that for similar harbor projects on the Mississippi River. The sharpest contrast involves the harbors at Memphis, Tenn., and Vicksburg, Miss., those closest to Greenville. There is no equity in a proposal that would require local contributions at Greenville at a rate far in excess of similar projects in the same geographic area.

At the proper time I shall offer a proposal to modify the requirements in regard to the Greenville Harbor to make them more in keeping with similar requirements for other harbor projects.

I am very pleased by the fact that the Committee on Public Works, despite the various modifications that have been made in this bill, has insisted upon its prerogative of having some voice in the determination of what projects shall be authorized and under what conditions. I believe that the conferees will be inconsistent upon the same points when they go to conference.

Mr. DAVIS of Tennessee. Mr. Speaker, I yield such time as he may desire to the gentleman from Texas [Mr. THOMPSON].

Mr. THOMPSON of Texas. Mr. Speaker, I rise in support of the omnibus public works bill, S. 3910, as amended. This action today marks what I hope is the end of a long series of similar efforts on the part of the Congress to write such a bill and to have it signed by the President.

I have had projects in the various unsuccessful measures and still have them in the one which we are about to vote on. All are meritorious and there has never been any question of their adoption in committee and in the House.

Over all of the long months of effort I have been impressed with the patience and consideration of the two subcommittee chairmen directly involved in my projects. These are the gentleman from Tennessee [Mr. DAVIS] and the gentleman from Minnesota [Mr. BLATNIK]. To them goes my profound admiration and my thanks in behalf of myself and my people.

My thanks, too, to the members of the staff who have likewise been so extremely patient with my inquiries.

The example of these gentlemen is one which sets a high mark for all the rest of us to strive for.

I trust the bill will pass without a dissenting vote and that this time it will be signed by the President.

Mr. DAVIS of Tennessee. Mr. Speaker, I yield such time as he may desire to the gentleman from Illinois [Mr. GRAY].

Mr. GRAY. Mr. Speaker, I want to take this opportunity of congratulating the distinguished gentleman from Tennessee [Mr. DAVIS], chairman of our subcommittee, and the other members of the Committee on Public Works for their diligent efforts in bringing this omnibus public works bill to the floor. We have labored long and hard in the committee over the past 3½ years only to be disappointed by 2 Presidential vetoes.

I want to particularly thank the members of the Committee on Public Works for allowing my request to include in the bill, the Saline River project in southern Illinois. The project is one of the President's so-called objectionable projects due to a disagreement over the amount of local cash contribution required. The Bureau of the Budget recommended a local cash contribution of \$930,000 in addition to other items of local participation. Due to coal mine closures and other economic factors, a great number of people have been forced to leave our area. Those remaining absolutely are not able to carry out this project under the provisions recommended by the President.

Mr. Chairman, there is no use authorizing a project that can never be built. The House has done its duty in recognizing the inability of the people to pay. The bill as passed by the other body contains language recommended by the President which is the larger amount of local cash contribution, therefore, I hope that the conferees will be able to go along with the action taken by the House. I am indeed grateful to those who have seen our need and are willing to do something about it. In closing I want to commend our excellent staff on the Public Works Committee, including Mrs. Beiter, Mr. Sullivan, Mr. Brennan, and Mr. McConnell.

Mr. DAVIS of Tennessee. Mr. Speaker, I yield such time as he may desire to the gentleman from Wisconsin [Mr. JOHNSON].

Mr. JOHNSON. Mr. Speaker, I am happy to have the opportunity to support H. R. 12955 today because it includes a project which is important to residents of the Ninth District of Wisconsin. I refer to the Eau Galle River flood control project as outlined in Senate Document No. 52, 84th Congress, 1st session, and as provided for in my bill, H. R. 6959, introduced in 1955.

There has been no question raised about the need for this particular project. The Corps of Engineers thoroughly surveyed the proposal and approved it. Their knowledge of the situation dates back 15 years. They have recommended adoption of the project at an estimated cost of \$6,901,600.

Headwaters of the Eau Galle River form near Woodville, Wis., in St. Croix County to the north of Spring Valley. The Eau Galle flows 50 miles southeast to its junction with the Chippewa River and it has a drainage basin of about 230 square miles with about 90 percent of the area being made up of farms which average about 140 acres in size.

The city of Spring Valley is located in western Wisconsin in the narrow valley of the Eau Galle River between steep limestone bluffs at a point where the Mines and Burghardt Creeks join the Eau Galle River.

Spring rains and thawing speed the worst flood conditions in the spring and serious floods in the past have occurred when a high crest on the Eau Galle River has merged with the two small creeks at Spring Valley. Eau Galle floods are generally quick and destructive and are associated with periods of rapid snowmelt or rainstorms of above normal intensity. River stages which normally fluctuate within a range of about 5 feet may rise 10 to 15 feet in a few hours and recede almost as quickly. The fact that the river hits its peak so quickly cuts the margin of time that Spring Valley residents have in which to take emergency measures to control the flooding or avoid its dangers.

Flood records dating back to 1894 tell of damages to roads, bridges, homes, and business places. One death is directly attributed to the flood of 1934 and two deaths are linked indirectly to the disastrous flood of September 1942.

It should be pointed out that this project has been pending since October 28, 1941, and that its need was evident even before the disastrous floods of 1942.

The problem is too great for the residents of the area to handle without Federal assistance. After the July flood in 1938 the channel through Spring Valley was deepened and widened by local interests but the levee was washed out in September of the same year. World War II halted action on flood control measures. Although the original survey was a review of flood conditions of the entire Chippewa River and its tributaries, the Eau Galle project is the only part which has received approval on all levels.

The Department of the Army, the Bureau of the Budget, the Wisconsin State Planning Board, the Interior Department, the Department of Agriculture—all Federal and State agencies involved in any way with the proposed flood control project, concur in the views or have no objection to the project.

J. S. Bragdon, chairman of the Board of Engineers for Rivers and Harbors, summarized the situation well when he noted that the "Board concludes that the evaluated benefits in conjunction with the intangible benefits such as the prevention of the loss of life, removal of the hazards of epidemics, and the enhancement of the general welfare and security of the inhabitants are sufficient to justify the construction of the improvements."

This worthwhile project has been too long delayed. I hope that this legislation will receive the approval it deserves.

Mr. DAVIS of Tennessee. Mr. Speaker, I yield such time as he may desire to the gentleman from South Dakota [Mr. McGOVERN].

Mr. McGOVERN. Mr. Speaker, I rise in support of the newly revised version of the omnibus rivers and harbors and flood control bill. I believe that the Committee on Public Works deserves the appreciation of every Member of Congress for their patient and painstaking attention to this all-important bill. I am pleased to note that the bill contains authorization of \$200 million for prosecution of the comprehensive plan for the Missouri River Basin. I am also gratified to note that the committee has seen fit to accept an amendment which I have offered to this section of the bill.

Previously, the committee accepted an amendment offered by my distinguished colleague from South Dakota, Senator Case, which provides "that with respect to any power attributable to any dam in such plan to be constructed by the Corps of Engineers, the construction of which has not been started, a reasonable amount of public power as may be determined by the Secretary of Interior shall be made available for use in the State where such dam is constructed." At my suggestion, the committee accepted a further provision which reads as follows:

*Provided*, That the distribution of such power shall not be inconsistent with the provisions of section 5 of the Flood Control Act of 1944.

The purpose of my provision is to make sure that we do not, under the power reservation clause mentioned above, jeopardize the operation of the time-honored Federal preference clause contained in section 5 of the Federal Flood Control Act of 1944.

Mr. Speaker, more than half a century ago, Theodore Roosevelt saw the necessity of protecting the public interest in Federal river projects. Largely through his leadership, the Reclamation Act of 1906 provided that public bodies should have first claim on electric power generated by dams built with Federal tax funds. The theory behind this provision was that the dams belong to the people who finance them through their tax funds and that because of this public investment, publicly owned groups should be first considered for benefits before such benefits were made available to private groups who would in turn sell the benefits for private profit. This same principle was extended to rural electric cooperatives in the Tennessee Valley Authority Act of 1933. It was again repeated in the preference clause in the Federal Flood Control Act of 1944.

It is very important that in our efforts to give special consideration to a State because such State provides the site for a Federal dam, we do not abrogate the public interest as set forth in the preference clause. For that reason, I am deeply gratified that the Committee on Public Works has seen fit to recommend to the House that my amendment be accepted. I want to thank the chairman of this committee and the gentlemen on both sides of the aisle who have agreed to this farsighted provision. I hope that if the House today approves the bill as

recommended by the great Committee on Public Works, the provision mentioned above will be sustained in the resulting conference committee.

Mr. Speaker, I am also delighted to note that the bill before us contains worthwhile provisions authorizing funds for the construction of sewer facilities for the St. Joseph's Indian School at Chamberlain, S. Dak.; sewer facilities and water facilities for the cities of Fort Pierre and Pierre; and compensation for removal expenses for the Chamberlain Water Co.

Mr. DAVIS of Tennessee. Mr. Speaker, I yield such time as he may desire to the gentleman from Florida [Mr. ROGERS].

Mr. ROGERS of Florida. Mr. Speaker, the omnibus authorization bill, H. R. 12955, contains projects that are very vital to Florida, and I urge that this legislation be adopted. Included in the bill is an additional authorization for the Central and Southern Florida Flood Control District in the sum of \$40 million, necessary for the orderly and necessary continuation of work for this project. The cost-sharing basis for this project is changed in this bill to concur with the recommendations of the Chief of Engineers as contained in House Document 186 of the 85th Congress. The governing board of the Central and Southern Florida Flood Control District has sent me the following telegram as evidence of their acceptance of this cost-sharing basis:

At the suggestion of our Congressional delegation all board members were contacted and they have indicated their willingness to accept cost-sharing recommendations of the Corps of Engineers contained in its report of May 1957 for all elements of the central and southern Florida flood control project except the first phase in anticipation of increased appropriations and continued cooperation of the Corps of Engineers. We have been assured of the cooperation of Governor Collins in obtaining necessary concurrence of other affected agencies of the State of Florida.

Kindest regards.

W. H. HITT, Chairman.

With this additional authorization, it is hoped that the work necessary for the central and southern Florida flood control project may be continued and be brought to a rapid conclusion so that Florida, as well as the Nation, might benefit from its completion.

Even though this project is not completed, great savings have already accrued to Florida. The major flood which resulted in authorization of this project occurred in 1947. A substantial amount of work has been done on the project in the 8 years since construction was initiated in January of 1950. However, we still have a long way to go to provide protection against devastating floods to the residents of the 17-county flood control district. After the October 1956 flood experiences, the January 1957 flooding by rainfall and attendant damages, the Corps of Engineers reported that project works, the levees, and pumping stations of the Everglades agricultural area were responsible for reducing the damage by at least \$7.5 million. Also, more devastating rainfalls and flooding

occurred in January 1958, and as a result of completed works located in the afflicted areas, savings in damages prevented from flooding this year were estimated at \$38 million.

When this project is completed it is anticipated that even greater savings will accrue to this area and will result in widespread benefits.

Included in this authorization bill is an authorization for a modification of Port Everglades Harbor, which is greatly needed. It was added by a special committee amendment to the previous omnibus bill which was vetoed, and it was my pleasure to be able to speed up the report on this project through channels so that it could be included in the omnibus bill.

Also in this bill which will affect the Sixth District are Palm Beach beach erosion project, additional flood control project in Hendry County to provide a canal and dike system, authorization for the Corps of Engineers to make a preliminary examination and survey of Little Gasparilla Pass, Charlotte County, in the interest of possible navigation improvements.

Mr. DAVIS of Tennessee. Mr. Speaker, I think it would simplify matters if I asked unanimous consent that all Members may have permission to extend their remarks at this point in the RECORD, on the bill under consideration.

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

There was no objection.

Mr. SISK. Mr. Speaker, I am voting for this bill most reluctantly, because I consider it marks a surrender of the legitimate and proper authority of the Congress to a power-hungry Bureau of the Budget. I am voting for it because it appears to be the only way we can get a start on urgently needed public works for the protection of the people of the United States.

This bill eliminates two vital and urgently needed flood control projects in my District, although this House and the Senate have twice voted to authorize them, and the President, acting on the recommendation of the Bureau of the Budget, has twice vetoed them. These are the Hidden Dam on the Fresno River, and the Buchanan Dam on the Chowchilla River. How long must these people cry for aid? How long must they continue to suffer tragic floods, as they have in 1950, in 1952, in 1955 and again this year, while 3,000 miles away, little, short-sighted men sit securely in their budget offices and quibble over what Federal agency should build the dams which would save them?

I want this House to know that the Bureau of the Budget is seeking to apply rules and requirements in my District of California which are not applied anywhere else in the United States. This is the real reason we cannot get approval of projects which have been thoroughly studied by the Corps of Engineers and which amply meet and surpass all requirements of engineering and economic feasibility and have cost-benefit ratios far higher than required. These projects are endorsed and recommended by the responsible officials of

the Corps of Engineers and I challenge anyone to demonstrate they are not good projects. The people to be benefited by water conservation stand ready to pay for it and the legislation would require them to assume their obligation before these projects could be built.

I am not going to take this usurpation of authority by the Bureau of the Budget lying down and I sincerely hope the Committee on Public Works and Members of this House will not surrender to the Bureau of the Budget the duties and responsibilities the people of the United States have directed that the Congress exercise. I serve notice here and now that I am going to ask for hearings and a thorough airing of the policies sought to be enforced by the Bureau of the Budget, and the President, which are continuing to bar the Congress from authorization of these projects. I am going to ask that the cards be laid on the table and that the Bureau of the Budget publicly justify its discrimination against the Central Valley area of California.

In voting for the committee's recommendation today and permitting it to be considered by consent, I am trying to avoid a dog in the manger attitude which would deny protection urgently needed by other areas, but I am appealing to the committee to fully look into the reasons and justification for denial of equally needed protection to the people of the District I represent.

Mr. BROWN of Missouri. Mr. Speaker, Chairman CLIFFORD DAVIS is to be congratulated on a job well done. A battle that has raged for 4 years is about to come to an end.

No one who did not participate in this stubborn controversy will ever realize how much patient persuasion and hard work went into this compromise public works authorization bill.

All combatants have retreated in varying degrees. Of the 30 projects objected to in the vetoed bill covering 153 projects, the executive departments changed their minds on 18. Congress has changed its mind on 8. Four are still in dispute; but surely, now that we are this close to 100 percent agreement, the House-Senate conferees can work out a compromise on these last 4.

I have sweated through this controversy not only as a member of the Public Works Committee but as a Member vitally interested in additional authorization for Table Rock Dam in Taney County, Mo.

This multi-million-dollar project is nearing completion. Final contract-lettings on timber-clearing and Shell Knob bridge should have been held before now. Adequate money has been or is about to be appropriated. But the contracts have not been let or cannot be let because the Corps of Engineers have exhausted their legal authority for expending funds on the White River Basin.

Earlier this year, our Public Works Committee originated and Congress passed an omnibus public works authorization bill which included new authority for Table Rock to finish the project.

Our committee gave careful consideration to each and every project requested

by the Corps of Engineers and the people of various areas. We heard all the pertinent facts on each one.

We approved those projects that we felt were justified; and we kicked out the ones we felt were not justified.

We thought we had done a sensible, workmanlike job—not a perfect job, but a good job. We finally okayed and sent to the President a bill approving 153 navigation and flood control projects as meritorious and worthy of Government appropriation, whenever Congress and the President might see fit to build them. The President objected to 30 of the 153 projects and vetoed the bill. And some have claimed that the veto saved the taxpayers some money.

The truth is that it was not and is not a money bill. Now, John Q. Citizen could be easily misled on this. It is natural to think, when you read in the paper that Congress passed a multi-billion-dollar public works authorization bill, you think that this means the projects will be built, and billions will be spent.

Of course, that isn't true. Some \$10 billion worth of public works projects are on the books today that are authorized but may never be built. Only money bills—appropriation bills—guarantee that a project will be built.

This bill and the bill that was vetoed will neither cost taxpayers nor save taxpayers a dime, per se. The President and his Budget Director do not have to build one single project included in this bill. They can leave it out of the annual budget, and they can refuse to build it even if Congress appropriates the money.

Presidents and Congresses have often argued about public works appropriation bills; but arguments over authorization bills—just giving a stamp of approval to certain public works projects—are rare.

Whatever number of projects are approved, the President has an item veto in fact, if not in name. So, in a very real sense, the blood, sweat, and tears that have been shed over this bill could have been better shed over more life-and-death matters.

As recently as 1 week ago, the whole thing looked hopeless. Table Rock completion and the completion of other projects seemed doomed to delays and uncertainty.

Tempers were flaring and positions were inflexible on certain items in this bill. But patience and a will to compromise prevailed. Both sides demonstrated good judgment.

Now, it looks as if we might get a public works authorization bill; and I hope sincerely that the President will sign it, even though reluctantly.

Mr. VURSELL. Mr. Speaker, I am glad to see the Public Works Committee of the House bring this bill, H. R. 12955, to the House today in practically unanimous agreement.

This bill authorizes a number of projects throughout the United States, all of which have been carefully considered by the committee, and all of which, when completed, will make a great contribution to the conservation of our soil; to the increase of hydroelectric power; to

navigation and water commerce by the improvement of water transportation on our inland waterways and harbors.

I am glad to note the bill authorizes the comprehensive development of the water resources of the Kaskaskia River Basin, which includes a dam at Shelbyville, Ill., and six levees along the river between Cowden and Vandalia, Ill., and the local protection project at New Athens, Ill., in addition to the Carlyle Dam, at Carlyle, Ill., that was authorized in 1938 and has now reached the construction stage.

Mr. Speaker, it is difficult to estimate the benefits that will come to the entire Kaskaskia River Basin when this project is completed. Because of the abundance of water it will assure, it will attract industry that will employ many thousands of people for an area of 50 miles around in addition to the water supply it will furnish for cities, towns, and villages, and, in addition, the great recreational facilities which should attract hundreds of thousands of people annually. It should contribute greatly to the entire economy of this section of the State.

Mr. HOEVEN. Mr. Speaker, I am very happy that at long last the Committee on Public Works has reported out an omnibus rivers and harbors and flood-control bill which the President can conscientiously sign. H. R. 12955, the bill now under consideration, contains the Floyd River, Iowa, flood control project, which is of vital importance to my District in northwest Iowa. This project is fully authorized and approved by the Chief of Engineers and the Bureau of the Budget in the estimated cost of \$8,060,000. The project was included in two previous omnibus bills which were vetoed on account of the many unauthorized projects contained therein. Now our efforts are bearing fruit in the passage of the bill today. I sincerely hope that the needed appropriation will now be forthcoming without delay so work on the project can actually commence.

Mr. DORN of New York. Mr. Speaker, I wish to congratulate the committee on including under section 112 the authorization for the Secretary of the Army to make a survey of the feasibility of a deep-water route from Albany, N. Y., into Lake Champlain, N. Y., and Vermont in order to connect our great harbor of New York with the St. Lawrence River and thus with the St. Lawrence Seaway in Canada. This provision incorporates my bill, House Joint Resolution 519, into this general rivers and harbors authorization. I hope it will lead to tremendously improved business in New York Harbor and thus to a stronger and better economy for all of New York City and State, as well as Canada and the States surrounding the Great Lakes and Lake Champlain. Though in wording this is but a small section of this bill, I believe it is the monumental achievement of the bill and crowns my efforts of the past year with success. This dredged waterway, which would connect the port of New York and the Great Lakes, would enable ships using the St. Lawrence Seaway to save over 1,000 miles. But, what is most important to my community of

Brooklyn, it would bring increased shipping with the opening of the St. Lawrence Seaway rather than decreased shipping. I am tremendously proud to have brought this legislation to the attention of the House.

Mr. CHIPERFIELD. Mr. Speaker, I am very much pleased H. R. 12955 includes a project authorizing the transfer of the now obsolete Illinois and Mississippi Canal—commonly known as the Hennepin Canal—to the State of Illinois.

The canal, approximately 75 miles long with a right-of-way of 300 feet contains approximately 1,000 acres of water and 208 miles of shoreline. When it was proposed to abandon this canal in 1951 the State of Illinois was extremely interested in obtaining this area for recreational purposes.

In 1954 the State of Illinois amended its constitution to permit the use of State funds for the development of this property and enacted the necessary legislation under which these properties could be accepted by the State.

On two occasions the Congress approved this transfer in an omnibus rivers and harbors bill. Both times the bills were vetoed by the President. It is my understanding the omnibus bill now before us has been modified along the lines suggested by the President and I am hopeful it will receive his approval.

This project will create a recreational area for probably one-half million people living within easy access, and will provide excellent fishing facilities, swimming, boating, picnic grounds, and so forth.

It will also preserve the splendid facilities along the shores of Lake Siniissippi which is an integral part of this canal system.

Certainly rather than to abandon the project but to permit the continued use of this facility under State sponsorship is preferable to the course of action which would result in a needless loss of such a valuable asset.

I am also pleased that in this bill there are plans for flood control in the Rock and Green River Basin. It authorizes the protection of certain flood areas by the construction of levees through Federal and local participation. This will do much to protect the agriculture land, towns, railroads, and highways located in this area against serious flood damage.

Mr. REES of Kansas. Mr. Speaker, I realize I shall be in the minority in voting against this bill that will cost the taxpayers an additional billion and a half dollars. As I understand it there is something in it for almost everybody. I think it can be classed as a pork barrel bill. I am sure many of the items are important and should be approved at the proper time. Why not wait until the House has a chance to look them over? Here you are today considering a bill introduced yesterday and approving today under allowing only 40 minutes for debate and without amendment. Is it not authorizing spending money at a pretty high speed?

I am advised Congress has already authorized projects, that will cost—if built—between six and nine billion dollars. Putting it another way, projects

which are already authorized will require more than 20 years to complete them.

In view of our tremendous debt, and considering the big expenditures ahead of us, why not let this measure go over for another year, at least? Then take a look at the situation later on. Let us not obligate our Government for another \$1.5 billion at this time.

Mr. ELLIOTT. Mr. Speaker, I support H. R. 12955, which is a bill authorizing the construction, repair, and preservation of certain public works on rivers and harbors for navigation, flood control, and similar purposes. It is, by and large, a good bill. America has waited 4 long years now for a rivers and harbors and flood control bill. In the meantime, the Congress has passed two bills, both of which have been vetoed by the President.

All of us want to see a strong and dynamic America. A strong America is a growing America. In order for America to grow, she must develop her natural, and her human resources.

In the 10 years that I have been in Congress, I feel that the Congress has been rather conservative in authorizing new projects, and most careful and conservative in building those already authorized. As a matter of fact, I think we have been too conservative in this regard.

Mr. Speaker, we are living in an age in which water assumes a greater importance each year that we live. Water requirements for domestic and industrial and commercial projects are growing very rapidly. I think in the future we are going to have to speed up the development of our waterways and our water resources. At the same time, I think we are going to have to take a second, and, eventually, even a third look at specific waterways.

The time has come when we must make the maximum use of all our existing waterways. The pressure upon us to do so will grow each year from here on.

I want to take this opportunity to congratulate the gentleman from Tennessee [Mr. DAVIS], the chairman, and indeed all the members of the Public Works Committee, for the kind and sympathetic consideration they have given the Tombigbee tributaries project in this bill. They have, heretofore on two separate occasions, given it complete and thorough study and consideration, and now the committee itself is thoroughly familiar with the project, and with its potential, and with the ability of the local people or interests to shoulder the responsibilities which the project places upon them. The gentleman from Alabama [Mr. JONES] has given this project most serious consideration and study over the period of the past several years since it has been before the Congress, and especially I want to bespeak the thanks and appreciation of myself and of those whom I represent to Mr. JONES.

This Tombigbee tributaries project is a \$19 million project. Some 22 streams, most of them small, are involved. These streams course through an agricultural area in Alabama and Mississippi which

is far from well-to-do, and I want to say frankly to the committee that there remains in my mind some considerable doubt as to the ability of the local interests to raise the \$1,473,000 which the bill in effect assesses against them.

In the light of proportion, and on the basis of comparison, I think the committee has been very fair and considerate, yet I do want the Members of the House to know that there remains great doubt in my mind as to the ability of the people involved to raise the amount of the local contribution.

This Tombigbee tributaries project has been directly before the Congress for nearly 20 years. The late, great, Speaker William B. Bankhead, who at that time represented the District which I am today privileged to represent, was interested in this project.

The three principal tributary streams that lie in Alabama are the Buttahatchee, the Luxapalilla, and the Sipsey. These streams are in great need of clearing of the banks, snagging, the construction of cutoffs, and the enlargement of their mouths so as to cut down the annual average flood damage done by their floods which averages \$352,000 per year.

The floods which I speak of are making the area of Alabama drained by these streams proportionately poorer each year.

The passage of this bill will authorize the construction of this important project. Once authorized, it will give local interests and the Federal Government a guideline to work toward that will be helpful in concentrating and conserving our efforts all the way around.

This is a most important project to the people whom I have the privilege to represent. It is a project that they have read about, and worked for, and dreamed about for many years. As their representative, I want to urge that this bill be promptly passed.

Mr. AVERY. Mr. Speaker, I am on record as opposing the Milford and Perry projects included in the bill in the hearings before the Public Works Committee as far back as 1947. The Milford project is more than just another reservoir in my District, this is a reservoir that if built would inundate my own home, most of my land, my hometown, and quite a substantial portion of the fertile land of my home county of Clay.

I further feel that the landowners directly affected by the project have had even worse treatment to date than is the usual experience in one of these projects. By that I mean the project was first authorized in 1936 as a part of a long-range flood control and water conservation plan. This was usual procedure. Then in 1938, it was deauthorized and the Harlan County Reservoir in Nebraska was authorized in lieu of the Milford project. This seemed to settle the matter until the Harlan project was virtually completed, then re-authorization of Milford was asked by the Corps of Engineers. This sought-for reauthorization was granted by the Congress in 1954, before I was a Member.

It is in this preconstruction, but authorized status that I feel Congress has not fully assumed their responsibility. As soon as a project is authorized, all the land contained within the project limits immediately acquires a "cloud on its title," so to speak, and the value of any improvements located therein immediately depreciates.

There is also the natural factor of neglect of improvements that enters in. This can be a longstanding accumulative damage as it has been in the case of Milford and by the time the property is acquired by purchase or condemnation, a certain degree of property right has depreciated out of the improvements. This situation also applies to Perry Dam. This is especially true when a town is involved, such as is the case in this incident, my hometown of Wakefield. In a sense it is the depriving of property without due process of law. In fairness to the property owner all land should be appraised and acquired at the time of authorization, or at the time that planning money is first made available to respective Government agencies.

The City Council of the City of Wakefield has gone on record that they are opposed to Milford Dam, but whatever action is to be taken, it is not to the best interests of the property owners in the reservoir area to delay it.

Mr. BOLAND. Mr. Speaker, I am in favor of this omnibus rivers and harbors bill and will vote for it. This legislation is a compromise on the bill passed by the House on March 11 and vetoed by the President on April 15. Some of the projects that were objectionable to the President in the original bill have been deleted from this legislation while others have been modified. As I said in my remarks before the House on March 11, I am particularly interested in one project contained in this bill, the authorization for the construction of the Littleville Reservoir on the Middle Branch of the Westfield River in Massachusetts. I filed a bill, H. R. 94, for the authorization of this project which is vitally needed for the prosecution of the comprehensive flood control plan for the Connecticut River Basin. I hope that this bill passes today and that a conference will soon work out differences with the Senate bill passed last night so that the compromise legislation can be sent to the President for his signature.

Mr. NORBLAD. Mr. Speaker, I am supporting this bill, as I believe it is good legislation. The projects in the bill have been thoroughly screened by the Public Works Committee and they have unanimously agreed to its provisions. While it is true that work on most of them cannot be started for some time, yet getting the authorization agreed to is a basic step we must take before appropriations can be made and the work undertaken.

I am particularly interested in the Yaquina project in Lincoln County, Oreg., which has the complete approval of all parties concerned. It has been approved by the Budget Bureau, the

Army Engineers, and three times by the House committee.

The Yaquina project has been in this bill each of the two times it has been previously before the House and is of course in the bill.

There is no question about its merits, and favorable action should be taken on it as well as the other projects in the bill today.

Mr. HAGEN. Mr. Speaker, I wish to commend the chairman and members of the Committee on Public Works for their reasoned but expeditious action in reporting a substitute omnibus public works bill in the form of H. R. 12955. I heartily support its prompt passage.

The proposal repeats the proposal contained in the two earlier omnibus bills, which were vetoed by the President, providing an additional \$28 million authorization for Success and Terminus dams to be located within my Congressional District. I know that I bespeak the sentiments of the people of Tulare and Kings Counties in saying that I feel the utmost gratitude toward the committee for this favorable action on a matter of local interest.

These projects in places will prevent vast property damage and relieve potential human suffering. The provision of this authorization means that it is only a matter of a relative short time before they will be in place.

Mr. KEATING. Mr. Speaker, I want to commend the committee for the workmanlike manner in which they have improved this bill. It is a vast improvement over the hodgepodge measure which President Eisenhower wisely vetoed earlier in the year. Many of the unjustified projects have been eliminated and the provisions for others have been tightened up considerably.

Included in this measure is provision for certain improvements in Irondequoit Bay, N. Y., which lies in my Congressional District. This is a project which has gained the approval of the Corps of Engineers and the Bureau of the Budget, and has the requisite backing of local interests. The action of the committee in eliminating much of the fat from the vetoed rivers and harbors bill improves immeasurably chances for the dream of an improved Irondequoit Bay becoming a reality.

Mr. Speaker, it is not a perfect bill before us but certainly a much better one. I feel very confident that unless the other body insists on including too many unwarranted projects in the final measure, it will be signed by the President.

Mr. BROOMFIELD. Mr. Speaker, a porkless omnibus rivers and harbors bill has long been the ambition of the minority members of the House Committee on Public Works. Because few of us are experts in the field of engineering and even fewer of us are registered qualified civil engineers, we have to depend upon the opinions of experts to reach many of our decisions in committee.

Previously, the advice of these experts was ignored. In many of the projects included in the original omnibus rivers and harbors bill vetoed by the President, there were either no engineering reports available for the proposed construction

or else there was serious doubt in the minds of our people in the Bureau of the Budget as to the financial feasibility of such new construction.

Few of us would attempt to build a building without plans and approval of those plans. Few of us would attempt to construct an addition to our own homes without first determining whether we had the funds to build the addition and whether the plans we had prepared were engineering sound and worthwhile.

Yet the majority members of the House Committee on Public Works were asking the Federal Government to undertake just such a program on a multimillion and multibillion-dollar level.

All we of the minority were asking for was prior approval of the Army Corps of Engineers and the Bureau of the Budget that the proposals put forth to our committee were engineering sound and financially beneficial to the area involved and the people of the United States.

The President has twice been forced to veto public works omnibus bills because of the many objectionable projects included. It is supposed to be Congress' job—particularly that of the House of Representatives—to act as a watchdog over Federal funds to see that they are spent wisely and in the best interests of our Nation. But we have found ourselves in the peculiar position for the last 4 years of having our President forced into the position of watchdog over our Federal coffers.

Sometimes in the midst of million- and billion-dollar appropriation and authorization bills, it is easy to forget that every penny of the money for the projects approved by Congress must be paid for out of the pocketbooks of our constituents. No one has denied that paying Federal taxes is a painful process, especially in these days of high-living costs. But the task of extracting huge volumes of money from our citizens becomes doubly painful when these people—the good citizens of our Nation—are aware that the expense is uncalled for and unnecessary.

The SPEAKER. The question is, Will the House suspend the rules and pass the bill S. 3910, with an amendment?

Mr. McGREGOR. On that, Mr. Speaker, I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 374, nays 17, not voting 39, as follows:

[Roll No. 102]

YEAS—374

Abernethy	Barden	Bolling
Adair	Baring	Bolton
Addonizio	Barrett	Bonner
Albert	Bass, N. H.	Bosch
Alexander	Bass, Tenn.	Boykin
Allen, Calif.	Bates	Boyle
Allen, Ill.	Baumhart	Bray
Anderson, Mont.	Beamer	Breeding
Andrews	Beckworth	Brooks, La.
Anfuso	Belcher	Brooks, Tex.
Arends	Bennett, Fla.	Brown, Ga.
Ashley	Bennett, Mich.	Brown, Mo.
Ashmore	Bentley	Brown, Ohio
Aspinall	Berry	Brownson
Auchincloss	Betts	Broyhill
Avery	Blatnik	Budge
Bailey	Blitch	Burdick
Baker	Boggs	Burleson
Baldwin	Boland	Bush

Byrd	Henderson	Patterson	NAYS—17
Byrne, Ill.	Herlong	Pelly	Harrison, Va.
Byrne, Pa.	Heselton	Perkins	Pillion
Byrnes, Wis.	Hess	Frost	Harvey
Canfield	Hiestand	Philbin	Jonas
Cannon	Hill	Pilcher	Poff
Carnahan	Hillings	Poage	Rees, Kans.
Carrigg	Hooven	Folk	Kilburn
Cederberg	Holfeld	Porter	St. George
Chamberlain	Holland	Powell	Marshall
Chelf	Holmes	Price	Mason
Chenoweth	Holt	Prouty	Wharton
Chiperfield	Holtzman	Quie	NOT VOTING—39
Christopher	Horan	Rabaut	Ayres
Church	Hosmer	Ray	Kilday
Clark	Huddleston	Reed	Buckley
Clevenger	Hull	Reuss	Celler
Coad	Hyde	Rhodes, Ariz.	Davis, Ga.
Collier	Ikard	Rhodes, Pa.	Dies
Colmer	Jackson	Riehlm	Eberhardt
Cooley	James	Riley	Reeves, Tenn.
Corbett	Jarman	Roberts	Dies
Coudert	Jennings	Robeson, Va.	Eberhardt
Cramer	Jensen	Robison, N. Y.	Engle
Cretella	Johansen	Robison, Ky.	Fisher
Cunningham, Iowa	Johnson	Rodino	Gregory
Cunningham, Nebr.	Jones, Ala.	Rogers, Colo.	Morris
Dagoe	Jones, Mo.	Rogers, Fla.	Moulder
Davis, Tenn.	Judd	Rogers, Mass.	Tuck
Dawson, Ill.	Karsten	Rogers, Tex.	Hoffman
Dawson, Utah	Kean	Roosevelt	Neal
Delaney	Kearns	Rutherford	Jenkins
Deiley	Keating	Santangelo	O'Hara, Minn.
Dennison	Kee	Saund	Kearney
Dent	Kelly, N. Y.	Saylor	Preston
Denton	King	Schenck	NOT VOTING—39
Derouenian	Kilgore	Schwengel	Ayres
Devereux	Kitchin	Scott, N. C.	Kilday
Diggs	Knox	Scott, Pa.	Buckley
Dingell	Knutson	Scribner	Celler
Dixon	Lafore	Scudder	Dies
Dollinger	Laird	Seely-Brown	Engle
Donohue	Lane	Selden	Fisher
Doooley	Lankford	Sheehan	Gregory
Dorn, N. Y.	LeCompte	Shelley	Hoffman
Dorn, S. C.	Lennon	Sheppard	Morris
Dowdy	Lesinski	Sieminski	Rodino
Doyle	Lipsonat	Sikes	Rogers
Durham	Lipscomb	Siler	Rosen
Dwyer	Loser	Simpson, Ill.	Roosevelt
Edmondson	McCormack	Sisk	Rutherford
Elliott	McCulloch	Smith, Calif.	Saund
Everett	McDonough	Smith, Kans.	Saylor
Evins	McFall	Smith, Miss.	Schenck
Fallon	McGovern	Smith, Va.	Schwendel
Farbstain	McIntire	Spence	Scott, N. C.
Fascell	McIntosh	Springer	Scott, Pa.
Feighan	McMillan	Staggers	Scribner
Fenton	Macdonald	Steed	Scudder
Fino	Machrowicz	Sullivan	Seely-Brown
Flood	Mack, Ill.	Talle	Selden
Flynt	Mack, Wash.	Taylor	Sheehan
Fogarty	Madden	Teague, Calif.	Shelley
Forand	Magnuson	Teller	Sheppard
Ford	Mahon	Tewes	Sullivan
Forrester	Mailiard	Thomas	Talle
Fountain	Martin	Thompson, La.	Taylor
Frazier	Matthews	Thompson, N. J.	Teague, Calif.
Frelinghuysen	May	Thompson, Tex.	Teller
Friedel	Meader	Thomson, Wyo.	Tewes
Fulton	Metcalf	Tollefson	Thomas
Garmatz	Miller, Calif.	Trimble	Thompson, La.
Gary	Miller, Nebr.	Udall	Thompson, N. J.
Gathings	Miller, N. Y.	Ullman	Thompson, Tex.
Gavin	Mills	Utt	Thomson, Wyo.
George	Minshall	Vanik	Vinson
Glenm	Mitchell	Van Pelt	Vorras
Gordon	Montoya	Van Zandt	Vursell
Granahan	Moore	Vinson	Wainwright
Grant	Morano	Widnall	Walter
Gray	Morgan	Witt	Watts
Green, Oreg.	Morrison	Witter	Weaver
Green, Pa.	Moss	Wulter	Westland
Griffin	Multer	Wumma	Whitener
Griffiths	Mumma	Murray	Whitten
Gubser	Natcher	Nimtz	Widnall
Hagen	Nicholson	Nix	Wier
Haley	Hale	Norblad	Wigglesworth
Halleck	Haley	Norrell	Williams, N. Y.
Harden	Halleck	O'Brien, Ill.	Willis
Hardy	Harden	O'Brien, N. Y.	Wilson, Calif.
Harris	Hardy	O'Hara, Ill.	Wilson, Ind.
Harrison, Nebr.	Harris	O'Neill	Winstead
Haskell	Harrison, Nebr.	O'Konski	Withrow
Hays, Ark.	Haskell	Ostertag	Wright
Hays, Ohio	Hays, Ark.	Osmers	Young
Healey	Hays, Ohio	Ostertag	Younger
Baldwin	Healey	Passman	Zablocki
Baldwin	Hébert	Patman	Zelenko

#### DISTRICT OF COLUMBIA APPROPRIATION BILL, 1959

Mr. RABAUT. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 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 for the fiscal year ending June 30, 1959, and for other purposes; and pending that motion, Mr. Speaker, I ask unanimous consent that general debate be limited to 1 hour, the time to be equally divided and controlled by the gentleman from Indiana [Mr. WILSON] and myself.

Abritt	Harrison, Va.	NAYS—17
Alger	Harvey	Pillion
Andersen,	Jonas	Poff
H. Carl	Kilburn	Rees, Kans.
Bow	Marshall	St. George
Gross	Mason	Taber
		Wharton

NOT VOTING—39		
Ayres	Kilday	Radwan
Buckley	Krueger	Rains
Celler	Landrum	Reece, Tenn.
Davis, Ga.	Latham	Rivers
Dies	McCarthy	Sadlak
Eberhardt	McVey	Scherer
Engle	Merrow	Shuford
Fisher	Miller, Md.	Simpson, Pa.
Gregory	Morris	Stauffer
Gwynn	Moulder	Tuck
Hoffman	Neal	Williams, Miss.
Jenkins	O'Hara, Minn.	Wolverton
Kearney	Preston	Yates

So (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

The Clerk announced the following pairs:

Mr. Yates with Mr. Wolverton.  
Mr. Preston with Mr. Simpson of Pennsylvania.

Mr. Landrum with Mr. Reece of Tennessee.  
Mr. Williams of Mississippi with Mr. O'Hara of Minnesota.

Mr. McCarthy with Mr. Neal.  
Mr. Engle with Mr. Ayres.  
Mr. Tuck with Mr. Stauffer.  
Mr. Rivers with Mr. Sadlak.  
Mr. Kilday with Mr. Scherer.  
Mr. Davis of Georgia with Mr. Miller of Maryland.

Mr. Dies with Mr. Latham.  
Mr. Eberhardt with Mr. Hoffman.  
Mr. Moulder with Mr. Radwan.  
Mr. Morris with Mr. McVey.  
Mr. Rains with Mr. Kearney.  
Mr. Gregory with Mr. Krueger.  
Mr. Buckley with Mr. Gwynn.  
Mr. Celler with Mr. Merrow.  
Mr. Fisher with Mr. Jenkins.

Mr. KILBURN changed his vote from "yea" to "nay."

The result of the vote was announced as above recorded.

A similar House bill (H. R. 12955) was laid on the table.

Mr. DAVIS of Tennessee. Mr. Speaker, I move that the House insist on the House amendment and ask for a conference with the Senate on the bill just passed and that the Speaker appoint conferees.

The motion was agreed to.

The SPEAKER. The Chair appoints the following conferees: Messrs. DAVIS of Tennessee, BLATNIK, JONES of Alabama, McGREGOR, and MACK of Washington.

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

There was no objection.

**THE SPEAKER.** The question is on the motion offered by the gentleman from Michigan.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H. R. 12948, with Mr. PRICE in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

**MR. RABAUT.** Mr. Chairman, I yield myself such time as I may desire.

Mr. Chairman, this is the annual appropriation bill to finance the activities of the District of Columbia for the fiscal year 1959. The bill, as approved by the committee, recommends a total appropriation of \$203,276,100, which is a reduction of \$11,877,400 in the estimates.

There are two major categories of expenses in the bill. The first is operating expenses. The committee considered a budget estimate of \$171,700,500 for this purpose and recommends \$168,902,000, a reduction of \$2,798,500 in the estimates but an increase of \$9,067,520 above 1958 appropriations. The second category of expense is capital outlay and the budget estimate is \$43,453,000. The committee has approved \$34,374,100, a reduction of \$9,078,900 in the estimates and a reduction of \$4,242,900 below 1958 appropriations. In summary, the committee has recommended a reduction in the total estimates of approximately 5½ percent and an increase of approximately 2½ percent above 1958 appropriations.

The only Federal funds in the bill are the Federal payments to the various funds of the District and the table on page 1 of the report gives a summary of our recommendations. The Federal payments to the water and sewage funds are for the costs of such services rendered by the District to Federal installations. The Federal payment to the highway fund is authorized by Public Law 731 of the 84th Congress and is to reimburse the District for funds expended in constructing the East Capitol Street highway—railroad grade separation. On the payment to the water fund, we went over the budget by \$200,000 and that is the amount necessary—with a little reserve for contingencies—to finance the present estimate of cost of \$516,000 for a fish ladder on the Little Falls Dam on the Potomac River. This amount is in addition to a Federal payment of \$200,000 and an appropriation of \$150,000 from the District of Columbia water fund, both of which were made in fiscal year 1957. The fishway will provide an additional 8 to 10 miles of river area for spawning purposes and, according to testimony, would increase the commercial fishery value by as much as \$200,000 annually.

The controversial item in the bill, if I may so label it, is the Federal payment to the general fund. The current authorized annual payment is \$23 million but the way the legislation was written sev-

eral years ago, the District could ask for the authorized but unappropriated payment of prior fiscal years. Therefore, they asked for \$25 million this year. The committee recommends an appropriation of \$20 million. Even with this reduction of \$5 million in the Federal payment, the District still will have a surplus in the general fund of over \$3 million at the end of fiscal year 1959.

In addition, the committee has authorized the District to borrow from the Federal Treasury for capital outlay purposes the budget estimate of \$8,600,000, of which \$5.5 million is a loan to the highway fund and \$3.1 million is a loan to the water fund. These are interest-bearing loans of approximately 3 percent and are used only as needed to assist in financing the construction of highways and the expansion and improvement of the District's water system.

The table at the end of the report indicates that only 6 items in the bill received the budget estimate and that 26 items received a reduction in the estimate.

However, just about every item in the bill received an increase above last year. There are only two items that received a reduction below last year's appropriations as a result of committee action. These two are: the Office of Civil Defense and the Washington aqueduct.

Most of the increases allowed were justified, in our minds, because of increased workload, for mandatory reasons such as staffing for new buildings and Civil Service Commission reclassification of positions, and in some instances for improvements in services. I shall mention only a few of these increases.

One of the biggest increases allowed, \$2.5 million, is for the public schools. This item in particular fits all three categories of justification. The significant decision of the committee was not to allow a reduction in the pupil-teacher ratio until additional classrooms are constructed. For the past several years, the committee has been allowing the full budget request for additional teachers to handle the increasing pupil population, which is about 111,000 this year. In addition, in the past 2 years, the Congress has allowed funds for employing additional teachers to reduce the pupil-teacher ratio. Each year the ratio has been reduced, the number of part-time or half-day sessions has increased. The committee does not believe that part-time classes are beneficial to the education of a child in his most formative years. However, it is sympathetic to the public school system of education and it realizes the need for additional classrooms. In marking up the bill—especially the public school construction program—the committee took that need into consideration and recommended an unbudgeted \$1.1 million for 4 projects for planning and for constructing an additional 71 classrooms for which the budget requested funds for the acquisition of the 4 school sites only.

Another major item of increase is \$2.75 million for the Department of Public Health. As you may recall, the committee made an investigation of this

Department last year which pointed up several major deficiencies. Several of these deficiencies were administrative in nature and the Department is making substantial progress in overcoming them. Some of the areas in the Department that were woefully weak needed financial assistance. The committee is well aware of this financial need, particularly at D. C. General, and has recommended an increase of \$2.75 million over 1958 funds to assist this Department to more adequately meet the health needs of the District government.

The third major item of increase above 1958 funding is \$1.8 million for the Department of Public Welfare. Of this increase, \$1.3 million is for the public assistance activity and is to finance an increasing number of recipients of public assistance funds and to increase the amount of the individual grant. The average monthly number of cases receiving public assistance has grown from 7,025 in 1953 to 9,512 cases in 1958. For fiscal year 1959 the estimate is 10,400 cases.

During the month of April the total caseload by type of assistance is as follows:

Type:	Cases
Old-age assistance	3,109
Aid to dependent children	3,029
Aid to the blind	237
Aid to the totally disabled	2,432
General public assistance	1,061

Parenthetically, the category showing the biggest increase in caseload has been the program for aid to dependent children which has grown from 2,113 cases in July 1956 to 3,029 cases in April of this year.

A portion of the increase approved for this public assistance activity is for increasing the amount of the individual grant. The following table shows the present and proposed public assistance maximum grants by typical family composition:

	Present	Proposed
1 adult living alone	\$77.19	\$82.82
2 adults living together	112.88	119.24
Family of 3 persons	134.46	148.30
Family of 4 persons	146.91	172.27
Family of 6 persons	185.09	222.36

Comparing this proposed District of Columbia grant of \$172.27 for a family of 4 persons, I find that Detroit would pay \$218.05, Alexandria would pay \$159.50, and Baltimore would pay \$132.

The balance of the increase allowed for this Department, \$591,000, is for financing increased population and improving services rendered at the various welfare institutions under the jurisdiction of the Department.

The fourth major increase over 1958 funds is \$2.5 million for public building construction. However, this is a net reduction of \$3.9 million in the budget estimate. The committee, the Commissioners, and the joint fiscal subcommittee of the legislative committees joined together in achieving this reduction. As you know, the Congress recently passed H. R. 12377 which authorized a revised construction program for the District.

In its consideration of the legislation the joint subcommittee deleted items from the program which were already in the 1959 budget and the committee has gone along with their recommendations in each instance. In some cases, the Commissioners offered reductions as the construction program would not be able to use all the funds as originally contemplated by the budget. And the committee has made several reductions on its own initiative and these reductions are explained on pages 15 and 16 of the report.

In summary, I would say that this is a good bill. While the estimates have been reduced, I do not believe any department or agency in the bill has suffered. After all, every item in the bill with the exception of the Office of Civil Defense and Washington Aqueduct, either received the budget estimate or an actual increase in funds above what they had in fiscal year 1958. Therefore, I say again, this is a good bill and I urge your support of the committee in its adoption.

The CHAIRMAN. The gentleman from Michigan has consumed 16 minutes.

Mr. WILSON of Indiana. Mr. Chairman, I want to add first my compliments to our distinguished chairman, the gentleman from Michigan [Mr. RABAUT] on the splendid job he did in interrogating witnesses and in justifying such expenditures as we provide in this bill. I have served on this subcommittee, perhaps longer than any other Member. I think we have come up with one of the best bills for financing the District of Columbia government since I have been a Member. It is thorough in every respect.

The committee has been attempting to equalize the burden of the District of Columbia government between the citizens of the District and the Federal Government. We realize the Government does have a responsibility to help support the District government in view of property owned and the protection from the District government. I have generally stood for greater Federal contributions because I realize it is a considerable Federal responsibility and our Capital City. It should be a model city.

However, I do not think it is the entire responsibility of the Federal Government.

Just this morning I had an experience which was quite startling. I had occasion to have a lock repaired on my car. I drove to a locksmith on North Capitol Street. It was necessary for me to drive back in the alley. I wish every Member of Congress would drive through that alley. When you see slums of that sort existing within a few blocks of our Capitol, you realize that something needs to be done. I especially want to call this to the attention of the District Department of Health. There were dead rats and other dead animals lying in the alley. I counted 15 or 20 beer cans for each milk bottle that I saw out in the back yards. There were broken bottles. It was a mess. It is a shame to have a situation like that in the Capital City.

We have been trying to equalize the tax load so that we can have adequate assessments on property values for the

District. That reassessment will be finished within a short time, and then I believe we can arrive at what we feel is a comparable tax load for the citizens of the District as compared with those in Virginia and Maryland.

It is quite understandable for District folks to pull the leg of Uncle Sam for all the money they can get. Everyone does. But I feel the committee adequately conveyed to the witnesses that some of the ills are not going to be cured simply by money. If we had listened and been sold on some of the testimony presented to the committee, we would have been led to feel that any trouble was due to lack of money. Certainly that is not the case.

Money alone is not going to give the Nation's Capital the finest schools. Money alone is not going to give us the finest Police Department. I think we do have a very satisfactory Police Department, one of the best. We think our schools are improving. We hope by use of the standardized tests, properly administered, comparing those with the national norms, we can determine where our schools are with the rest of the Nation. We are satisfied with the Fire Department. We called attention to the shortcomings at the zoo, scene of a very serious casualty recently.

As our chairman said, we provided money for a fish ladder. We made a recommendation to people in nearby Maryland and Virginia, sportsmen and other sportsminded people, to prevail upon their States to cooperate and provide \$650,000, of which \$400,000 comes from the Federal Government, for a fish ladder. A fish ladder alone is not going to make better fishing.

Fish must go up the river to spawn. I think I am fair in saying that we reluctantly went along with that recommendation, because we wanted to provide a spawning ground for the fish. However, there are no fishing laws governing the lower Potomac. There is no season on these prize fish to spawn. They go up the river, and that is where these real fishermen are catching fish by the ton.

Unless we get cooperation with those States in passing laws governing fishing in the Potomac, the fish ladder is going to do little good.

I must pay my respects to one fine gentleman who appeared before the committee in behalf of a reduced budget. He is our Veterans' Service Officer for the District, Colonel Leonard. We have been cutting Colonel Leonard's appropriation every year for a number of years until it seemed that he could not continue operating if we cut him further. At one time he even came up and offered to take a small reduction. If any of you have ever had occasion to call Colonel Leonard, to assist you with some problems concerning veterans, I know you have received excellent cooperation.

I just had to say those few words in behalf of Colonel Leonard in view of the fine work he has done in helping us achieve a balanced budget.

Mr. Chairman, I believe that is all I care to say.

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

Mr. WILSON of Indiana. I yield to the gentleman from Iowa.

Mr. GROSS. Is there any money in this bill for a stadium, or is any provision made for a stadium? Is there anything in this bill pertaining to a stadium in the District of Columbia?

Mr. WILSON of Indiana. There are no funds provided in this bill for that purpose.

Mr. GROSS. I thank the gentleman.

Mr. RABAUT. Mr. Chairman, I yield 5 minutes to the gentleman from Kentucky [Mr. NATCHER].

Mr. NATCHER. Mr. Chairman, the Subcommittee on District of Columbia of the Committee on Appropriations once again brings to the floor of the House for your approval the annual District of Columbia appropriation bill for the fiscal year 1959.

It has been a pleasure serving with our subcommittee chairman, the distinguished gentleman from Michigan [Mr. RABAUT], and the other members of this committee. We were ably assisted by Francis Merrill, our staff assistant.

The District of Columbia program will be financed by the Federal payment, Federal loan authorization and District of Columbia revenue.

The bill before us today contains a Federal contribution of \$20 million to the general fund, \$431,600 to the highway fund, \$1,732,000 to the water fund, and \$697,000 to the sanitary sewage works fund.

The Federal payment to the District from 1924 to 1957 has ranged from \$4,539,295 to \$20 million. The budget for the District of Columbia during this period has increased from \$23,923,754 to the amount recommended in this bill of \$203,276,100.

This bill provides operating expenses totaling \$168,902,000 and further provides capital outlay of \$34,374,100.

The District of Columbia appropriation bill for 1959 provides operating expenses in the sum of \$382,000 for the executive office; \$4,700,000 for the Department of General Administration; \$650,000 for the Office of Corporation Counsel; \$1,400,000 for regulatory agencies; \$299,000 for the Department of Occupations and Professions; \$39,758,000 for the public schools; \$2,140,000 for the Public Library; \$2,250,000 for the Recreation Department; \$18,460,000 for the Metropolitan Police; \$9,187,000 for the Fire Department; \$97,000 for the Department of Veterans' Affairs; \$80,000 for the Office of Civil Defense; \$215,000 for the Department of Vocational Rehabilitation; \$4,953,000 for the courts; \$20,505,000 for the Department of Public Health; \$5,437,000 for the Department of Corrections; \$15,000,000 for the Department of Public Welfare; \$2,135,000 for the Department of Buildings and Grounds; \$180,000 for the Office of Surveyor; \$2,000,000 for the Department of Licenses and Inspections; \$7,484,000 for the Department of Highways; \$1,465,000 for the Department of Vehicles and Traffic; \$310,000 for the Motor Vehicle Parking Agency; \$13,590,000 for the De-

partment of Sanitary Engineering; \$2,322,000 for the Washington Aqueduct; \$155,000 for the National Guard; \$2,850,000 for the National Capital Parks; and \$898,000 for the National Zoological Park.

The amount recommended for the Metropolitan Police of \$18,460,000 is the third largest item under operating expenses. Our Police Department should be one of the most efficient in the United States. The residents of the District of Columbia, and the visitors to our National Capital are entitled to this kind of a police department.

The amount appropriated for the Police Department provides for \$472,059 for administration; \$14,361,066 for prevention and detection of crime; \$158,514 for special services; \$48,361 for the dog pound; \$3,509,000 for policemen's pension and relief fund. This is an increase of \$389,000 over the budget for 1958 and does not include the \$192,000 in the second 1958 supplemental bill for emergency police funds for combating crimes on the streets in the District. In 1955 we had an appropriation of \$13,621,001; \$14,577,614 for 1956; \$14,531,100 for 1957 and for 1958 we have the sum of \$18,150,000.

Public Law 514 of the 84th Congress provided for a police force of 2,500. For a number of years the chief of police has attempted to recruit the total force authorized by law, and so far has been unsuccessful. On April 30 of this year the total force was 2,332. Our committee recommends funds for 2,500 man-years of employment in this bill. Even though the total force is less than 2,500, the additional funds are to be used for payment of salaries of policemen who work on their day off. Crime has increased in the District and this is the general condition throughout the United States.

In 1946 the major crimes in the United States totaled 1,685,203, and in 1956 the major crimes totaled 2,563,150. Here we have an increase of 40 percent. Not only have we had an increase in crime but we have experienced a definite shift to more brutal crimes.

Sixteen thousand three hundred and fifty-four major crimes were committed in the District of Columbia during the year 1957. This list includes murder, manslaughter, rape, robbery, aggravated assault, burglary, auto theft, and grand and petty larceny. In the District we had 78 murders in 1957, 23 negligent manslaughters, 185 rape cases, 718 robberies, 2,708 aggravated assaults, 3,058 burglaries, 7,826 larcenies, and 1,758 auto thefts.

The Police Department in the District operates under a 3-shift, 8-hour day. The daily average of foot patrolmen on the 8 a. m. to 4 p. m. shift totals 109; 223 on the 4 p. m. to 12 midnight shift and 135 on the 12 to 8 a. m. shift. The total for foot patrolmen at the present time is 467. Keep in mind that the authorized force of the Metropolitan Police Department is 2,500.

In order to have a better Police Department in the District of Columbia more foot patrolmen must be assigned to the precincts where the majority of the

crimes are being committed. More foot patrolmen must be assigned throughout the District. The pending salary increase proposal for police officers in the District should be approved. Approval of such legislation will prevent the other branches of our Government from taking people out of the Metropolitan Police Force by offering more attractive salary schedules. Salary schedules should be established for the District of Columbia commensurate with the police departments of cities comparable in size. Starting salary for a private in the District of Columbia is \$4,193; in Baltimore the starting salary is \$4,400; in Minneapolis, \$4,776; the starting salary in Cincinnati, where, by the way, we have one of the finest police departments in the United States, is \$4,567. The District of Columbia is about 17th in the United States insofar as salaries are concerned.

Law-enforcement problems are considerably different in the District of Columbia than they are in any other city. This is due partly to the huge number of visitors each year and to the number of known law violators who finally land in the District of Columbia from other cities and towns.

The strongest bulwark against crime is the up-to-date progressive hometown police department. In order to have such a police agency, we must have adequate manpower, and sufficient funds for suitable salaries, training, and facilities.

The best deterrent against crime is the foot patrolman. His main job is to prevent crime and he does this by reducing the opportunity for occurrence by surveillance and patrol. The violator is discouraged by virtue of the quick threat of sure retaliation.

In addition to more foot patrolmen in the District of Columbia, every consideration should be given at the present time to one-man patrol cars. This would release one or more men from each car, thereby increasing the number of foot patrolmen. A number of cities with excellent police departments comparable in size to the District operate one-man patrol cars. Single patrolmen operating alone in cars are more efficient because the officer patrolling must give first attention to police duties. There are no distractions other than those he is obligated to notice on his beat, and he is completely self-dependent for his own safety and welfare. When an officer is alone in his patrol car he knows that he has no one else to rely upon in the event of trouble; consequently, he is more cautious about stepping into dangerous situations and is better prepared to take care of unexpected emergencies. The presence of a second officer appears to encourage assumption of unnecessary risk.

Regardless of the efficiency of the Metropolitan Police Force, crime conditions will not improve in the District unless adequate sentences are meted out to law violators. A sentence of 90 days in a yoking case is the equivalent of awarding a medal. This has occurred in the District of Columbia. Anyone guilty of yoking a citizen of the District of Colum-

bia or a visitor in our Capital City should under no circumstances receive such a sentence, but in each and every case an adequate sentence should be meted out. In most instances the question should be asked as to how much can be given and not what is the minimum sentence that can be granted in such cases.

Crime conditions will improve in the District of Columbia when more foot patrolmen are assigned to the streets and adequate salaries are paid to the members of the Police Department. The new retirement act for District of Columbia policemen should reduce the problems of recruitment and retention of police personnel.

Mr. CHAIRMAN. Our committee recommends this bill to the Members of the House.

Mr. DINGELL. Mr. Chairman, I make the point of order a quorum is not present.

Mr. CHAIRMAN. The Chair will count. [After counting.] One hundred and one members are present, a quorum.

Mr. WILSON of Indiana. Mr. Chairman, I have no further requests for time.

Mr. RABAUT. Neither have I, Mr. Chairman.

Mr. CHAIRMAN. There being no further requests for time, the Clerk will read the bill for amendment.

The Clerk read the bill.

Mr. RABAUT. Mr. Chairman, I move that the Committee do now rise and report the bill back to the House with the recommendation that the bill do pass.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. PRICE, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee having had under consideration the bill (H. R. 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 for the fiscal year ending June 30, 1959, and for other purposes, had directed him to report the bill back to the House with the recommendation that the bill do pass.

The SPEAKER. Without objection, the previous question is ordered.

There was no objection.

The SPEAKER. The question is on the engrossment and third reading of the bill.

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

The SPEAKER. The question is on the passage of the bill.

The bill was passed.

A motion to reconsider was laid on the table.

#### GENERAL LEAVE TO EXTEND

Mr. RABAUT. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days to extend their remarks on the bill just passed.

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

There was no objection.

**AGRICULTURAL APPROPRIATIONS  
FOR 1959**

MR. WILSON of Indiana. 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 Indiana?

There was no objection.

MR. WILSON of Indiana. Mr. Speaker, President Eisenhower has signed H. R. 11767, the appropriations measure for the Department of Agriculture for 1959. The total appropriated or authorized in this bill is \$3,191,875,539 as compared to \$3,320,888,539 for 1958. I regard this as sound and progressive legislation. As a member of the House Committee on Appropriations, I am pleased to have had a part in the passage of H. R. 11767. It is beneficial not only to our American farmers, but to all our people, and to future generations.

When the President presented the budget, he recommended that the agricultural conservation program for 1959 be reduced from previous authorizations of \$250 million annually to \$125 million. If history were to repeat itself the amount of conservation practices carried out on the Nation's farms would be drastically curtailed. The tonnage of agricultural limestone, one of the most popular conservation practices, dropped from over 30 million tons in 1947 to 25 million in 1948, of which 29 million and 22 million tons respectively were accounted for under the ACP.

Liming is one of the most needed conservation practices in my District in Indiana and the entire humid area of this Nation. This product supplies the calcium, magnesium, and other minor elements needed to produce vigorous crops which are transmitted to the people and are the basis for strong healthy bodies.

I have consistently supported appropriations for the extension service, rural electrification, and telephone systems which have helped modernize our farms and raise the standard of living of this segment of our population. The new act increases the amount for the extension service by \$3 million. This is for use by the States for salaries and expenses of county agents to promote the educational phase of our farm programs. This increase is in contrast to the reduction of over \$76,000 proposed in the budget.

The act includes \$317 million for rural electrification loans and \$67.5 million for rural telephone loans as compared to \$150 million and \$56 million respectively for these items in the budget. Had the Congress not acted wisely, our farmers and rural population would have suffered a severe setback in the progress being made to improve their standards of living. In the case of the Farmers Home Administration the regular loan authorization was retained at \$209.5 million which is \$34.5 million over the budget request. A contingency fund of \$20 million was also established for this agency.

For research in agriculture, the Congress recognized the importance of the Agricultural Research Service by appropriating \$18.3 million more than in 1958.

In another field of conservation, the conservation reserve part of the Soil Bank, \$375 million is authorized. This is \$75 million more than was available for 1958. In the past 2 years farmers have used only a small portion of the funds available for this program. It is growing in popular acceptance. However, I believe that if any funds remain in this appropriation after all farmers have been offered the opportunity to participate, the State committees should be granted the authority to reallocate such unused funds to farmers for carrying out additional conservation practices under the ACP. Since requests from farmers for conservation assistance greatly exceed the funds available under the ACP, and since soil conservation is the prime objective of each of these programs, the farmer committees should have some latitude in allocating the funds where they are most needed and will result in the greatest amount of conservation.

MR. SPEAKER, I want to make one more observation. It is unfortunate that the administration of the agricultural conservation program cannot be entrusted to the Department of Agriculture. Despite testimony before Congressional committees last year, the Department attempted by administrative directive to change and curtail the practices available to farmers under the program. This year the act contains language to prohibit the Department from making changes unless they are first recommended by the county committees and then approved by the State committees.

The Congress wisely incorporated these provisions into H. R. 11767 but only because witnesses from the Department admitted to the Subcommittee on Appropriations that the proposed program had not been checked with the farmer committees. It developed that these committees did not approve of the proposed changes. Hence I say, it is unfortunate that we cannot entrust the Department to carry out the program as developed under the democratically elected committeemen and State committeemen appointed by the Secretary of Agriculture.

It is my hope, and I believe that of my colleagues in the Congress, that the development and administration of the program will be restored to the committee system and that the officials of the Department of Agriculture will provide the needed leadership and technical assistance for efficient administration of the program to get the most conservation from every dollar of expenditure for the program.

**PUBLIC WORKS APPROPRIATION  
BILL, 1959**

MR. CANNON. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 12858) making appropriations for civil functions administered by the Department of the Army, certain agencies of the Department of the Interior, and the Tennessee Valley Authority, for the fiscal year ending June 30, 1959, and for other purposes; and pend-

ing that motion, Mr. Speaker, I ask unanimous consent that general debate be limited to 1 hour, the time to be equally divided and controlled by the gentleman from Iowa [Mr. JENSEN] and myself.

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

There was no objection.

THE SPEAKER. The question is on the motion offered by the gentleman from Missouri.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H. R. 12858, with Mr. BOCCS in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

MR. CANNON. Mr. Chairman, the bill reported by the committee reduces the budget estimate by \$1,898,800.

As originally submitted to the committee, the Bureau of the Budget instituted a slowdown program which would have resulted in increasing the cost of projects without compensating advantage. When the committee rejected this budget, the Bureau then submitted a new budget adding \$125 million to going projects of the corps and \$70,823,000 to Bureau of Reclamation projects. It was testified that these increases would result in substantial ultimate savings due to speedup in construction.

Because of additional amounts budgeted, the committee has held to the policy of not increasing amounts budgeted for specific purposes on individual projects.

There are 45 unbudgeted projects in the construction programs and 26 unbudgeted surveys included by the committee.

We made a material savings in the reclamation loan program for which \$25,200,000 was requested. In view of the fact that the items were not spelled out project-by-project, and only one of the potential projects had been properly authorized, we reduced the item by \$20,400,000.

MR. CHAIRMAN, we would like to include as amendments two items which have been received in the last few days from the Bureau of the Budget. We were confronted with the proposition of including them in the present bill at this time, or adding them as a new chapter to another bill. In order to avoid that unnecessary proceeding, we propose to offer them today. They have been justified by the Budget and are merely routine appropriations.

MR. CHAIRMAN, I might say, too, that the committee in drafting this bill has not given weight to the argument that in a depression the appropriation of such amounts will serve to stave off the depression. All testimony points to the fact that any such amount which might be added to this bill would have a negligible effect on the general economy, in comparison with the huge amount involved as a whole. This is a public works bill and not a relief bill.

Mr. JENSEN. Mr. Chairman, I yield myself 10 minutes.

Mr. Chairman, the Public Works Appropriation bill which is now before the House for the fiscal year 1959 includes funds for the Quartermaster Corps, ceremonial expenses, the civil works activities of the Corps of Engineers, the Bureau of Reclamation, the Bonneville Power Administration, the Southeastern and Southwestern Power Administrations, and the Tennessee Valley Authority.

Estimates received by the committee for these agencies for fiscal year 1959 total \$1,076,016,000, as contained in the 1959 budget and in House Documents Nos. 351 and 354. The committee recommends in this bill appropriations of \$1,074,117,200, a reduction of \$1,893,800 below the budget request.

Over a 2-month period, as you will read in the report, the committee took testimony totalling 3,901 pages in the printed hearings from representatives of the agencies involved and approximately 900 other witnesses, including 190 Members of the House of Representatives and the Senate.

The Army Engineers section in this bill provides for \$779,714,000; for the Bureau of Reclamation, \$245,739,200; for Bonneville Power Administration, Southeastern Power Administration and Southwestern Power Administration a total of \$31,814,000 and for the Tennessee Valley Authority \$16,850,000; or as I said before a grand total of \$1,074,117,200.

That is a lot of money, of course, but comparatively speaking it is small compared to what we appropriate for other activities of our Government, being just about one-thirtieth of the amount we appropriate for national defense and is a fraction of the amount we appropriate to foreign aid.

Let us remember when we think about this bill and the cost that is involved in taking care of all the rivers and harbors improvements, hydroelectric power, reclamation, irrigation, everything that we appropriate money for in this bill is for America, every dime.

Let me give you an idea of the magnitude of the job which the Army engineers and the Bureau of Reclamation have to do and the great responsibility that rests upon the members of the Committee on Public Works appropriations and the Public Works legislative committee and the Congress in general and, of course, the American people. Just let me give you some facts and figures.

In evaluating the large amount carried in this bill, it must be realized that it includes funds to meet widespread Federal responsibilities in the fields of navigation, flood control, and reclamation. Parenthetically, let me say that no private individual, no political subdivision or organization in America except a Federal agency can put any structure in a Federal stream or change the course of that stream in any way without first getting the permission of the Federal Government. So it is a great responsibility for the Army Engineers and the Bureau of Reclamation to handle this great pub-

lic works job. The magnitude of Federal responsibility is evidenced by the fact that in addition to the coastal harbors and channels, and the Great Lakes, the total length of our main streams and tributaries is about 60,000 miles. Of that some 22,600 miles have been improved, and improvement of about 6,000 miles more have been authorized. The need for continuing Federal outlays to improve and maintain this vast river system is self-evident.

Since the 1936 Flood Control Act, assigned to the Corps of Engineers, responsibility for nationwide flood control, 358 projects having a total cost of \$980 million have been completed and 155 projects having a total estimated cost of \$3,900,000,000 are under construction. Not only are these projects preventing needless loss of life, but they are also preventing flood damage estimated to average about one-half billion dollars annually. An equal amount of damage is still being incurred on the main rivers and their tributaries and this loss can be curtailed only by continuing to pursue this program to bring to all sections of this country the benefits of flood control. The money we have spent on flood control is not reimbursable. The money that this Congress appropriates for irrigation and reclamation is returned to the Treasury to the extent of about 85 percent of the money so expended. That revenue comes from the irrigators and from power revenues.

Many local communities have not in the past contributed much to their project. Local participation has been almost nil on many of such projects. Our committee is determined to see to it that henceforth where projects benefit local areas that a substantial local contribution is made to the cost of the project.

The CHAIRMAN. The gentleman has consumed 10 minutes.

Mr. JENSEN. Mr. Chairman, I yield myself 5 additional minutes.

Mr. Chairman, I approve of this bill as a whole. However, there are a few projects where I find the committee has been too liberal. I understand amendments will be offered to reduce a couple of the items that are in this bill for those projects.

The Army Engineers, the Bureau of Reclamation, the Soil Conservation Service, the County Extension Service, et cetera, of this Nation all are working in full cooperation in the conservation of our priceless soil. They have come fully to the realization that this Nation must never forget that our soil will wear out. Looking around the world any place you care to go you will find where those nations who forgot many, many years ago that their soil would wear out, blow away and wash away to the seas. Without a single exception, there you will find misery and strife, and in many cases cold war and in some places bloodshed. Their people are looking for new productive lands. To a very great degree that is the cause for this unrest around the world. I am happy that we in America took hold of soil conservation and flood control before it was too late, but there is much

yet to be done. We were fast on the way to the same fate as in the other nations before we started the soil conservation program in 1935.

There is much to be said about this bill. I feel deep down in my heart that this Nation must never forget that the preservation of our high standard of living depends upon the productivity of our soil.

Mr. H. CARL ANDERSEN. Mr. Chairman, will the gentleman yield?

Mr. JENSEN. I yield to the gentleman from Minnesota.

Mr. H. CARL ANDERSEN. I believe many of the older Members of the House, for the last 20 years at least, have heard the gentleman from Iowa make this statement time after time, that the prosperity of the United States will depend eventually upon whether or not we conserve our soil. I cannot help but rise at this time to pay what I consider a deserved tribute to the gentleman from Iowa for the splendid work he has done throughout the years in the Congress of the United States in conserving what I consider to be our second most precious asset of the United States, next to our children; that is, the soil of America.

Mr. JENSEN. I thank the gentleman; and I must say that the gentleman from Minnesota has been in the forefront in this great and important fight to conserve our precious soil.

Let me just state one more fact before I yield the floor: We hear a great deal about the high cost of food but do you know that all America today spends in the neighborhood of only about 26 percent of our income for food, while the average over the rest of the world is more than 60 percent? This means that in America we have about 74 percent of the income of the American people to spend for other things, where the rest of the world on the average has less than 40 percent to spend for luxuries, automobiles, refrigerators, and everything else, which makes their life less enjoyable than we who live in this blessed land of ours, the good old U. S. A.

Mr. CANNON. Mr. Chairman, I yield 5 minutes to the gentleman from Florida [Mr. SIKES].

Mr. SIKES. Mr. Chairman, this subcommittee has one of the most difficult tasks of any in the Congress. Its members are subjected to tremendous strain of long hours of sitting through exhaustive testimony on a seemingly never-ending variety of projects, many of which cannot possibly hold great interest or promise. Yet, they do this herculean task with courtesy and tact. Then when the long hearings are ended, they have the thankless responsibility of trying to decide what is the proper course of procedure in bringing a bill to the floor. Obviously, only a small percentage of the items that are heard can be included.

The bill presently before us is, I think, the best one this committee has ever approved. It is not bound by the recommendations of the Bureau of the Budget or by the recommendations of the administration. It projects the thinking and sound judgment of the committee and that I approve most

heartily. Altogether too often we seem unable to depart from the line of thinking laid down for us by some other agency of Government.

This bill is an investment in America. It is predicated upon America's promise of tomorrow. When we develop our rivers and harbors, we develop arteries of traffic which stimulate the development of America. I recognize the fact that in our zeal to develop our own districts, we may sometimes oversell projects which in actual operation do not live up to our predictions. Yet, I am strongly convinced that in the overwhelming majority of cases our recommendations are sound and that subsequent developments substantiate the judgment of the Congress in developing waterways and harbors. Be that as it may, I have no apology ever for wanting to develop our own country, for it is here that our future and the future of the world is to be found.

Mr. JENSEN. Mr. Chairman, I yield 5 minutes to the gentleman from New York [Mr. TABER].

Mr. TABER. Mr. Chairman, I cannot support the pending bill. It contains so many large items that are not authorized by law and contains items where the figures are many millions of dollars above the authorization that the Congress by law has provided. When the items are reached under the 5-minute rule I propose to make points of order against all of those involved.

For instance, there are appropriations in here for items where the appropriations in the case of one item, for instance, is as much as \$57,702,233 above the authorization figure. I do not believe in doing business that way. I do not think we can afford to go back on what has been provided by the authorizing committee and I feel that we should stick to it. I hope the membership will feel that it can go along with that approach. I do not like to take a position contrary to so many of my colleagues, but I feel it is my duty to my country to raise this question and I intend to raise it as the bill is read for amendment.

Mr. JENSEN. Mr. Chairman, I yield such time as he may desire to the gentleman from Pennsylvania [Mr. FENTON].

Mr. FENTON. Mr. Chairman, I heartily concur in what has been said on the floor by our chairman, the gentleman from Missouri [Mr. CANNON] and the ranking minority member, the gentleman from Iowa [Mr. JENSEN]. I want to pay tribute to the gentleman from Missouri [Mr. CANNON] for the very fine way in which he conducted the hearings. He was very fair to all of the witnesses and to the membership of the committee.

I want to pay tribute to the gentleman from Iowa [Mr. JENSEN] because of the fine way in which he has always conducted himself in the hearings. I have had the privilege of serving with him for many years in connection with reclamation projects and, in my opinion, he is an authority as far as reclamation work is concerned, particularly irrigation.

I enjoyed being a member of the committee. We have worked hard and long.

Mr. Chairman, the bill, H. R. 12858 which the House Committee on Appro-

priations has reported to you is a bill in which a great majority of this body is interested.

The Public Works Subcommittee of which I am a member worked many days in hearing testimony. As the report indicates, the committee took testimony totalling 3,901 pages in 4 volumes of the printed hearings which included representatives of the agencies involved and approximately 900 other witnesses, including 190 Members of the House of Representatives and the Senate.

H. R. 12858 is presented to you under three titles, namely:

Title I—Civil Functions, Department of the Army.

Title II—Department of the Interior, which includes (a) Bureau of Reclamation, (b) Bonneville Power Administration, (c) Southeastern Power Administration, and (d) Southwestern Power Administration.

Title III—Tennessee Valley Authority.

Recommended in the bill for title I is an appropriation of \$779,688,300 of which \$6,915,000 is for cemetery expenses and \$772,773,000 is for the Corps of Engineers.

Title II—which represents funds for the four bureaus of the Interior Department—is in the amount of \$277,553,200 of which \$245,739,200 is for the Bureau of Reclamation, \$30,104,000 for Bonneville Power Administration, \$735,000 for Southeastern Power Administration, and \$975,000 for Southwestern Power Administration.

Title III represents an appropriation of \$16,850,000 for the Tennessee Valley Authority.

The total amount for the three titles of this appropriation bill is \$1,074,091,500, or a decrease of \$1,924,500 from budget estimate.

The hearings required about 2 months and the funds recommended are the results of those hearings.

Our chairman, Mr. CANNON, conducted most of the hearings and he was fair to all the witnesses that appeared and was most courteous to the members on the committee.

The ranking minority member of the committee, Mr. JENSEN, as usual, was most helpful during the hearings and his knowledge of the reclamation problems, particularly power and irrigation is to my mind outstanding.

The other members of the subcommittee devoted much time and effort during the hearings to bring out the facts in all the projects and it was a pleasure to serve with them.

As usual, credit must be given the clerical staff for doing a fine job from beginning to end.

The report of our committee discloses and as has been previously said that at the request of the committee the Corps of Engineers increased the original budget estimate by \$125 million and the Bureau of Reclamation increased their original budget by \$70,823,000.

These increases were thought to not only speed up the construction work but would also provide substantial savings as well as helping to decrease the number of unemployed.

#### TITLE I

In general investigations for rivers and harbors and flood control the budget estimate for 1959 was \$7,800,000.

In permitting the addition of 25 un-budgeted surveys which appeared to be justified, which amounted to \$647,000, the total amount allowed for general investigations is \$8,447,800.

In general construction and planning the budget suggested a total of \$564,620,000. However, the committee was convinced that by approving \$577,085,500 that it would not only speed up the construction work on work which would ultimately be started but would in a great many instances provide work to help alleviate the unemployment problem.

You will note by the report and hearings that considerable discussions were had in the committee about the relative amounts various areas are paying for their direct contributions.

There appears to be gross inequities throughout the country in this field and it is quite evident that corrections should be made.

Likewise the question of maintenance should be resolved with equality for all.

It was also brought to our attention that there are 19 completed projects in which maintenance is being neglected or delinquency in maintenance. The committee, therefore, decided to recommend that no funds be used on any project where local interests are delinquent in their maintenance commitments.

#### TITLE II—DEPARTMENT OF THE INTERIOR SOUTHEASTERN POWER ADMINISTRATION

The committee recommended \$735,000. the same amount as the budget estimate for 1959.

This is a decrease from 1958 of \$1,204,000 and due to change in their system of net billing with its customers under power exchange contracts.

Heretofore all firming energy purchased by the Federal Government was paid through this appropriation. Now the Government will only pay the net difference between the energy bought and the energy sold.

Revenues of the Southeastern Power Administration is estimated at \$19,400,000 for fiscal 1959.

Currently, the Southeastern Power derives its revenue from the sale of electric energy from 10 Federal hydropower dams with an installed capacity of 1 1/4 million kilowatts.

The 10 facilities now generating power are, first, Wolf Creek; second, Center Hill; third, Dale Hollow; fourth, Old Hickory; fifth, Jim Woodruff; sixth, John H. Kerr; seventh, Philpott; eighth, Clark Hill; ninth, Allatoona; tenth, Buford.

In addition there are four other dams under construction; namely, Cheatham, Fort Gaines, Hartwell, and Barkley.

The estimated cost of these 14 facilities is in the neighborhood of over \$882 million.

#### SOUTHWESTERN POWER ADMINISTRATION

There will be no construction for 1959 and the only appropriation from the Treasury will be \$975,000 for operation and maintenance.

There is also \$4,405,000 to be appropriated from the continuing fund which is derived from receipts from the sale of power and energy. It does not represent an appropriation of new funds from the Treasury.

The Southwestern Power Administration markets power from 8 hydroelectric plants which produced 2.17 billion kilowatt-hours of energy during calendar year 1957.

These hydroelectric dams are Blakely Mountain, Bull Shoals, Norfork, Denison, Fort Gibson, Tenkiller Ferry, Whitney and Narrows.

Southwestern Power Administration under the able administration of Mr. Douglas G. Wright has done an outstanding job over the years that I have had the privilege of being on subcommittees that have jurisdiction over this agency.

#### BONNEVILLE POWER ADMINISTRATION

The committee recommended for Bonneville construction in fiscal 1959 \$20,934,000, a decrease of \$66,000 from the budget estimate of \$21 million. This is a decrease of \$1,104,000 from the 1958 appropriations.

This decrease of \$66,000 was on the advice of the Department that it would not be needed and which was programmed for the Lakeside substation.

Since the revised schedule calls for a speedup of construction in the Ice Harbor Dam it is necessary for earlier construction of the Ice Harbor-Franklin transmission line. Hence the Bonneville Power Administration is authorized to use \$20,000 of funds for the planning of this facility.

The committee approved \$9,170,000 for operation and maintenance, which is the amount the Bureau of the Budget requested and \$540,000 above the 1958 appropriation.

This increase is brought about by the fact that additional workload created by new lines and facilities coming into the operation and maintenance stage and for salary and wage increases.

Revenues of the Bonneville Power Administration are estimated at \$80 million for fiscal year 1959.

The Bonneville Power Administration is the marketing agency for 11 Federal generating plants and in 1959 there will be 2 additional plants—making a total of 13 generating facilities.

Their estimated sales for 1959 will be 34,200 million kilowatt-hours.

The geographical area supplied by the Bonneville grid exists in the States of Washington, Oregon, northern Idaho, and Montana, west of the Continental Divide.

#### RECLAMATION BUREAU

The amount recommended for general investigations for the Bureau of Reclamation for 1959 is \$4,365,474, a decrease of \$386,526 from the budget estimate.

The committee also recommended for construction \$138,986,141, a decrease of \$1,023,859 from the budget estimate of \$140,010,000.

The decreases applied to general investigations and construction are fully explained in the report of this bill.

For operation and maintenance the committee allowed the budget estimate

of \$27,500,000, a decrease of \$500,000 from 1958.

#### TENNESSEE VALLEY AUTHORITY

The committee has allowed an appropriation of \$16,850,000 for TVA for fiscal 1959.

This would appear to be an increase in appropriated funds of 1958 which were \$13,317,000.

However, the amount of total appropriated funds in 1958 was \$38,795,000 which included a carryover of \$25,478,799.

The carryover for 1958 is estimated at \$2,207,000 of unobligated funds which together with \$16,850,000 will make available for 1959 a total of \$19,057,000.

The committee went into the justifications submitted by TVA very thoroughly and the hearings will disclose a great many things which the taxpayers of the country should know.

Mr. JENSEN. Mr. Chairman, I yield such time as she may desire to the gentlewoman from New Jersey [Mrs. DWYER].

Mrs. DWYER. Mr. Chairman, I rise to express my support of H. R. 12858, the public works appropriation bill for fiscal year 1959, and to express my gratitude that the administration and the Appropriations Committee have seen fit to recommend that two projects of great concern to my district and the New York-New Jersey area generally should receive additional funds in an effort to speed their completion.

I refer to the appropriation of \$5,420,000 for the item, "New York and New Jersey Channels," which is an increase of \$1,420,000 over the original budget request. This appropriation will enable the dredging of the middle section of the Arthur Kill channel to 35 feet to be completed by June 1961, instead of June 1962. This means that a full year will be saved in the work of completely opening these important channels to the bigger and heavier ships now carrying oil and other industrial commodities in and out of the Nation's most important harbor.

The second item provides an appropriation of \$2,500,000 for construction of the Staten Island rapid transit bridge between Elizabeth, N. J., and Staten Island, N. Y. This is an increase of \$640,000 and will enable this badly needed railroad bridge to be completed by March 1960 instead of April 1960.

It has been my privilege, Mr. Chairman, to take an active and continuing interest in the progress of these important projects during the short time I have been in the Congress. I have appeared before the Appropriations Committee of the House, and I have introduced to that committee the spokesmen of the Port of New York Authority; I have also had the pleasure of working closely with the chamber of commerce of eastern Union County, the Corps of Engineers, my colleagues here in the House who represent districts with an interest in these channels, and other organizations and individuals concerned to keep this great harbor complex abreast of the changing times.

I should emphasize at this point that these projects are not simply matters of local interest. The Arthur Kill and the Kill van Kull channels, by connecting lower New York Bay to Newark Bay and upper New York Bay, serve one of the

most highly industrialized areas in the United States for the storage, refining, and distribution of petroleum products, in addition to large chemical plants, railroad, lumber, and coal terminals, public-service companies, and other industrial and commercial plants.

They also serve the ports of the world through the existing deep-draft ship lanes and the ports of the Great Lakes and the St. Lawrence River through the Hudson River.

In fact, the total waterborne movement on this one New York-New Jersey channel added up to 98 million tons of commerce in 1956—the largest volume of tonnage of any waterway in the United States, greater even than the entire Mississippi River from Minneapolis to the Gulf of Mexico.

The importance of the New York and New Jersey channels to the New York-New Jersey port district has been steadily increasing. During the 5-year period 1936-40, when the channel had a controlling depth of 30 feet, it handled an annual average of close to 44 million short tons. Ten years later, during the period 1951-55, after most of the channel had been deepened to 35 feet, this volume had increased to over 72 million short tons, representing an increase of over 28 million short tons, or about 65 percent. In comparison, the total adjusted tonnage for the New York-New Jersey Harbor rose from 119 million to almost 144 million short tons during the same 5-year periods, representing an increase of only about 20 percent.

Furthermore, the channels project is significant not only to the port of New York but to the entire United States in its volume of waterborne movement of petroleum products. Thus, in 1955, this one channel handled 17 percent of the total United States waterborne movement of this commodity.

Approximately 25 percent of the total commerce for the New York-New Jersey channels is handled in the 6.5 mile reach of the middle section of the Arthur Kill, between Sewaren and Piles Creek, which is essentially all that remains in completing the entire 35-foot main channel between Upper and Lower New York Bays. By completing this link the full economic benefits anticipated from the project will be realized and the full capacity of these channels will be available in the event of a national emergency.

Tankers presently using the waterway have loaded drafts up to 36 feet. The major difficulty affecting the operation of deep-draft vessels on this waterway is insufficient depth and width of channel in the middle section of Arthur Kill, since this portion of the waterway cannot accommodate the larger and more efficient vessels now in use in its northward and southerly ends.

In the present 30-foot section of Arthur Kill, the handling of deep-draft ships can be accomplished only with some hazard or by employing uneconomic methods such as carrying partial loads, navigating only on high tides during the daytime, or lightering vessels before proceeding to terminals. All these alternatives are inefficient and costly and result in appreciable loss. It is essential that a through depth of 35 feet be

provided at the earliest date for the safe and efficient movement of the millions of tons of waterborne commerce transported on this important maritime artery.

The Corps of Engineers reports that work areas have been selected to afford the best possible channel lanes to navigation interests during dredging operations consistent with existing depths. The sequence has been arranged to take advantage of available dredging equipment in this area, to permit traffic to pass without undue delays or hazards during dredging operations, and to provide the deepest available water where possible.

The existing Federal project for the New York-New Jersey channels was authorized in 1933, modified in 1934 and modified again in 1950. The present authorized project provides for a channel 37 feet deep in rock and 35 feet deep in soft material, with a width of from 500 to 800 feet.

The total estimated cost of the overall project will be \$63,362,000, of which the estimated Federal cost is \$61.9 million. Appropriations totaling \$50,645,000 have been made to date, and if the committee recommendation is approved this year a balance of \$5,835,000 is estimated to be needed to complete the project.

According to the Corps of Engineers, the revised schedule for completion of the several parts of the overall project is as follows: First, the channel from lower New York Bay along the Arthur Kill to the vicinity of Smith Creek has been completely dredged; second, dredging in the Arthur Kill from Smith Creek north to Piles Creek will be completed by November 1959; third, dredging of the Arthur Kill and the Kill van Kull to upper New York Bay has been completed; fourth, the deepening and widening of the anchorage at Perth Amboy has been completed; fifth, deepening and extending the anchorage at Sandy Hook will be completed in June 1961; sixth, dredging the cutoff at the main ship channel in lower New York Bay from 21 feet and 27 feet to a depth of 30 feet will be completed in November 1959; seventh, widening of the bend in Arthur Kill at the railroad bridge near Elizabeth by 200 feet will be finished in June 1960; and eighth, the entire project is scheduled for completion by June 1961.

As of the present, the overall project is estimated to be 77 percent complete.

In addition to the costs of engineering and design and expenses of supervision and administration, the budget for fiscal 1959 has been planned to include the following work: (a) complete dredging and rock removal from Pralls Island to Tremley Point; (b) complete dredging and rock removal in the vicinity of Carteret; (c) initiate and complete dredging Smoking to Tufts Point; (d) initiate dredging and rock removal in the vicinity of Tremley Point; and (e) initiate dredging and rock removal opposite Lakes Island.

Construction the Staten Island Rapid Transit railway bridge is a particularly important project. The bridge crosses Arthur Kill and connects Elizabeth, N. J., with Staten Island, N. Y. According to

the Corps of Engineers, the continued existence of the present bridge constitutes a threat to navigation on this waterway. The bridge is outmoded and its limited clearance and its location on a bend in the channel make for very hazardous operation of the large modern tankers that transit the channel.

During the past 24 years, over 100 accidents are reported to have occurred at the bridge. Its possible destruction by collision with a tanker would close the waterway until it could be removed. The threat of fire in the event of a collision with a loaded tanker, is real and would endanger one of the largest concentrations of petroleum refining and storage centers in the world. In addition, destruction of the bridge would close off the major transportation route and the only direct mail route between the mainland and Staten Island, a borough of the city of New York.

The new bridge will be of the vertical-lift type. Its vertical clearance will be 31 feet above mean high water when closed, and 135 feet above mean high water when raised. Its horizontal length will be 500 feet. With the new bridge providing an opening of 500 feet, it will be fully adequate for traffic on the waterway, and the hazards to navigation, industry and transportation service will be removed.

The bridge project was authorized by the Truman-Hobbs Act of June 21, 1940. The total estimated cost of the project is \$9,830,000, of which \$1,670,000 is estimated to be the share borne by the owners of the bridge as the cost of actual betterment to its property, under the formula of the act.

Under the Corps of Engineers revised completion schedule, the substructure of the bridge was scheduled to be completed last month. Its superstructure should be finished by August 1959, while the removal of the existing structures is scheduled for completion by March 1960. By that latter date, work by railroad forces including powerlines, waterlines, track-work, signals, and so forth, should also be completed and the entire project finished.

Assuming the committee's recommended appropriation of \$2.5 million for fiscal 1959 is approved, there will remain an estimated \$1,680,000 of required Federal appropriations to complete the work.

In addition to their share of the alteration costs, local interests are also required to maintain and operate the altered bridge upon completion at an annual estimated cost of \$34,200.

As the Port of New York Authority has predicted, there is great development potential in the area served by the New York-New Jersey channels. The land area, especially the western shore of Staten Island, is one of the few substantial areas left in the New York-New Jersey port region for industrial expansion where ample waterfront land and direct access by deep-sea channel are available.

The exact nature of the long-range industrial expansion is unpredictable, as the port authority points out, but it is certain to increase the volume of com-

merce moving along the New York-New Jersey channels. In the future, even larger ships carrying bulk iron ore, chemical products, lumber, and a multitude of other industrial raw material should swell the already enormous amount of commerce and further justify the continued improvement of this waterway.

I congratulate the committee on its farsightedness and progressive attitude toward development of this great natural resource. And I urge the House to approve its recommendations.

Mr. CANNON. Mr. Chairman, I yield such time as she may desire to the gentlewoman from Missouri [Mrs. SULLIVAN].

Mrs. SULLIVAN. Mr. Chairman, on behalf of the people of St. Louis, I want to take this opportunity to thank the Committee on Appropriations, and its great chairman, the gentleman from Missouri, the Honorable CLARENCE CANNON, for including in this appropriation bill the sum of \$1,700,000 to continue work on the urgently needed flood-control program for our city.

St. Louis, the eighth largest city in the Nation, is the only large city in the United States on a navigable stream without adequate and effective flood protection. We are hopeful that in a few years this distinction will have been taken away from us, thanks to this very vital project now being worked on. Eventually, it will cost in the neighborhood of \$130 million, which may sound like a lot of money—and of course it is a lot of money—but is intended to protect the productive vigor of an area which now sends over a billion dollars a year in Federal taxes into the United States Treasury.

#### ST. LOUIS PROVIDES \$7,500,000 IN LOCAL CONTRIBUTIONS

Mr. Chairman, our St. Louis project was authorized in 1955, and immediately thereafter our citizens voted a bond issue of \$7,500,000 as our local contribution to the project and this money is on hand and is being used in carrying out local responsibilities in connection with the project. A total of \$1,200,000 in Federal funds has already been appropriated for the work, and with the money provided for in this bill now before us, we will be making real and substantial progress toward flood proofing this important American industrial heartland city.

I might mention that there is absolutely no controversy about the project itself. During hearings before the House Appropriations Subcommittee, the city government, the chamber of commerce, the American Federation of Labor and Congress of Industrial Organizations, and the St. Louis Flood Control Association were all represented by top official spokesmen who explained the importance of the work and the need for speed in completing our flood walls.

#### ALL GROUPS UNITED BEHIND PROJECT

Among the witnesses also were all of us from the St. Louis Congressional delegation and representatives of both Missouri Senators.

Mayor Raymond R. Tucker's statement outlined in detail the cooperation which the city is giving and intends to give toward the completion of the work; Mr. Joseph Cousin, executive secretary-treasurer of the Building and Construction Trades Council of the AFL-CIO, described the importance of the project from labor's standpoint and the tremendous assistance work on this project will provide us in helping to alleviate our serious unemployment problem; Mr. Morton Meyer, of the Thompson Hayward Chemical Co., president of the St. Louis Flood Control Association, discussed his many conversations with Army engineers officials on the need for the work and its high priority status; Mr. E. Dean Darley, president of the 111-year-old F. B. Chamberlain Co., and vice president of the St. Louis Flood Control Association, told of the effects of past floods on his firm and many, many others in the path of the flood waters of the Mississippi in the St. Louis area; Mr. Roland C. Marquart, industrial representative of the Chamber of Commerce of Metropolitan St. Louis, submitted a statement on behalf of Chamber President and former Mayor Aloys P. Kauffmann detailing the Nation's industrial stake in uninterrupted production from firms in St. Louis menaced by floods, and so on. Our city comptroller, Mr. John H. Poelker, and Mr. Everett Winter, executive vice president of the Mississippi Valley Association, also appeared before the subcommittee.

#### INDUSTRIAL LEADERS JOIN IN EFFORT

Mr. Chairman, as an example of the unified support of the people and industries of St. Louis in behalf of this project, I need only mention some of the individuals who have spent much effort and many, many hours of work on this activity as members of the board of directors of the St. Louis Flood Control Association, including, in addition to those I already mentioned, Mr. Harry D. Gaines, of the Gaines Hardwood Lumber Co.; Mr. H. H. Colwell, Ralston Purina Co.; Mr. William W. Crowdus, one of our outstanding civic leaders; Mr. Dewey K. Lange, of Lange Bros., Inc.; Mr. Otto Conrades, of the St. Louis Materials and Supply Co.; Mr. V. C. Hanna, of the Terminal Railroad Association; Mr. Alfred Hirsch, of Laclede Gas Light Co.; Mr. J. K. Hyatt, of Anheuser-Busch, Inc.; Mr. A. S. Kendall, of Crunden-Martin Manufacturing Co.; Mr. Edwin B. Meissner, of St. Louis Car Co.; Mr. Al Peck, of Peck Products Co.; Mr. A. G. Stoughton, of Midwest Piping and Supply Co.; and Mr. F. E. Wisely, of Monsanto Chemical Co.

All of these men, Mr. Chairman, are aware that the full credit for the inclusion of this project in the pending bill goes to Chairman CANNON of the Appropriations Committee and other members of that committee. Chairman CANNON is a real friend of St. Louis, and we appreciate what he has done for us.

#### STATEMENT OF URGENT NEED FOR PROJECT

As a final word, Mr. Chairman, I include some factual details on our project as provided by Mr. Morton Meyer, presi-

dent of the St. Louis Flood Control Association, as follows:

ST. LOUIS FLOOD CONTROL ASSOCIATION,  
St. Louis, Mo., April 28, 1958.

We are asking Congress to provide the funds needed to continue the work already begun on the St. Louis flood protection project, through appropriation of \$1,200,000 in the last 2 fiscal years, because the danger here is very real:

A volume of water equal to the flow in 1844 is a definite probability in the Mississippi River at St. Louis.

Under present riverbank conditions this volume would create a flood stage of 52 feet.

A stage of 52 feet is nearly 12 feet higher than the stage we experienced in 1951.

A 52-foot stage would put water 8 feet deep at Broadway and Chouteau and 15 feet to 23 feet deep at many street intersections.

It would seriously cripple railroad operations by inundating more than 250 miles of track.

It would hamper our public utilities and deprive much of the city of gas and electric services.

It would put out of operation many warehouses, factories, and plants. It would cause widespread unemployment.

It would lay our people easy prey to epidemic, through contamination of our water.

The damage in money is hard to estimate but Kansas City is reported to have suffered in excess of a billion dollar damage in 1951.

The completion of this project would remove the fear of complete ruin on the part of area residents.

It would assure uninterrupted transportation and public utility facilities as well as industrial activity.

It would rejuvenate more than 10 percent of the total area of the city.

It would provide hundreds of acres of flood-free industrial tracts for new industries which in turn would make available thousands of new jobs.

Why do we believe we are justified in requesting this protection now?

Because St. Louis is the largest city in the Mississippi Valley but has no flood protection while most others are protected.

Because St. Louis is the only large city in the United States on a navigable stream that has no flood protection.

Because St. Louis is the eighth largest city in the country and as such has great importance in the national economy.

Because St. Louis has committed \$7,500,000 of its bonding authority through the 1955 bond issue as our local contribution. And this action was based on the implied promise that the Federal Government would proceed without interruption to the completion of the project.

Because the project was approved after exhaustive examination by the Chief of the United States Army Corps of Engineers, authorized by the United States Congress, and signed into Public Law 256 on August 9, 1955 by President Eisenhower.

Because by accelerating completion of current engineering work, the St. Louis district engineer can ask for construction bids on September 30 of this year and put men to work shortly thereafter.

To prevent further decay and to promote progress, St. Louis must have this protection from the annual threat of catastrophe.

Mr. CANNON. Mr. Chairman, I yield 5 minutes to the gentleman from Tennessee [Mr. EVINS].

Mr. EVINS. Mr. Chairman, the public works appropriation bill is certainly one of the most important measures which will be considered by the House during this session of Congress.

It is important for our own country.

This bill could easily have been passed on last Thursday evening when it was

originally scheduled for consideration. However, it is well that a measure of this importance should be fully discussed and considered and time given to debate on this important appropriation bill—as arranged for today by the leadership and Chairman CANNON.

I should like at the outset to join my colleagues of the committee in paying tribute to the chairman of the Appropriations Committee, the distinguished gentleman from Missouri [Mr. CANNON].

It has certainly been an enriching experience to serve on the committee with him and under his leadership. Mr. CANNON not only serves as chairman on the full Committee on Appropriations but also as chairman of the Subcommittee on Public Works Appropriation—as he considers this committee one of the most important subcommittees of the Congress. He has actively participated in the daily hearings—in the laborious, detailed work of our subcommittee—those of us who have worked with him on this subcommittee have been constantly amazed at his untiring energy, at his patience and punctuality and his unfailing courtesy to all.

So, Mr. Chairman, we all are indebted to Chairman CANNON for his great work on this appropriation.

Last week it was my privilege to be present at the Department of Interior when Mr. CANNON's great services to our country were deservedly recognized by Southeastern University.

Mr. CANNON was awarded an honorary doctor of laws degree.

I am sure that all agree that no man has completely earned this recognition more than our distinguished chairman, Mr. CANNON.

It has also been a pleasure to work with Mr. TABER, the distinguished gentleman from New York, and the ranking minority member of the committee, as well as all members of the subcommittee—the distinguished gentleman from Michigan [Mr. RABAUT], the gentleman from Iowa [Mr. JENSEN], the gentleman from Ohio [Mr. KIRWAN], the gentleman from Rhode Island [Mr. FOGARTY], the gentleman from South Carolina [Mr. RILEY], the gentleman from Massachusetts [Mr. BOLAND], the gentleman from Washington [Mr. MAGNUSON], and the gentlemen from Minnesota, Pennsylvania, and Idaho [Mr. H. CARL ANDERSEN, Mr. FENTON, and Mr. BUDGE].

This bill, Mr. Chairman, carries appropriations for the civil works functions of the Corps of Engineers and the Bureau of Reclamation; for certain functions of the Quartermaster Corps; and for the four great power agencies of the Federal Government: The Bonneville Power Administration, the TVA, the Southeastern Power Administration, and the Southwestern Power Administration.

The committee held hearings for more than 2 months and, as indicated, some 900 witnesses were heard, including 190 Members of Congress. The testimony is transcribed in 4 volumes with more than 4,000 pages of testimony.

The total amount requested by the Bureau of the Budget for these purposes was \$1,076,016,000. The committee recommends in this bill a total of \$1,074,017,200. This is \$182,280,877 more than

we appropriated for these functions for the current year—1958—and \$1,898,800 less than the budget estimates.

In my considered judgment this is one of the best public works appropriation bills that has come to this body during the years that I have been privileged to serve on the committee. I believe I can claim some objectivity in saying this because this bill contains no funds for construction of any project in the district which I have the honor to represent.

It is a good bill because the committee has exercised its own judgments on the merits of the various projects considered—based upon the evidence presented to the committee.

The committee has made some reductions and we have made some increases.

The committee has recommended undertaking 26 new surveys on unbudgeted projects. The committee is also recommending funds for 45 new starts. These increases have been made possible without increasing the overall budget limitation.

As we have eliminated some, we have been able to put other projects in the bill. The report provides that funds have been included for these projects which cannot be increased. Language has been included in the legislative bill to preclude the use of funds until the projects have been authorized, so the safeguards on the other projects are written in the report.

Each year as projects are completed, the Corps of Engineers feels that a reasonable number of new starts should be undertaken—gotten underway. This has been particularly stressed this year because of the lag in employment and because of prevailing economic conditions.

This increase amounts to \$125 million for the Corps of Engineers and \$70 million for the Bureau of Reclamation.

The revised budget, submitted after the committee initially considered this year's requests, represents a net gain for the country as a whole.

This revised budget has been brought about by the request of this subcommittee—I should say the insistence of this committee.

Although I know that it is impossible to please everyone—I want to repeat that this is a well-balanced bill—a truly all-American bill—and it represents the work and judgments of the committee and not just the recommendations of the Bureau of the Budget.

This is not a rubber stamp bill, merely approving the Budget requests.

In this bill, the Congress is asserting its constitutional responsibilities for determining the policies of our Nation on appropriations and expenditures.

Like the gentleman from Iowa, I make no apologies for this bill—for the appropriations recommended by the committee. On the contrary, we can take solid comfort in them.

This bill will add to the Nation's assets. These projects will add to our growth, they will insure our continued progress—and this bill will serve to strengthen our Nation as a whole.

The committee is recommending funds for 396 projects and activities in every area of the Union, and the Territories of Alaska and Hawaii as well.

The advancement of these projects will add to the greater development and utilization of the resources of all our great river basins—the St. Lawrence, the New England, the South Atlantic, the Ohio River, the Tennessee, the Mississippi, the Missouri, the Rio Grande, the upper Colorado, the Columbia River, the Central Valley basins, and others. They will improve harbors and navigable waterways throughout the Nation.

Mr. Chairman, some of our citizens seemingly do not appreciate how truly national is our program of water resource development. Far too many people appear to labor under the delusion that the program is limited to certain areas like the Tennessee or Columbia River Basins. The truth is—and this bill gives further evidence of it—that there is scarcely a river in the entire Nation which has not benefited from the development and improvement of its resources in the past quarter of a century. The types of programs may differ from area to area and river to river. In some, navigation is the primary concern; in others, flood control; in still others, irrigation; in most of them we have tried to achieve highest utilization by designing projects for multipurpose results, combining in them the benefits of several functions. But in any event we are far along the road toward the realization of the principle first enunciated by Theodore Roosevelt that "every stream should be used to its utmost."

And, Mr. Chairman, every year that passes brings further evidence of the wisdom of this great national program of river resource development. We still have some disastrous floods—news report: 5,000 Homeless in Indiana-Wabash Levee Break—I am sure we all share concern and sympathy for those who suffer loss through these floods. They do point out that our job is still far from finished. We are not always reminded of the floods that do not occur, of the suffering and damage that is averted by these great dams that have been built and the great levees and sea-walls constructed. Yes; in each part of the Nation the citizens each year can give thanks for the protection afforded them by the already completed projects along our rivers.

This is the negative side. On the positive side we have the great contribution that these projects have made to the growth and development of our Nation. Large areas of our Nation alone would not and could not have made significant contributions to the advancement of our country. However, enabled by these projects, or stimulated by them all areas have participated in the agricultural and industrial progress of our Nation. The arid Southwest, and the wornout and eroded Southeast are examples.

Fifty years ago the great area of the Southwest was marked on maps as the Great American Desert. According to the best expert opinion the Southeast was well on its way to becoming another Great American Desert. Today, these are areas of prosperous and fertile farms and great industrial growth, each making tremendous contributions to the ad-

vancement of the entire Nation. These and others are the more spectacular examples; but there is no area of the country whose progress has not been aided or stimulated by this great national program of water-resource development.

Furthermore, as our Nation grows—and we are increasing rather than decreasing—the need for water-resource development will likewise increase. Yesterday, we were concerned with navigation, today with flood control and power; but tomorrow, it is all too clear our great problem will be the water itself. This is already true in many areas of the Nation, notably the West and Southwest, where the water provided by these projects is in itself their most valuable product. But the evidence grows overwhelming each year that, even in the more humid sections of the Nation, future growth will be largely dependent on our ability to supply enough water for drinking and sanitary and industrial purposes. Therefore, our Nation's future is quite critically tied in with the continued development and improvement of our water resources.

There is another thing that too few of our citizens realize. Most of the money our Government spends is for services, and expendable supplies and materials, that do not enrich the assets of our Nation. They are necessary, of course, but they are entered in our books on the red side of the ledger. Programs of water-resource development, on the other hand, represent activities of our Government which result in physical assets that can be entered on the black side of the ledger. In other words, the money we will appropriate today will create wealth—not only indirectly by creating employment and business for industry, but directly by building actual physical assets for all to see and to use. We are all conscious of the national debt. Yet, it is well that we should be reminded that we also have assets on the black side of the ledger and that already some \$20 billion worth of those assets are represented by the great dams, harbor improvements, powerplants, locks, and so forth, created by our great national program of water-resource development. These are assets visible to the eye, and millions of our own citizens, and thousands of visitors from all over the world, are each year impressed by them—as they repay the cost—and contribute to the well-being and strength of our Nation.

The projects which this appropriation will serve to develop are among the most productive of all the expenditures we make—productive both of continued progress for our Nation and people, and productive, too, in the sense that they result in something solid, something substantial, and something of value. I repeat, we need not apologize for these appropriations; on the contrary, we can take solid satisfaction in them. They add to our assets, they add to our growth; they insure our continued progress. They are investments in the physical plant and growth of our Nation.

The distinguished chairman of the committee (Mr. CANNON) and the other members who have preceded me have already adequately presented the details of the bill. I shall not burden my col-

leagues with repetition. I should like, however, to make reference to portions of the bill concerning the area most familiar to me.

This bill calls for an appropriation of \$16,850,000 in new funds for the TVA. There is an estimated carryover of \$2,207,000, for a total program of appropriated funds of \$19,057,000. This is half of the appropriated funds available to the TVA in the current fiscal year and represents one of the lowest, if not the lowest, appropriations budgets in the history of this great national asset. Of the total appropriated, \$8,982,000 is earmarked for the continued construction of the new lock at Wilson Dam replacing the obsolete old lock which has become a bottleneck for navigation on the entire river. Only \$411,000 of these funds will go to the power program for clean-up work on powerplants completed under past appropriations.

The committee has approved the total obligation program involving both corporate and appropriated funds and, as the report states, considers that it represents a well balanced and reasonable program for the coming year.

Let me summarize the provisions of the appropriations financed budget for the TVA under this bill:

Eleven million seven hundred and eighty-two thousand dollars is assigned to acquisition of assets. Of this amount, as I have already pointed out, \$8,982,000 is for the new lock at Wilson Dam; \$411,000 for clean-up work on the Kingston and Shawnee steam plants built to serve the Atomic Energy Commission; \$423,000 is for miscellaneous improvement, such as improvement of public-use facilities, access roads to sites which are scheduled for sale, and miscellaneous plants and equipment; \$162,000 is for flood-control facilities, principally the purchase of scattered land and land rights in the Norris Reservoir area needed to assure that the flood-storage capacity is utilized to the maximum extent; \$124,000 for investigation on several potential dam sites on tributaries of the Tennessee River; and \$353,000 is for administrative and general expenses in connection with the navigation flood-control and power program.

Seven hundred and eighty-three dollars is for acquisition of additional chemical facilities; \$30,000 for administrative and general expenses of the fertilizer, agriculture, and munitions program; \$494,000 of appropriated funds is for the purchase of various office equipment, transportation facilities, and similar assets in the general service activities of the TVA. This makes a total \$11,782,000 for acquisition of assets.

The balance of the appropriation is for operating expenses to be distributed as follows: Navigation operations \$220,000—it should be noted the cost of navigation operations is considerably greater than this amount, the balance comes from income from river terminals; \$2,297,000 for the operation of the multi-purpose reservoirs—the total expenses far exceed this, the balance coming from the corporate funds; \$200,000 for topographic mapping; \$212 for administrative general expenses. An additional

\$2,959,000 is budgeted for the fertilizer, agricultural and munitions program—again this is only a small portion of the cost of this program, the balance coming from the income of fertilizer production and distribution; \$1,013,000 is budgeted for the watershed protection and improvement program which includes tributary watershed projects and forestry projects intended to protect the reservoir from sedimentation. The total for operating expenses is, therefore, \$7,275,000.

The budget for acquisition of assets is nearly \$20 million less than last year. The budget for operating expenses is \$135,000 more than last year. Most of this increase is in the fertilizer, agricultural, and munitions program. The budget for the other programs is almost exactly the same as last year.

On the Cumberland River, funds are provided for continued construction on Cheatham and Old Hickory Dams, and \$10,500,000 is appropriated for the continued construction of the great Barkley Dam near the mouth of the Cumberland River. This dam, when completed, will greatly increase the protection from floods, not only of the area surrounding the Cumberland, but also of the area in the Ohio and Mississippi Rivers below the mouth of the Cumberland. It will also greatly improve the navigational potentialities of the great inland waterway formed by the Mississippi—Ohio, Tennessee, and Cumberland Rivers.

Mr. Chairman, this bill appropriates for our own domestic development merely 25 percent of the funds we will spend next year in foreign lands. We all recognize that some expenditures for mutual aid seems essential though I have occasionally had doubts as to the effectiveness of the expenditures. But we cannot disregard the needs and the growth of our own Nation. The United States is not ready yet to stop growing. We have not yet reached the zenith of our development.

Our great national programs of water resource development are among the most important steps we can take to insure the continued growth of our Nation. Let us continue to work for this growth by developing the water resources of our Nation, in all its areas, to the utmost, for the benefit of all the people and the entire Nation, and not just for the benefit of a selfish few special interests. In that way we will not only serve our own domestic well-being but assure our Nation's strength. We will thus preserve our country's resources, strengthen our leadership, and maintain American preeminence in the world.

I would like to call to the attention of the Committee that I hold here a statement by no less an authority than General Itschner, the Chief of Engineers himself. This is a statement of General Itschner before the Public Works Committee of the Senate in which he called attention to Soviet water resource development. I think everyone should read this report, which shows the tremendous emphasis that is being placed on water resources development and the great projects that are underway on the Volga River and others in Soviet Russia. There is included here a list of some 20

projects, several of them larger than any in the United States.

Excerpts from General Itschner's statement, to which I have referred, follow:

The United States Army Corps of Engineers is concerned with Soviet water resource development as part of our overall military engineer intelligence mission. \* \* \*

We have enough information to give this committee an evaluation of Soviet accomplishments, progress, and programs. \* \* \*

The Soviets have given water resource development a priority second only to the development of heavy industry designed to support military programs. This fact must be viewed in the light of Secretary Khrushchev's statement: "We declare war on the United States in peaceful production \* \* \* We will win over the United States." \* \* \*

In hydroelectric power development, the Soviets already approach us in total installed capacity and have individual projects under construction that far exceed any American project in capacity.

In inland waterway navigation, they have projects that rival ours, and plans that probably surpass ours. \* \* \*

In irrigation \* \* \* they have bigger projects than ours, and they probably are irrigating new acres at least as fast as we are. \* \* \*

Their power equipment and engineering \* \* \* are excellent, and they are superior to ours in a few characteristics. \* \* \*

Most Soviet water resource projects are multiple purpose. \* \* \*

As to the quality of Russian engineering, a British technical delegation recently inspected some of their projects and reported: "Russian engineers are not lacking in engineering ability when dealing with the varied problems met in river control and development works. \* \* \* They have been most successful." \* \* \*

To illustrate the kind of work they are doing, I will mention a few representative Soviet projects.

The Kuibyshev project on the Volga River has a plant with 2,100,000 kilowatts installed capacity, generated by 20 vertical Kaplan turbines with turbine rotors 30½ feet in diameter operating under a normal head of 63 feet. By comparison, the 18 turbines at America's largest powerplant, Grand Coulee, have a combined rated capacity of 1,944,000 kilowatts. \* \* \*

Thus right now Soviet hydroelectric development appears to be roughly equal to ours in amount. However, their rates of increase is greater than ours.

The United States has no plants completed which reach the 2 million kilowatt market. \* \* \*

But the U. S. S. R. has 10 plants ranging from 2 million to 6 million kilowatts, of which one is almost complete, 3 are under construction, and 6 are in planning or preparatory stages. One single plant, the Yenesei plant on the river of the same name, will have a capacity of about 6 million kilowatts, greater than the total capacity of all the powerplants at all the dams ever constructed by the Corps of Engineers, which now is 5,250,000 kilowatts.

So, Mr. Chairman, I repeat, the projects for which we are making appropriations today are American projects. They are to build up and strengthen our own country. We should have no hesitancy in voting to build up and strengthen America. It is time that we got on with doing the jobs needed at home.

Let us pass this bill to strengthen America.

Mr. JENSEN. Mr. Chairman, I yield such time as he may require to the gentleman from Washington [Mr. Mack].

Mr. MACK of Washington. 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 Washington?

There was no objection.

Mr. MACK of Washington. Mr. Chairman, I take this time to thank the committee for including \$50,000 in this bill for a full-scale survey of a proposed power-industrial water-flood control project on the Wynooch River in Grays Harbor County, Wash.

The project was not fully cleared by the United States Army Engineers until December 1957 and therefore too late for inclusion in the President's budget when this was reported to Congress.

The project is a most meritorious one. Its benefit-cost ratio, according to the district engineer, appears to be high based on a preliminary survey.

The project when completed will provide \$340,000 of power annually and will provide \$30,000 a year of industrial water. The Grays Harbor Public Utility District will pay the power costs of the project and the city of Aberdeen which already has a large industrial water system will get this water and will pay the cost of that part of the project involved in supplying this water.

The Aberdeen water system now sells all of its available water supply to two pulp and paper mills and the additional water will make possible the expansion of these plants since both plants need more water before they can be expanded.

The additional hydroelectric power the project will provide should lead to other industrial expansion.

The Aberdeen water system and the Grays Harbor Utility District are financially able and willing to stand their proper cost of the project.

Once the Congress has fully approved this appropriation, I hope the United States Army Engineers will speedily undertake the survey so that this project can be started at the earliest possible date.

Mr. JENSEN. Mr. Chairman, I yield such time as he may require to the gentleman from Kansas [Mr. SCRIVNER].

Mr. SCRIVNER. 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. SCRIVNER. Mr. Chairman, the committee has done a remarkable job under difficult circumstances, possible only because of their detailed and intimate knowledge of the river valleys of this Nation and their patience in listening to countless witnesses.

Particularly interested in flood control is the Second District of Kansas. Being in the northeast corner of the State, flood water from nearly all major rivers is dumped upon us.

The Missouri River brings floods upon Kansas. The Kansas River brings torrents of water upon the Second District and my home town of Kansas City, Kans. Part of that danger will be controlled by Tuttle Creek Reservoir for which in-

creased funds are herein provided, bringing it nearer to completion.

One of the smaller rivers bringing damage upon us is the Neosho. Small, yes, but the flow at the peak of the 1951 flood was equal to the torrents roaring down the Kaw River. Funds for the John Redmond Reservoir above Burlington, on the Neosho River brings hope for relief from recurring floods in the Neosho Valley. The towns of Humboldt and Iola along with others downstream in the Third District will be greatly benefited.

Another flood-plagued valley, with floods almost annually, a valley where in 1951 the flood was so terrific that had it not been for others, it would have made headlines all over the Nation—is the Marias des Cygnes. The funds for Pomona Reservoir on this stream will begin a much needed and long sought dam which will stop floods and give assured water in times of drought.

Mr. Chairman, to this committee and the House of Representatives goes the thanks and appreciation of the residents of the Second District of Kansas which I have the honor and pleasure to represent.

Mr. CANNON. Mr. Chairman, I yield such time as he may require to the gentleman from Massachusetts [Mr. PHILBIN].

Mr. PHILBIN. 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 Massachusetts?

There was no objection.

Mr. PHILBIN. Mr. Chairman, I compliment the committee for its able, painstaking work, and will strongly support the bill. As chairman of the Massachusetts Delegation Committee on Flood Control, I am gratified, really beyond expression, at the outstanding results which we have achieved this year in securing practically all of our requests for appropriations to carry forward the well-rounded program of flood control for our area. From a nationwide standpoint the bill covers a wide range of essential projects.

The House Appropriations Committee, to whom we had so strongly appealed, not only acceded to our pleas for favorable action on budgeted items, but it also wisely overruled the Budget Bureau injunction on new starts by providing \$275,000 in construction funds for West Hill Dam and Reservoir in the Blackstone Basin.

Many times I have had the occasion to express to the House Appropriations Committee and the Congress, the sincere deep appreciation of the members of the Massachusetts and New England delegations in Congress for their invariable help and concern about critical New England flood problems.

It is certainly a pleasure for me to do so again today in behalf of our Massachusetts people and in the name of the many communities, business establishments and individuals who will be provided great flood-prevention benefits from the solid protective projects which are now under way under the overall manage-

ment of the efficient Army Corps of Engineers.

The House Appropriations Committee is providing nearly \$10 million to speed flood control in the central Massachusetts area. These are the allocations of Federal funds for specific projects of distinct help to this area which was devastated by the August 1955 floods:

Construction: Hodges Village, \$2,700,000; East Brimfield, \$3,800,000; Worcester diversion, \$2,534,000; West Hill, \$275,000.

Planning: Westville, \$141,000.

Flood-control studies: Blackstone Basin, \$20,000; Connecticut Basin, \$95,000.

Despite a budget freeze on new construction starts, the House Appropriations Committee is allocating \$275,000 to start construction of the West Hill Reservoir and Dam in the Blackstone Basin near Uxbridge.

The committee was unable to grant an unbudgeted \$500,000 in construction funds for Westville to permit the start of this project near Southbridge after the preconstruction planning has been completed. A total of \$141,000 is being provided, however, to complete the \$320,000 planning job for Westville.

#### HODGES VILLAGE

The \$2,700,000 for Hodges Village Dam and Reservoir on the French River in Oxford would insure completion of the project by September 1959. Under current construction schedules, Army Engineers plan the dam closure by August of this year. About \$160,000 will be required in next year's appropriation bill to complete the work at Hodges Village, a \$5,300,000 project to protect Webster and downstream points in the Thames Basin.

With the \$2,700,000 being appropriated this year, the engineers expect to continue the following work at Hodges Village:

Initiate and complete road relocations, \$314,000; complete utility relocations, \$294,000; complete construction of the dam, \$793,300; initiate and complete construction of buildings, grounds, and utilities, \$65,000; continue land acquisition, \$900,000; initiate and complete access road, \$30,000; initiate and complete acquisition of permanent operating equipment, \$15,000; initiate and complete reservoir clearing, \$105,000; engineering and design \$47,000, and supervision and administration, \$136,000.

Upon completion, Hodges Village will effect major reductions in flood damages at Webster, Dudley, Thompson, in addition to reducing flood flows on the Quinebaug from Putnam downstream to Norwich, the Engineers have stated. Had Hodges Village been in operation during the 1955 floods, it would have prevented \$9,400,000 of the \$61,680,000 damages in the Thames Basin, Engineers have estimated.

#### EAST BRIMFIELD

Following is a breakdown of work to be undertaken by the Army Engineers with the \$3,800,000 appropriation for the East Brimfield Dam and Reservoir on the Quinebaug in Sturbridge:

Continue road relocations, \$890,000; continue dam construction, \$622,000; continue land acquisition, \$1,980,700;

complete utility relocations, \$85,000; complete construction of buildings, grounds, and utilities, \$63,000; initiate and complete reservoir clearing, \$80,000; engineering and design, \$34,200; and supervision and administration, \$45,100.

The Army Engineers now expect to complete the \$7,400,000 East Brimfield project by November 1959. Dam closure will take place in June of next year, under current construction schedules. About \$1,200,000 will be required in next year's appropriation bill to complete the project.

The East Brimfield project would have prevented \$12,730,000 in damages in the Thames Basin had it been in operation in August 1955, according to Engineer estimates.

#### WORCESTER DIVERSION

The Army Engineers expect to complete the Worcester diversion project by June 1959 with the \$2,534,000 appropriation. The money will be used as follows: continue construction of channel and tunnel, \$1,806,000; continue construction of floodway control and diversion structures, \$520,000; engineering and design, \$11,500, and supervision and administration, \$195,000.

Total estimated cost of the Worcester diversion project is \$6,113,000 of which \$5,270,000 is the Federal share. According to the Engineers, the Worcester project will provide almost complete flood control of the upper portion of the Middle River and substantial control of flood flows through the remaining portions of Worcester. The Engineers estimate that Worcester suffered damages totaling \$28,500,000 in the August 1955 floods. Operation of the Worcester diversion project would have prevented \$21,700,000 of these damages, the Engineers have stated. Our valued, able colleague, Congressman HAROLD D. DONOHUE, has given special attention to this project.

#### WEST HILL

The Engineers expect to complete the preconstruction planning of West Hill this month at a total cost of \$233,000. The \$275,000 will permit the Engineers to initiate construction of the dam and reservoir this year, total estimated cost of which is \$3,360,000. The project is located on the West River in Uxbridge just below the Uxbridge-Northbridge line. The Engineers estimate that West Hill would have prevented \$12,215,000 in flood damages in the Blackstone Basin had it been in operation in 1955.

#### WESTVILLE

Preconstruction planning for the Westville Dam and Reservoir on the Quinebaug, west of Southbridge, will be completed with the \$141,000 appropriation. Westville is a companion project to the East Brimfield Dam and Reservoir to provide joint protection to Southbridge and downstream points in the Thames Basin. The Engineers estimate that \$5,500,000 damages would have been prevented in 1955 had the project been in operation.

The estimated total cost of Westville is \$6,500,000. Engineers have indicated some considerable savings would result on Westville if the East Brimfield project is completed first.

#### FLOOD STUDIES

The committee has allocated \$20,000 for flood control studies in the Blackstone Basin would complete a \$95,000 flood survey under way since the 1955 floods. The Engineers propose to complete their flood control studies of the entire basin during fiscal year 1959 from Blackstone's origin in Massachusetts down to Fox Point in Rhode Island.

The \$95,000 appropriation for the Connecticut Basin will permit completion of a \$294,000 flood study started after the 1955 floods. Tributaries of the Connecticut, including the Chicopee River, will come in for special survey with these funds.

I do not have time to set forth in detail the other projects in our area which the bill provides for with wisdom and efficiency. It will suffice to state that these projects are all necessary and their completion at an early date will be most helpful and, we believe, effective in affording protection against the ravages of disastrous floods.

Mr. CANNON. Mr. Chairman, I yield such time as he may require to the gentleman from Arkansas [Mr. HAYS].

Mr. HAYS of Arkansas. 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 Arkansas?

There was no objection.

Mr. HAYS of Arkansas. Mr. Chairman, the Arkansas River program has received the consideration of the Appropriations Committee and the full budget request has been recommended. For this, we who represent the great Arkansas Valley are grateful. I believe that as a result of the testimony presented to the committee, presided over by the distinguished gentleman from Missouri, [Mr. CANNON], the committee has become familiar with the potentialities of the river basin, and I am confident that their approval of the budget request signifies their faith in the value of this comprehensive plan which was first approved by the Congress in 1946, with important amendments following in 1949.

The Arkansas is the last of the great rivers of our country to receive substantial consideration. It has been called the most treacherous and unpredictable river in the United States, but the same authorities testify to its tremendous potentialities.

While disappointed that the committee did not recommend the increases which we believe are justified, I nevertheless would like to point out, Mr. Chairman, the significance of the forward steps being authorized by the sums which are included in the bill. In the bill is a \$2 1/2 million appropriation for the Dardanelle Dam, and except for the fact that siltation-control dams farther up the stream are necessary, I am confident this sum would be much larger.

I must confess, too, Mr. Chairman, I feel that the Budget Bureau was unduly restrictive in the request for bank stabilization. According to convincing testimony presented to the committee, several million dollars could be used in this important phase of the river development program.

It is a well known fact that the Arkansas Basin is rich in natural resources which await adequate usage. The only things that have held us back are lack of water transportation and abundant water for industrial use. There is no reason why an Arkansas Valley industrial empire cannot be brought into existence when these obstacles are removed. The Ohio River Basin provides an outstanding example of what can be done when a major river is fully developed. Fourteen billion dollars have been invested in industry along the Ohio since the end of World War II, and barge tonnage in 1956 was 76.4 million tons. The characteristics of the two rivers are enough alike that we could have every reason to expect a similar explosion of industrial development when we have readily available an ample supply of water, controlled and of good quality.

The completion of all the Arkansas River projects will mean the dawn of a new day for the 5 million people who live in the Arkansas Valley. While the rest of the Nation has been enjoying a population boom, this region has been losing population because of the lack of economic opportunity. The utilization of the resources of this region will not only provide a better life for the people in the Southwest but will enrich the Nation by adding significantly to our total productive capacity and output. By making the valley hum, we will enable the people who love this region to stay at home and prosper, at the same time relieving population pressures in other sections of the country.

Since water may well be our most precious natural resource, Mr. Chairman, it would definitely be to the country's advantage to utilize efficiently the fortunate abundance of water that we find in the Arkansas Valley. With the continued support of the Congress, in the not too distant future we should realize on the great economic potential and add significantly to the Nation's material strength at a time when our national security is at stake.

Mr. JENSEN. Mr. Chairman, I yield 5 minutes to the gentleman from North Carolina [Mr. JONAS].

Mr. JONAS. Mr. Chairman, I am not under any illusions as to what will happen to this bill since 190 Members of the House appeared before the subcommittee and testified in favor of various projects that are included. However, I voted against reporting the bill in the full committee and I therefore feel that I have a right to oppose it on the floor. I do not quarrel with any of those who have a contrary view, but there are some projects in this bill which I cannot approve. I take my stand alongside the gentleman from New York [Mr. TABER] in his opposition to it.

In the first place, the committee report states that this bill is nearly \$2 million under budget estimates. The committee is able to make that claim only because it reduced by \$20 million a \$25 million item to provide loans under Public Law 130 and Public Law 894 of the 84th Congress. If you eliminate the item for loans, which of course are repayable, you will find that the net result is that the committee has increased

budget requests by \$18,500,000 in this bill.

While the total amount appropriated by this bill is \$1,074,000,000, it would be a serious mistake for the Members of the House to assume that this is all that is involved. This is only one installment on a very large bill we are incurring today which future Congresses will be called upon to pay.

The current estimated total Federal cost of the projects involved in this bill is not a billion dollars; it is \$12 billion. Instead of being concerned with an appropriation of a little more than a billion dollars, we are actually considering projects that involve a total expenditure of \$10 or \$12 billion.

The bill before us today contains funds for 41 unbudgeted Corps of Engineers projects and 4 Bureau of Reclamation projects, a total of 45 new projects for which money was not requested in the budget. The money included in the bill for these unbudgeted items amounts to approximately \$17 million, of which \$14.5 million is for construction and \$2.5 million is for planning money. But this is only the beginning. Just to complete the unbudgeted construction projects in this bill will require \$318 million, and to complete the other unbudgeted projects for which planning money is provided in this bill will require \$427 million. So what is involved here, before we complete the unbudgeted projects for which money is provided in this bill, is approximately \$750 million.

A number of projects in this bill relate to navigation. A discussion of navigation is important today when bills are pending in both houses of Congress to provide relief for railroads. Senate Report No. 1647 of the 85th Congress listed as one of the reasons for the general decline of the railroads "the Government assistance offered to their competitors. This includes the building of highways, airports, the provision for toll-free waterways and other facilities." It seems to me to be inconsistent for Congress to be asked to appropriate hundreds of millions of dollars, which eventually will run into billions of dollars, to provide new toll-free waterways whose tonnage will be achieved almost wholly at the expense of existing business or future growth of the railroads at a time when we are considering extraordinary measures to keep the railroads of the country in operation, particularly since those who will use the waterways will not pay anything toward construction or maintenance.

Mr. JENSEN. Mr. Chairman, will the gentleman yield?

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

Mr. JENSEN. I concur completely in what the gentleman is saying, but I do want the Members to know that there is no money in this bill for new starts for waterways.

Mr. JONAS. May I comment on that, Mr. Chairman, by saying, and I hate to single out projects because there are a number in this bill that are in the same category, but if I were asked to single out one to use simply as an example it would be the development project for the Arkansas River. That involves

\$1,200 million, and most of the money is for navigation.

There are three projects involved. There is the Dardanelle Lock and Dam, for which \$2.5 million is in this bill, but the total cost will be \$94,600,000. Eu- faula Reservoir, for which there is \$7,500,000 in this bill, but the total cost will be \$154 million; Keystone Reservoir, for which there is \$8½ million in this bill, but the total cost will be \$137 million.

But the significant part about it is that here we are embarking upon a \$1,200 million project before we have even completed the planning; because in this very bill there is included an appropriation of \$18½ million to begin construction of the three projects just named, while in the same bill we include \$900,000 to finance further studies and an additional sum of \$1,258,000 will be requested to complete the planning for the project. In all sincerity, I submit that the \$18½ million for construction should be eliminated—at least until we have completed the planning and know where we are going.

It is also interesting to note that there is to be no—no—local contribution for these projects which will cost \$400 million, and that \$179 million is to be used for relocation of existing facilities. This is a navigation project and I believe the interests that will benefit from it should make some contribution toward its construction and upkeep. I cannot see the justice in requiring the people of my district to help finance such projects when those who will financially benefit fail to make any contribution toward construction or future maintenance costs other than as general taxpayers.

Mr. EDMONDSON. Mr. Chairman, will the gentleman yield?

Mr. JONAS. I yield.

Mr. EDMONDSON. Have we not had many big basin projects in which we have appropriated money for part of the projects in the overall basin picture before we have done any of the detailed planning on some of the other projects involved?

Mr. JONAS. If we have, we made a mistake. I do not think we should start the construction of this billion-dollar project until we have completed the planning for it.

Mr. EDMONDSON. If the gentleman will yield further, the Congress started the construction of this 2 years ago. This is continuing the construction.

Mr. JONAS. No; the record shows that very little construction money has been spent to the date of the hearing.

Mr. EDMONDSON. Construction money has been voted for 2 successive years for the Arkansas Basin project and this is the third year.

Mr. JONAS. I am talking about the \$18,500,000 of construction money in this bill before the planning stage has been completed. I think it is inadvisable for us to proceed that way. We should complete the planning before beginning the construction.

There are other navigation projects in this bill subject to the same criticism. I have only 5 minutes and cannot possibly discuss them all. I only mentioned the Arkansas River project by name as

an illustration of some of the questionable projects. I believe funds should be denied to proceed with these projects until some basis can be found under which the local and special interests that will be benefited can be made to contribute to the cost of construction or for future maintenance.

A motion to recommit this bill will be made at the proper time. I hope it will prevail so that the committee can reconsider these cases and require some substantial local contributions to be made where great local benefits will result.

Mr. CANNON. Mr. Chairman, I yield such time as he may require to the gentleman from Oklahoma [Mr. EDMONDSON].

Mr. EDMONDSON. Mr. Chairman, today is a great day for water development in the United States.

With the passage of the omnibus rivers and harbors bill, we have taken a great forward step in the vital undertaking of conserving and using the Nation's water resources.

Under title III of that bill, the Water Supply Act of 1958, we have opened a great new field of Federal-State-local cooperation for water storage. For the first time, we made it possible for the Army Engineers and Bureau of Reclamation to estimate future water supply needs of an area—to use those future needs as a justification for a reservoir—and to build reservoirs to meet America's future needs.

This step is taken none too soon, for there is evidence on every hand that the needs of America's pyramiding population are rapidly overtaking our water storage facilities. Now we can build for the future—which will be with us before we know it, if water consumption continues to increase at present rates.

We also provide money, in the public works appropriations bill we are discussing today, to continue development of the greatest American river not presently developed for navigation—the Arkansas River.

The delegations of Arkansas, Kansas, and Oklahoma had hoped for larger sums to expedite construction of Eu- faula, Oologah, Keystone, and Dardanelle Dams—to mention only four now under construction for which additional money was sought in the Committee on Appropriations—and I thought a strong case for increases was made before the committee.

We still have painful memories of the \$250 million Southwest flood of 1957, a disaster these dams would have greatly reduced in its intensity, and we hope the Congress will move as rapidly as possible to prevent a repetition of this disaster.

However, the sums provided by this bill, as finally recommended by the Army Engineers and Bureau of the Budget, will provide the most substantial progress in recent history in our area, and we are grateful for the committee's recognition of the great Arkansas Basin program.

We are also grateful for the action of Chairman CANNON of the Appropriations Committee, who requested that Army Engineers and Budget Bureau

officials revise their original requests, to provide more realistic program funds.

This request led to increases of a substantial nature for the Arkansas Basin, along with other projects of an essential character in our country's water development, and Chairman CANNON thereby made a major contribution toward establishment of an adequate water program.

In view of these facts, we are not pressing on the floor of this House for additional increases at this time, but earnestly hope the House conferees will give their careful and sympathetic consideration to any increases provided in the other body.

Mr. CANNON. Mr. Chairman, I yield such time as he may require to the gentleman from Missouri [Mr. BROWN].

Mr. BROWN of Missouri. Mr. Chairman, I commend this fine Committee on Appropriations for this excellent and timely public works bill. Presidential budgets are, of necessity, compiled well in advance of appropriations. Only a wise and alert Appropriations Committee can adjust budget figures to changing conditions; and this committee has done an excellent job this year.

Led by Missouri's outstanding Chairman CLARENCE CANNON, they have given us a public works appropriation bill that is adequate for today's needs; is less than the Presidential budget request by almost \$2 million; and one that considers tomorrow as well as today. Here is a bill that continues Table Rock, Pomme de Terre, and other projects now under construction and also provides for new planning and new starts.

Of particular interest to us in southwest Missouri is the planning money—\$150,000—for Stockton Dam, a project that has been authorized since 1954 but on which no actual work has been done.

This is a valuable project. The Corps of Engineers recommended it long ago, estimating its benefit-cost ratio at 1.15 to 1.0. They tell me that the ratio might be even higher than that when they bring their computations up to date.

In the national picture, Stockton Dam is a part of the overall flood-control program. It is also considered to have power potential. No professional authority has ever said that it should not be built. All have agreed that it should be. The question has been: When?

Now, the Congress is proceeding to answer that question. The Appropriations Committee says, with this bill, "Let us start it now. Let us get the planning underway. Here is \$150,000 to get it started." I beseech the House to stand behind the Appropriations Committee in this answer.

In Cedar and Dade Counties, in Missouri—the area affected directly by Stockton Dam—our people have been awaiting action on this project since it was authorized. Many are wondering what effect it will have on their property. Others are wondering what adjustments will be involved in their daily lives when the reservoir is completed. They have a right to see some maps and some plans. They should not be kept up in the air. Their Government should—and must—get down to business on Stockton Dam.

After many sessions of explaining the story of Stockton Dam and the compelling reasons for it, I am delighted to see this committee include it in the fiscal 1959 appropriations, even though it was not included in the Executive budget.

This great body of men—some of the select Members of the House—have rendered their judgment: Stockton Dam should be built and the planning should start in fiscal year 1959. Let us ratify their good judgment without objection or delay.

This Nation has long recognized the need for flood control and its attending benefits. On a dollar-and-cents basis alone, it is good sense to prevent billions of dollars' worth of flood losses by constructing dams and reservoirs. Already, Table Rock Dam has saved more than \$20 million worth of flood damage. But in other areas, disastrous losses are still occurring. We must proceed on a regular basis—gradually, methodically, and wisely—to build more dams and reservoirs. Each year's progress should be steady and consistent. Otherwise, it will become burdensome.

This appropriation bill provides for steady, consistent progress in 1959. It takes care of today's needs and plans for tomorrow's progress.

I congratulate the committee on a job well done and urge this House to ratify the committee's judgment and pass this bill in all haste.

Mr. CANNON. Mr. Chairman, if there are no further requests for time, I ask that the Clerk read.

The Clerk read as follows:

#### GENERAL INVESTIGATIONS

For expenses necessary for the collection and study of basic information pertaining to river and harbor, flood control, shore protection, and related projects, and when authorized by law, preliminary examinations, surveys and studies (including cooperative beach erosion studies as authorized in Public Law No. 520, 71st Cong., approved July 3, 1930, as amended and supplemented), of projects prior to authorization for construction, to remain available until expended, \$8,473,500: *Provided*, That, no part of the funds herein appropriated shall be used for the survey of Carter Lake, Iowa, until it is authorized.

Mr. CANNON. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. CANNON. On page 3, line 19, strike out "\$8,473,500" and insert "\$8,613,500."

Mr. GROSS. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state the parliamentary inquiry.

Mr. GROSS. Mr. Chairman, has that place in the bill been reached?

The CHAIRMAN. Yes; it has.

Mr. TABER. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state his parliamentary inquiry.

Mr. TABER. Mr. Chairman, there is nothing in this language which indicates which projects it is for or whether or not they are authorized by law. It seems to me we ought to have that before the item is reached for a vote so a point of order should be made, if they are not authorized.

The CHAIRMAN. The gentleman from Missouri has been recognized and it is presumed that the gentleman will make his explanation in support of his amendment.

Mr. TABER. Mr. Chairman, I reserve a point of order against the amendment.

The CHAIRMAN. The gentleman from New York reserves a point of order.

Mr. JONES of Alabama. Mr. Chairman, I ask unanimous consent that the amendment be reread by the Clerk.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

The Clerk again read the amendment.

The CHAIRMAN. The Chair recognizes the gentleman from Missouri [Mr. CANNON].

Mr. CANNON. Mr. Chairman, as the gentleman is doubtless aware, this is an item from a supplemental budget just received from the Bureau of the Budget. It puts into the bill \$140,000 under Public Law 303. That was approved, as you will recall, last September. It gives the title to certain land to the Territory of Alaska, and provides that the Territory may dispose of it; the Territory cannot dispose of the land until certain matters have been established as to the seaward limit of the land. This merely permits the Government engineers to establish the seaward limit of the lands, and thereby makes it possible for the Territory of Alaska to go ahead with the transfer of these tracts.

With respect to the money in this paragraph it is all for authorized surveys with the single exception of this Carter Lake in Iowa. Of course, if the gentleman wants to insist on the point of order, we can let it go out and offer it later without that provision.

Mr. TABER. It is subject to a point of order?

Mr. CANNON. Only the language, "to remain available until expended." Does the gentleman insist on his point of order?

Mr. TABER. No; not for that.

The CHAIRMAN. Does the gentleman from New York withdraw his point of order?

Mr. TABER. Yes, Mr. Chairman.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Missouri [Mr. CANNON].

Mr. HALE. Mr. Chairman, I offer a substitute amendment.

The CHAIRMAN. The Clerk will read the amendment.

The Clerk read as follows:

Amendment offered by Mr. HALE as a substitute for the amendment offered by Mr. CANNON: On page 3, line 19, strike out "\$8,473,500" and insert in lieu thereof "\$8,498,500."

Mr. TABER. Mr. Chairman, I reserve a point of order.

The CHAIRMAN. The gentleman from Maine [Mr. HALE] is recognized on his amendment.

Mr. HALE. Mr. Chairman, I offer this amendment for the purpose of including in the bill \$25,000 for a study of the situation in Portland Harbor. The purpose of the study would be to determine the advisability of deepening the harbor channel and anchorage to 45 feet to allow the accommodation of

deep-draft tankers. The study has been approved by the Chief of Engineers and authorized by the House Public Works Committee. It was authorized too late, however, to be included in the fiscal 1959 budget.

I would like to remind you that the Committee on Appropriations has added 26 similar unbudgeted surveys to the 1959 public works appropriation bill. One of them, I am informed, has not yet been authorized. I do not know the criteria used by the committee in selecting these 26 particular unbudgeted surveys. I am sure the studies are completely justified. But I do not understand why the authorized Portland Harbor study was not also included.

Portland is the second-ranking port in New England in volume of commerce. Over \$325 million worth of cargoes moved through Portland in 1957. The total tonnage increased from over 15 million in 1956 to over 16 million in 1957. This tonnage consists mostly of oil tankers which serve a pipeline running from Portland to Montreal. Of 917 vessels using Portland Harbor in 1957, 692 were tankers, which means to say that we got an average of 2 tankers a day. The tankers bring oil for domestic use and for export to Canada over two pipelines.

Portland ranks next only to Philadelphia as a major oil terminus on the east coast. Obviously, with such a heavy tanker movement in and out of Portland, it is necessary to have an adequate channel and anchorage areas for handling the modern vessels.

Portland Harbor is not adequate at the present time. The existing project depths of the channel and anchorage area is only 35 feet, yet more tankers with drafts of over 35 feet, and some of over 40 feet, are being constructed.

Portland Harbor's inadequate depth is already affecting ship movements. By March of 1957 Portland pilots had turned away 11 ships because of depth limits. Last January the pilots had to tell petroleum officials that large tankers could not enter Portland Harbor unless the most favorable conditions prevailed.

The United States Army Chief of Engineers recognizes the importance of this proposed project. He stated in his report to the Public Works Committee:

In view of the continued trend toward use of larger tankers and the economic importance of petroleum commerce at Portland, it appears that a review of reports is warranted at this time.

The Corps of Engineers has also advised me that its New England workload is such that it could undertake the Portland Harbor study in fiscal year 1959 if Congress appropriates the funds.

The general manager of the Maine Port Authority emphasizes that the project is in the emergency class. To the State of Maine this project is indeed in the emergency class. Our State economy depends on Portland Harbor. We cannot afford to wait another year to get the proposed survey underway.

In closing I should like to say that I have seldom come before the House to ask for anything not included in the committee bill, but to my district and my State this is a very exceptional sit-

uation, and I urge the approval of this additional \$25,000 for the completion of this study.

Mr. CANNON. Mr. Chairman, will the gentleman yield?

Mr. HALE. I yield.

Mr. CANNON. I am not certain that the gentleman understands the situation as affected by his substitute.

The CHAIRMAN. The time of the gentleman from Maine has expired.

Mr. CANNON. Mr. Chairman, I ask unanimous consent to proceed for 1 minute.

The CHAIRMAN. The gentleman from Missouri is recognized.

Mr. CANNON. The gentleman from Maine has offered a substitute for my amendment proposing to appropriate an additional amount of money for a specific purpose, but he does not change the total amount to conform to the additional expenditure. The original item was \$8,473,500. He proposes to add \$25,000 to the amount I proposed. I asked to add \$140,000, and to make the total \$8,613,500. Now the gentleman proposes to increase the amount by \$25,000, yet he does not change the total. He should ask unanimous consent to amend his substitute to make the total read \$8,638,500, or else propose an original amendment and not a substitute.

Mr. H. CARL ANDERSEN. Mr. Chairman, will the gentleman yield?

Mr. CANNON. I yield.

Mr. H. CARL ANDERSEN. This same question will come up in connection with an amendment to be offered by the gentleman from Maryland [Mr. HYDE], and I think we should have a ruling from the Chair as to whether each individual amendment to this particular figure must be disposed of prior to offering another amendment.

Mr. TABER. Mr. Chairman, I make a point of order against the amendment because it provides for items that are not authorized by law.

The CHAIRMAN. Does the gentleman from Maine care to be heard on the point of order made by the gentleman from New York?

Mr. HALE. Yes, Mr. Chairman; but before doing so I would like to propound a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. HALE. Mr. Chairman, in view of the statement made by the gentleman from Missouri [Mr. CANNON] I would like to inquire whether instead of offering a substitute amendment I should have offered an amendment to his amendment? If so, I should like unanimous consent to do that.

The CHAIRMAN. The Chair cannot read the gentleman's mind. The gentleman will have to decide in his own mind what he proposes to do. If the gentleman desires to ask unanimous consent to withdraw the proposed substitute and offer an amendment to the amendment, then the gentleman may proceed in that order, if he so desires. A point of order is pending.

Mr. GROSS. Mr. Chairman, can a unanimous consent request be propounded while a point of order is pending before the committee?

The CHAIRMAN. The Chair would entertain such a unanimous consent request. Any Member can object if he so desires. Does the gentleman from Maine care to make such a request?

Mr. HALE. Mr. Chairman, I want to be heard on the point of order.

The CHAIRMAN. The gentleman can be heard and he is recognized. The Chair is interested in disposing of the point he raised a moment ago.

Mr. HALE. I will be happy to have any solution of the parliamentary situation.

The CHAIRMAN. The gentleman can ask unanimous consent to withdraw the substitute and offer an amendment.

Mr. HALE. Mr. Chairman, I make that unanimous consent request.

The CHAIRMAN. Is there objection to the request of the gentleman from Maine?

Mr. JONES of Alabama. Mr. Chairman, I object.

Mr. TABER. Mr. Chairman, this has not been authorized by law. It was in the bill which was passed here and sent to conference this morning. That is not yet law. Inasmuch as there are 25 or 30 of that sort of amendments in the offing, we might just as well have that disposed of at this time.

The CHAIRMAN. The gentleman from Maine is recognized to respond to the point of order that the gentleman from New York has made.

Mr. HALE. My understanding is that the study was approved by the Corps of Engineers and authorized by the House Committee on Public Works.

The CHAIRMAN. Will the gentleman cite the statute which authorizes the appropriation?

Mr. HALE. I cannot do that at this time.

The CHAIRMAN. The Chair is prepared to rule.

Mr. JONES of Alabama. Mr. Chairman, I would like to argue the point of order, if the Chair would withhold his ruling.

The CHAIRMAN. The Chair will withhold his ruling.

Mr. JONES of Alabama. Mr. Chairman, the general provisions contained in this appropriation bill have to do with projects that are to be surveyed by the Corps of Engineers. Under the Flood Control Acts of 1928 and 1944 there is general authority for the Corps of Engineers to carry out studies of flood control, navigation, and other water related projects for which there is authority under existing law. Now, the gentleman from Maine offers an amendment to the amendment that authorizes the increase of \$8,475,000 by some \$25,000. The amendment offered by the gentleman from Maine only identifies the project for which there is an increased authorization. Now, I submit to the Chair that there is no need for identity of the project contained in the amendment. Now, of the \$8 million already contained in this bill, it authorizes numerous works to be surveyed by the Corps of Engineers, some of which are not authorized by law and the identity of which would have to be brought forward by the Committee on Appropriations. But, that is a principle that we

do not recognize nor have we insisted upon in the past.

Mr. Chairman, I submit further, notwithstanding the fact that the amendment goes to the identity of the project already contained in law, as I have pointed out to the Chair, it is an authorized project for survey heretofore enacted by the House Public Works Committee.

The CHAIRMAN. I wonder if the gentleman from Alabama could cite the specific authorization for the funds that the gentleman from Maine seeks to include?

Mr. JONES of Alabama. I will say to the Chair that my chief argument was made under general authorization which empowers the Corps of Engineers to carry out surveys on general appropriations for survey purposes. I did not rest my argument particularly upon the amendment identifying the Portland Harbor project, because that is in the inherent authority contained in existing law for the Corps of Engineers to execute surveys of projects without those projects being identified in an appropriation bill. If the point of order is sustained, then a point of order would lie against the entire amount, because it fails to identify the project to be surveyed, as to whether or not those projects have been authorized by law.

The CHAIRMAN. Of course, the gentleman from Maine has based his argument, as the Chair understood it, on the bill which passed the House today and which has not been acted upon by the other body or signed by the President.

Mr. JONES of Alabama. That, Mr. Chairman, was the argument that I was making—that it is not necessary for the survey to identify the project, since it has been authorized by committee resolution—and the point of order is not well founded.

The CHAIRMAN. The Chair was merely telling the gentleman what the argument was as made by the gentleman from Maine, as the Chair understood it. The Chair is quite happy to have the gentleman's argument and, of course, will consider it.

Does the gentleman from Iowa have a statement to make?

Mr. JENSEN. Yes, Mr. Chairman.

I think, Mr. Chairman, since this amendment has caused so much argument, that I should read to the Chairman and to the House from page 652 of the hearings on the 1959 appropriations for public works and what Mr. HALE's reply was to Mr. CANNON. Mr. HALE appeared before the committee and made the request for this \$25,000. Now, reading from page 652 of the hearings:

Mr. CANNON. Congressman ROBERT HALE, of Maine. I believe that you appear for the Portland Harbor project.

Mr. HALE. That is correct.

Mr. Chairman, I urge the Appropriations Committee to provide \$25,000 in fiscal year 1959 public works appropriations for a review of reports by the Corps of Engineers on Portland Harbor, Maine, as authorized by the House Committee on Public Works in a resolution adopted on August 20, 1957.

In a matter of this nature, Mr. Chairman, I understand that a resolution approved by the Committee on Public

Works of the House—possibly approved by the House, although I am not sure that it needs the approval of the House—is all that is necessary to authorize, in a sense, an item of this nature. I want very much to have all the facts brought out. I am not arguing pro or con on this amendment. But I do want the Chair to know all the facts that surround this matter.

Mr. SMITH of Mississippi. Mr. Chairman, may I be heard on the point of order?

The CHAIRMAN. The Chair will hear the gentleman from Mississippi.

Mr. SMITH of Mississippi. Mr. Chairman, the point of order against the gentleman's amendment should not lie. Apparently the gentleman from New York made his point of order on the basis that his thought was that this survey was authorized in the bill which the House passed an hour or so ago. That survey was not included in that bill. The survey, as pointed out by the gentleman from Iowa [Mr. JENSEN] was authorized under a resolution approved by the House Committee on Public Works something over a year ago. Under the law, the approval by the Committee on Public Works of a study previously authorized under the law some years before is fully entitled to appropriation if the Congress decides to appropriate the money.

The CHAIRMAN (Mr. BOGGS). The reasoning of the gentleman from Mississippi [Mr. SMITH] impressed the Chair. The Chair was prepared to rule on the basis of the statement made by the gentleman from Maine [Mr. HALE] that he was relying upon the action taken by the House earlier this afternoon, which obviously was not an authorization in light of the fact that that is an action by this body, but the other body has not acted and the President has not signed it. But the argument advanced by the gentleman from Mississippi impresses the Chair and the point of order is overruled.

The gentleman from Maine [Mr. HALE] is recognized in behalf of his substitute.

Mr. H. CARL ANDERSEN. Mr. Chairman, will the gentleman yield for a parliamentary inquiry?

Mr. HALE. I yield to the gentleman from Minnesota.

Mr. H. CARL ANDERSEN. Mr. Chairman, what is the proper procedure in the case of continual amendments to a specific figure? For example, if the amendment of the gentleman from Missouri were to carry, would it not then be in order for the gentleman from Maine [Mr. HALE] to offer his amendment to the new figure?

The CHAIRMAN. No. The gentleman knows that after an amendment has been adopted changing the figure no further amendments are in order to that figure.

Mr. H. CARL ANDERSEN. We have previously been put in the position of having to reject a substitute to the amendment offered by the gentleman from Missouri [Mr. CANNON]. In previous years, it is my recollection, we have had the right to first amend the

figure, and then other gentlemen would get up on the floor and offer further amendments. Otherwise, how can we proceed?

The CHAIRMAN. The gentleman knows, of course, that the Committee of the Whole can vote down any and all amendments or vote them up. As the Chair stated some time ago, the Chair is unable to read the mind of the gentleman from Maine or any other Member who offers an amendment. The gentleman has the floor, he is properly recognized, and the only way to dispose of the gentleman's amendment is to vote it up or down.

Mr. GUBSER. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. GUBSER. If the substitute offered by the gentleman from Maine should prevail, then would it not be true that no further amendments to this line could be made from the floor?

The CHAIRMAN. In response to the gentleman the Chair states that, as the Chair stated a moment ago, once the Committee has adopted an amendment changing the figure no further amendments are in order to that figure.

Mr. GUBSER. May I say to the gentleman who occupies the well of the House that I hope he will decide to ask unanimous consent to amend the amendment rather than to present a substitute.

Mr. HALE. Mr. Chairman, I renew my unanimous consent request to amend the amendment.

The CHAIRMAN. Is there objection to the request of the gentleman from Maine?

Mr. GROSS. Mr. Chairman, I object.

Mr. HALE. Mr. Chairman, there seems to be a difficult parliamentary situation. There is \$25,000 urgently needed for a survey in the city which I have the honor to represent for a 45-foot channel for these tankers. This, as has been explained by the gentleman from Iowa [Mr. JENSEN], has been authorized by the Committee on Public Works. The gentleman from Alabama [Mr. JONES] also outlined the situation, as I understand it. If I conveyed the impression I was relying on the bill that passed the House earlier this afternoon, I did not intend to convey any such impression. I relied on the action of the House Public Works Committee.

Mr. Chairman, the amendment I propose would add \$25,000 to the amount for general investigations for a study of Portland Harbor, Maine. The purpose of this survey would be to determine the advisability of deepening the harbor channel and anchorage to 45 feet to allow the accommodation of deep-draft tankers.

Now \$25,000 is a small amount as compared to the total of over \$8 million for general investigations. But to the State of Maine, and the district I represent, this mere \$25,000 is of great and signal importance. If it were not of such importance, I would not be before the House making this plea for its approval.

This study has been approved by the Chief of Engineers and authorized by the

House Public Works Committee. It was authorized too late, however, to be included in the fiscal year 1959 budget.

I should like to remind you that the Appropriations Committee has added 26 similar unbudgeted surveys to the 1959 public works appropriations bill. One of these surveys, at Carter Lake, Iowa, I am informed has not yet been authorized.

I do not know the criteria used by the committee in selecting these 26 particular unbudgeted surveys. I am sure that the studies are completely justified. But I do find it difficult to understand why the authorized Portland Harbor study was not also included.

I cannot overemphasize the importance of Portland Harbor to the economy of Maine. It is the second-ranking port in New England in volume of commerce. Over \$325 million worth of cargoes moved through Portland in 1957. Total tonnage increased from over 15 million in 1956 to over 16 million in 1957.

Oil tankers comprise much of this commerce. Of 917 vessels using the harbor in 1957, 692 were tankers. In other words, an average of almost two tankers per day arrive in Portland Harbor. They bring oil for domestic use and for export to Canada on two pipelines from Portland to Montreal.

Portland ranks next to only Philadelphia as a major terminus on the east coast. Obviously, with such a heavy tanker movement in and out of Portland, it is necessary to have an adequate channel and anchorage areas for handling the latest and most modern vessels.

But Portland Harbor is not adequate. The existing project depth of the channel and anchorage area is only 35 feet. Yet more and more tankers with drafts of over 35 feet, and some of over 40 feet, are being constructed.

Portland's inadequate depth is already affecting ship movements. By March of 1957 Portland pilots had turned away 11 ships because of depth limits. Last January the pilots had to tell petroleum officials that large tankers could not enter Portland Harbor unless the most favorable of conditions prevailed.

The United States Army Chief of Engineers recognizes the importance of this proposed project. He stated in his report to the Public Works Committee, and I quote:

In view of the continued trend toward use of larger tankers and the economic importance of petroleum commerce at Portland, it appears that a review of reports \* \* \* is warranted at this time.

The Corps of Engineers also has advised me that its New England workload is such that it could undertake the Portland Harbor study in fiscal year 1959 if Congress provides the funds.

Mr. Edward Langlois, general manager of the Maine Port Authority, emphasizes that the project is in the emergency class, and not a moment should be wasted.

To the State of Maine this project is indeed in the emergency class. Our economy depends on Portland Harbor. We cannot afford to wait another year to get this proposed survey underway.

In closing, I should like to say that I have seldom come before the House to

ask for something not duly approved in committee. But to my district and State this is an exceptional case. I urge your approval of an additional \$25,000 to enable an immediate start on the Portland Harbor survey.

The CHAIRMAN. The question is on the substitute offered by the gentleman from Maine.

The question was taken; and on a division (demanded by Mr. HALE) there were—ayes 39, noes 73.

So the substitute amendment was rejected.

Mr. HYDE. Mr. Chairman, I offer a substitute amendment.

The Clerk read as follows:

Amendment offered by Mr. HYDE as a substitute for the amendment offered by Mr. CANNON: On page 3, line 19, strike out "\$8,473,500" and insert in lieu thereof "\$8,913,500"; line 21, strike out the period and insert in lieu thereof a colon and the following: "Provided further, That \$500,000 of the amount herein appropriated shall be used for the purpose of carrying out the study and investigation and survey of the Potomac River Basin."

Mr. TABER. Mr. Chairman, I reserve a point of order against the amendment.

The CHAIRMAN. The gentleman from New York [Mr. TABER] reserves a point of order against the amendment.

Mr. HYDE. Mr. Chairman, the purpose of my substitute amendment is to add to the amendment offered by the gentleman from Missouri [Mr. CANNON] the sum of \$300,000, the purpose of which is to increase an appropriation item already in the bill in the amount of \$200,000 for the Potomac River survey by the Army Corps of Engineers. It has been hoped to complete this survey by 1961. However, the testimony before the committee is that it will not be possible to complete that survey by 1961 with just the \$200,000 that is in the present bill and that it will be necessary to increase that item to \$500,000. Mr. Chairman, I can do no better than to read from the testimony given before the committee and submitted to the committee by Col. A. C. Welling, District of Columbia Engineer Commissioner. Colonel Welling said this:

The budget carries an item of only \$200,000 for this survey during fiscal 1959. Since only \$140,000 has been appropriated so far for this work and since the total survey cost is now estimated to be in the order of \$1,650,000, it is obvious that the rate of progress possible with the pending budget will be such as to retard the work many years beyond the scheduled completion date of June 30, 1961.

The metropolitan area of Washington is growing at a tremendous rate and decisions as to how best to develop the Potomac for its needs are urgent. Such decisions will depend on the findings and recommendations of the review report and hence this work should be accelerated in all ways possible. I therefore strongly urge that the appropriation for 1959 be increased to \$500,000 from the \$200,000 now pending.

And he further points out that even after the completion of the report many years will be required to carry out whatever recommendations it may contain as to flow regulations.

Mr. Chairman, statesmen from both bodies have been rowing up and down the Potomac River in recent years in

rowboats holding their noses and complaining that something should be done about the terrible situation. Before something can be done, Mr. Chairman, this survey by the Army Engineers must be completed. If we get the amount that has been asked for by this amendment, there is some chance that we can complete this survey by 1961. If we do not, there is no telling and they are unable to estimate when we will be able to complete this work. Hence, this horrible condition on the Potomac River may continue for another half generation unless we can get sufficient funds, as has been requested by the District Engineer Commissioners to complete this work at least by 1961 and we cannot complete it by 1961 with the amount of money now in the budget. I repeat, Mr. Chairman, Members of the Congress have been complaining about this situation and have been saying that it is deplorable and something should be done about it. Now is the opportunity, Mr. Chairman, for the Members of the Congress to do something about it. I submit, Mr. Chairman, that, with the adoption of the amendment I have offered as a substitute for the amendment offered by the gentleman from Missouri, we then will be able in proper time to do something about the deplorable condition of pollution of the Potomac River and about the water supply for this great Washington metropolitan area.

Mr. DEVEREUX. Mr. Chairman, will the gentleman yield?

Mr. HYDE. I yield.

Mr. DEVEREUX. I would like to congratulate the gentleman from Maryland. He has pointed out a very pressing problem that we have in connection with the United States Capital.

Mr. HYDE. I thank the gentleman. I yield back the remainder of my time, Mr. Chairman.

The CHAIRMAN. The Chair would like to ascertain whether or not the gentleman from New York [Mr. TABER] withdraws his point of order.

Mr. TABER. I do, Mr. Chairman.

Mr. CANNON. Mr. Chairman, this is all the money asked for, although we gave them two opportunities to present their request. And the Engineers did not ask for additional money.

On page 55 of the hearings when Colonel Renshaw was before the committee, the statement was made that \$200,000 has been appropriated for the Potomac River review, and for this purpose, and an additional \$200,000 was being requested for 1959. When we asked them about expanding the budget, they did not ask for more money. As a matter of fact, the national chamber of commerce with headquarters here in Washington, and representing the local and adjacent chambers of commerce, urgently recommended that the total appropriation for such proposals be reduced by \$81,500,000. The amendment should be rejected.

Mr. SMITH of Mississippi. Mr. Chairman, will the gentleman yield?

Mr. CANNON. I yield to the gentleman from Mississippi.

Mr. SMITH of Mississippi. This item for an increase of \$500,000 has been

strongly supported by the Washington newspapers, has it not?

Mr. CANNON. I must say the gentleman understands the attitude of the Washington newspapers.

Mr. SMITH of Mississippi. Those Washington newspapers are the same ones who in opposing legislation in this field have said anything not in the budget is "pork barrel."

Mr. CANNON. As usual I find the gentleman from Mississippi is correct.

Mr. Chairman, I ask for a vote.

Mr. BROYHILL. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I rise in support of the substitute amendment offered by the gentleman from Maryland [Mr. HYDE].

While the amendment offered by Mr. HYDE will increase the recommended amount by \$300,000 and would, therefore, possibly increase the expenditure for the next fiscal year by that amount, in the long run it would not mean an additional net expenditure of \$300,000. I say this because we have authorized this overall survey, which is estimated to cost \$1,450,000, and have previously appropriated \$200,000 toward this cost. If we expect to complete the survey by the deadline of 1961, the entire amount will have to ultimately be appropriated and expended. The purpose of this amendment, therefore, is to accelerate the program in such a way that we can meet the deadline and thereby reduce the overall cost in the long run.

This Potomac River matter has been referred to as a pork-barrel project. I consider the Nation's Capital as the Capital of all the people and not just the personal problem of the people who live adjacent to it in the metropolitan area of Washington. We in the metropolitan area of Washington are naturally concerned about this problem and want to do something to alleviate it. However, we feel that the Federal Government likewise has a responsibility in the solution of this problem, and I do not feel that asking the Congress to meet its responsibilities should be considered as a pork-barrel project for the people of the area.

This so-called beautiful Potomac River is a cesspool of filth. It is a national disgrace and is getting worse every day. It has been estimated by experts that unless something is done before 1970 there will not be sufficient water in the Potomac River to adequately supply the Nation's Capital and its environs. Something must be done to provide water for the Nation's Capital. The Nation's Capital continues to grow. Something must be done to stop the raw sewage that is being dumped into the Potomac River every day.

The gentleman from Missouri stated that the full \$500,000 could not be utilized this year. I have a letter in hand here from the Chief of the Corps of Engineers dated May 5, in which he stated:

From a strictly engineering standpoint, considering this Potomac River review study by itself without reference to our overall program, our overall capability, or fiscal consideration, an amount of \$500,000 could be utilized for this study in fiscal year 1959. As you know, the amount for this survey

included in the President's budget for fiscal year 1959 is \$200,000, which represents the maximum amount which can be utilized in view of the overall budgetary considerations.

I submit, Mr. Chairman, that to delay this survey and to deal with it in piecemeal fashion is to seriously delay the physical work that has to be done to actually assure a future water supply and to start on some program to clean up this disgraceful, filthy Potomac River which flows by our Nation's Capital. To do it piecemeal would be penny wise and pound foolish and certainly is false economy. Approval of this item will in the long run be of benefit to the taxpayers of the country because it will cost a great deal less to have this survey completed by 1961 than to postpone it with endless delay. To continue to postpone the survey and delay the physical construction work which ultimately must be done will cost a great deal more in the long run as well as to delay the time when we can again enjoy the use and the view of this beautiful historic Potomac River.

Mr. CANNON. Mr. Chairman, I move that all debate on this amendment do now close.

The motion was agreed to.

The CHAIRMAN. The question is on the substitute offered by the gentleman from Maryland.

The substitute amendment was rejected.

Mr. GUBSER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. GUBSER as a substitute for the amendment offered by Mr. CANNON: On page 3, line 19, strike out "\$8,479,500" and insert in lieu thereof "\$8,508,500."

The CHAIRMAN. The question is on the substitute amendment offered by the gentleman from California.

The substitute amendment was rejected.

The CHAIRMAN. The question recurs on the amendment offered by the gentleman from Missouri [Mr. CANNON].

The question was taken, and the Chair being in doubt the Committee divided and there were—ayes 83, noes 12.

So the amendment was agreed to.

Mr. BOW. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, the bill before us today includes funds for a number of Bureau of Reclamation projects.

The hearing record shows that the Bureau has had little regard for fiscal responsibility in connection with several of these projects. While there may be little that can be done to correct the situation at this time on these particular projects, I believe the House should be given the picture and the Bureau advised that a continuing lack of proper regard for the expenditure of taxpayers' funds will not be countenanced.

The Trinity River division of the Central Valley project is the first project I want to discuss; \$41,752,000 is provided in this bill for this project. This is \$24,644,400 above the initial \$17,107,600 provided in the fiscal year 1958 appropriation bill—P-12 conference report, fiscal year 1958. Ten million dollars additional was included in the second supplemental

appropriation bill for fiscal year 1958 to provide for a greater rate of construction than was previously scheduled.

The hearings before the Appropriations Committee disclosed that the contractors' bids on the Trinity River construction work were as much as 40 percent above the Bureau's estimate for such work. Under such increases it would appear logical for the Bureau to have rejected the bids and readvertised. These bids were not only accepted but the contractors have been permitted to proceed at a much greater rate than was contemplated or provided by the funds appropriated for such work by the Congress. In order to prevent these contractors from having to close down at a time there was increasing unemployment, \$10 million of additional funds were provided.

If funds are to be provided at increasingly higher levels as now indicated, there should be some reexamining or reevaluation of the contract to see whether the contractor should not make a proper reduction in the contract amount to reflect a sharing with taxpayers of some of the benefits obtained through a faster and more economical rate of progress than originally provided in the schedule upon which the initial bids were based.

It is noted that the committee report makes mention of such policy in the future, but it seems that the taxpayers should get a break on this project now. Particularly when it appears that some portions of the work will now be completed ahead of beneficial use.

I want to comment also on housing construction at Bureau projects. It appears that operation Ghost Town, is in full swing at Trinity, Flaming Gorge, and Glen Canyon Dam projects.

The Congress has, from time to time, expressed its displeasure at the construction of these elaborate and costly housing developments at Federal projects. In disregard of Congressional warnings, the Bureau is spending millions for permanent facilities in towns which were only a handful of Bureau personnel will be stationed after the dams are constructed. The Bureau is squandering millions of dollars to create these new ghost towns in the West.

It now appears that the Bureau is building more or less permanent housing for the Trinity River project. The committee was told initially that this would be temporary construction to be dismantled after the construction work was completed. This is particularly questionable when the Bureau program contemplated the construction and operation of the power features by others and no resulting need for permanent housing on this scale.

This same apparent lack of regard for the taxpayers' dollars has extended to the Bureau's Colorado River storage projects where construction was started this past year.

Even though the committee has, over the years, been critical of the elaborate and unwarranted camp facilities being constructed by the Bureau, it appears that this has had little effect on Bureau action.

The Commissioner of Reclamation testified at the fiscal year 1958 hearings that ultimate permanent employee need at Flaming Gorge would be about 20 or 25, yet we find the Bureau has laid out and is well on the way to completing an elaborate town site with over 2 miles of 70-foot—7-lane—paved boulevards, and about a mile of 42-foot—4-lane—cross residential pavements, miles of concrete sidewalks, concrete driveways, concrete floors in the garages for temporary houses, and so forth. I wonder how many of the millions of taxpayers that are called upon to contribute to these projects would be satisfied with a fraction of the facilities to be provided at this campsite. At least there should be no traffic problem with a seven-lane boulevard, when the camp settles down to its permanent staff of 20 or 25 that the Commissioner of Reclamation testified to.

I hope that some action is being taken to assure that this sort of thing does not happen again on other Bureau projects.

The Glen Canyon housing development is not as far along as the one at the Flaming Gorge project. However, it has the same elaborate and costly layout but on a much larger scale. There are to be 4 miles of 70-foot 7-lane paved boulevard and over 4 miles of 42-foot 4-lane paved residential streets and miles and miles of sidewalks. Some reduction was made on the amount to be spent on the Glen Canyon camp facilities but the greater part of this was a paper reduction covering 190 so-called temporary houses which the Bureau may later request additional funds for. The elaborate and costly layout is totally uncalled for and many items are more than double the cost given to the Congress last year.

It would seem highly questionable to provide \$577,000 for an administration building which will not be needed by the Bureau after the Glen Canyon project is completed. In fact a question is raised as to the need for such a costly building at any time. In addition, the Bureau proposes to build a \$200,000 police building, a \$141,000 municipal building, a \$200,000 garage and fire station, and a \$478,000 warehouse. All this for a town with an ultimate permanent Bureau staff of 200. It just does not make sense. If it is not too late, I believe some further restriction on the expenditures for this townsite should be imposed.

Otherwise, after the construction period is over, these costly, permanent towns may join the ghost towns of the mining booms as tourist attractions in the West, and the taxpayers will be saddled forevermore with the cost of upkeep.

The Clerk read as follows:

#### CONSTRUCTION, GENERAL

For the prosecution of river and harbor, flood control, shore protection, and related projects authorized by law; detailed studies, and plans and specifications, of projects (including those for development with participation or under consideration for participation by States, local governments, or private groups) authorized or made eligible for selection by law (but such studies shall not constitute a commitment of the Government to construction); and not to exceed \$1,600,000 for transfer to the Secretary of the In-

terior for conservation of fish and wildlife as authorized by law; to remain available until expended \$577,085,500: *Provided*, That funds appropriated herein may at the discretion and under the direction of the Chief of Engineers be used in payment to the accounts of the Confederated Tribes of the Yakima Reservation, the Confederated Tribes of the Warm Springs Reservation, the Confederated Tribes of the Umatilla Reservation, or other recognized Indian tribes, and those individual Indians not enrolled in any recognized tribe, but who through domicile at or in the immediate vicinity of the reservoir and through custom and usage are found to have an equitable interest in the fishery, all of whose fishing rights and interests will be impaired by the Government incident to the construction operation, or maintenance of the Dalles Dam, Columbia River, Washington and Oregon, and must be subordinated thereto by agreement or litigation: *Provided further*, That no part of this appropriation shall be used for projects not authorized by law or which are authorized by a law limiting the amount to be appropriated therefor, except as may be within the limits of the amount now or hereafter authorized to be appropriated: *Provided further*, That there shall be credited against the local contribution requirement on the Canton, Missouri, project a sum equal to the total cost of the improvements contributing to the project which have already been constructed by the city of Canton: *Provided further*, That none of the funds appropriated in this act shall be used on the project "Missouri River, Kansas City to mouth", for any purpose other than bank stabilization work.

Mr. TABER. Mr. Chairman, a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. TABER. Mr. Chairman, I make a point of order against the paragraph.

The CHAIRMAN. The gentleman will state the paragraph.

Mr. TABER. The paragraph beginning page 3, line 22 and ending on page 5, line 9, on the ground it contains funds the appropriation which has not been authorized by law. The figure there is \$577,085,500. I am advised by the Corps Engineers, by letter dated June 11, 1958, that there is contained here \$57,702,253 in projects which are not authorized by law.

I am able by referring to the different items on page 5 of the Report that there are the Beaver Reservoir in Arkansas, the Bull Shoals Reservoir, Arkansas and Missouri, the Greers Ferry Reservoir, the Table Rock Reservoir, the Carbon Canyon Dam and Channel, the Los Angeles County Drainage area. It covers all of these items and they are not authorized by law. There are probably 15 or 20 of those items. I could read them but it seems I have read enough already.

The CHAIRMAN. Does the gentleman from Missouri desire to be heard?

Mr. CANNON. The gentleman's point of order is lodged against the figure in line 8, page 4?

The CHAIRMAN. Is that correct?

Mr. TABER. I made a point of order against the whole section, but I could confine it to a figure.

The CHAIRMAN. Does the gentleman confine it to the figure?

Mr. TABER. I do.

Mr. CANNON. Mr. Chairman, the gentleman makes a point of order against the figure \$577,085,500 in line 8

on page 4. But the point of order does not lie for the reason that in the proviso at the bottom of page 4 it is specifically provided:

*Provided further*, That no part of this appropriation shall be used for projects not authorized by law or which are authorized by a law limiting the amount to be appropriated therefor, except as may be within the limits of the amount now or hereafter authorized to be appropriated.

So the point of order is not well taken, Mr. Chairman.

Mr. TABER. Mr. Chairman, these projects are without and beyond the limits of the authorization. That is the point of order.

Mr. CANNON. Mr. Chairman, may I also call attention to the language beginning on page 3 as follows:

For the prosecution of river and harbor, flood control, shore protection, and related projects authorized by law.

The figure the gentleman refers to is for this specific purpose.

The CHAIRMAN. The Chair is prepared to rule.

The language is very specific. As the chairman of the Committee on Appropriations pointed out a moment ago, beginning on line 23, page 3, the language is as follows:

For the prosecution of river and harbor, flood control, shore protection, and related projects authorized by law.

Then further, as again pointed out by the chairman, there is this language on the bottom of page 4:

That no part of this appropriation shall be used for projects not authorized by law.

Now, that language, in the opinion of the Chair, is quite specific in that none of these funds, regardless of the amount involved, can be used for any project which is not authorized by law.

The Chair overrules the point of order.

Mr. TABER. If the Chairman would permit, I would like to be heard on that.

The CHAIRMAN. The Chair has ruled. The Clerk will read.

Mr. BAILEY. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. BAILEY: On page 4, line 8, strike out "\$577,085,500" and insert in lieu thereof the following: "\$578,085,500, *Provided*, That \$1,000,000 of the amount appropriated by this paragraph shall be for the construction of a tunnel, access roads, and other facilities in connection with the Summersville Reservoir project on the Gauley River, W. Va."

Mr. BAILEY. Mr. Chairman, I ask unanimous consent to proceed for 5 additional minutes.

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

There was no objection.

Mr. BAILEY. Mr. Chairman, I regret very much to find myself at variance with the findings of the members of the distinguished Committee on Appropriations, particularly with reference to a project on the Gauley River in West Virginia known as the Summersville Reservoir.

Back on May 5, when the committee was holding hearings, a number of busi-

nessmen and industrialists appeared before the committee, accompanied by myself, to present to them a special request that the Summersville Reservoir be included in this year's appropriation, not for the purpose of construction money but for the purpose of permitting them to erect some two or three small projects that are necessary, preliminary to the awarding of a contract out of money to be appropriated in the next budget; not this current budget.

I want to call the attention of my colleagues to the fact that this is part of a three-way project for the control of the flow of the great Kanawha River. Let my colleagues remember that this is the tributary to the Ohio River that supplies more water to the Ohio than any other of its tributaries. A branch of the great Kanawha comes from North Carolina which joins the Gauley River in West Virginia at Gauley Bridge to form the great Kanawha River. On this river, below the junction of the Gauley and the New Rivers, are located some of the Nation's greatest and the world's greatest industrial plants, particularly in the field of chemicals. Charleston, if you will remember, is often referred to as the Ruhr of the United States. It has the greatest concentration of chemical industry anywhere in the United States. On this river between the city of Charleston and the site of this dam is the location of the National Carbide & Carbon Corp., the Du Pont Co., and the Electrometallurgical plant at Alloy, industries employing over 25,000 people.

The Army Engineers, at the close of World War II, completed the construction of the great Bluestone Dam as a part of an overall project to regulate and control floods in the great Kanawha River Valley. That is outlined on this map. Right now we have on the Elk River a second project aimed at controlling the flow of the great Kanawha River, a project possibly two-thirds completed. We are interested today in the third of those projects, known as the Summersville Reservoir on the Gauley River.

These industrialists came in representing the manufacturers association and said there was a shortage of water and that they could not have any plant expansion or expect any future growth in the Kanawha Valley until they could get a guaranteed water supply free of pollution. This project is one for the solution of that particular problem.

They asked for it, accompanied by the industrialists and the chamber of commerce of three or four of the municipalities in this surrounding area. One of the county commissioners of Fayette County was present and testified. Here is the distressing story told by Dr. Stallard, a member of the county commissioners of Fayette County. We find that right in this immediate location where this project is to be, the county has a population of 81,300 and 26,000 of those people are living on surplus Government food. The percentage of the unemployed labor force is 34 percent.

Here is a project ready to go. I have, and will offer to the committee, a state-

ment from the Army Engineers that they can use \$1 million between now and July 1, 1959, to bring this project up to the point where they would be ready to ask for appropriations for general construction.

Why am I asking that this project be included? Because it will furnish jobs. We have to build some access roads and a tunnel. That will furnish some jobs for these unemployed people. And when I say they are unemployed, I mean they are objects of charity. They have no jobs and have no income and no compensation coming to them. I cannot understand why this committee would include 41 other projects, nonbudgeted projects, when here is a regular project handled by the Army Engineers, and refuse to give us a small grant for the purpose of creating jobs for these idle and hungry people.

They have publicly acknowledged in the report on page 2 that they have included 41 unbudgeted items and 4 unbudgeted items in the Reclamation Department. Here is an item on which the facts were laid before them by some of the largest industrial people in the Eastern United States. People came there who spoke their sentiments about this project.

I have been unable to ascertain from the members of the committee why there was no allotment made. The only reason I can see is that perhaps I led the committee to believe that the Army Engineers would file with their committee a statement of the amount they could use to advantage for the remainder of the year. I have such a statement here from the Army Engineers and would like to read it into the RECORD at this time.

You request information in regard to the amount of funds the Corps of Engineers could use for work on the Summersville Reservoir project, West Virginia, in fiscal year 1959.

Strictly from an engineering standpoint, considering this project by itself without reference to our over-all program, our overall capability, or fiscal considerations, an amount of \$1 million could be utilized for this project in fiscal year 1959.

In appearing before that committee we brought a statement from the Army Engineers saying that they had two small contracts to let for which the engineering was completed back in May. That is what we want this \$1 million for. It appears that this project where the dam and reservoir will be built, is 6 miles from a railroad, so it is necessary to build an access road and a tunnel preliminary to the construction work on the main dam. This million dollars is for the purpose of building that stretch of highway, for the purpose of building a tunnel, and for the purpose of taking care of two other facilities necessary to this project.

If the gentleman included these other projects that were not budgeted, I could understand, if you had not given to the District of Columbia \$112,500,000 to build public buildings and a lot more to build bridges and for various other purposes. They have no unemployment situation here in Washington. The unemployment here is less than 2 percent of the labor force.

But when you face a situation where the people are helpless and there is no relief in sight as to any possibility of help, the situation is very serious. One of these large industries that employs normally 2,500 is presently employing 1,400, and it has served notice that 400 additional men will be laid off as of July 1.

Mr. STAGGERS. Mr. Chairman, will the gentleman yield?

Mr. BAILEY. I yield to the gentleman from West Virginia.

Mr. STAGGERS. I agree with my colleague from West Virginia that this is a worthwhile project, that it will help to develop the natural resources of the country, that it will assist in flood control at one of the principal chemical centers of America and the world, and that it will also provide jobs in an area which has been hard hit by this recession. This will help to carry it on. The whole project has been authorized.

Mr. BAILEY. That is correct. It is to be used only for the remainder of the fiscal year 1959.

Mr. CANNON. Mr. Chairman, I ask unanimous consent that all debate on this amendment and all amendments thereto close in 5 minutes.

Mr. BAILEY. I must object, Mr. Chairman, because there are other Representatives from my State who wish to speak on this amendment.

Mr. CANNON. Mr. Chairman, I move that all debate on this amendment and all amendments thereto close in 5 minutes.

The motion was agreed to.

The CHAIRMAN. The Chair recognizes the gentleman from New York [Mr. KEATING].

Mr. KEATING. Mr. Chairman, I take this time for the purpose of propounding a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. KEATING. If this amendment is adopted to change the figure on page 4, line 8, will it then be in order for any subsequent amendment to be considered further changing that figure?

The CHAIRMAN. The gentleman must have been out of the Chamber because the Chair has answered that question several times.

Mr. KEATING. I do not think the Chair has answered it as regards this figure.

The CHAIRMAN. The statement of the Chair, as previously made, applies to every figure. Once a figure is changed, it cannot be changed by any further amendment. So if the pending amendment is adopted, no amendment will be in order to change this figure.

Mr. BECKER. Mr. Chairman, will the gentleman yield?

Mr. KEATING. I yield.

Mr. BECKER. Mr. Chairman, continuing the same parliamentary inquiry, is it possible then to offer amendments subsequent to the adoption of this amendment, to include some other projects that have been authorized or rather approved and authorized in the same fashion, without including the funds?

The CHAIRMAN. That is if this amendment is adopted?

Mr. BECKER. Without changing the amount of money. I am not talking about increasing the amount of the total funds in this bill.

The CHAIRMAN. The Chair would have to see the amendment. The Chair does not understand the gentleman's parliamentary inquiry.

Mr. BECKER. Mr. Chairman, permit me to restate the question. If this amendment is adopted, which will change the \$577 million figure, that is the only time it can be changed, if this amendment is adopted.

The CHAIRMAN. That is correct.

Mr. BECKER. Will that preclude any subsequent amendment for other projects without changing the amount but just by including the projects in the bill?

The CHAIRMAN. The answer is that any further projects would be in order as long as the amount is not touched.

Mr. BECKER. I thank the Chairman.

Mr. KEATING. Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. The Chair recognizes the gentleman from West Virginia [Mr. BYRD].

Mr. BYRD. Mr. Chairman, I rise in support of the amendment. The project is one which has already been authorized. The quick completion of the project will materially affect the well-being of a large segment of the population of the great Kanawha Valley, in which Charleston, W. Va., is situated, and it will be a major factor in attracting new industries because it will not only contribute to flood prevention but it will also insure an even flow of water during the dry season and an ample flow throughout the year for industrial plants in the Charleston area. The engineers will have completed plans by September. The additional \$1 million which will be provided if this amendment is adopted will obviate the necessity of delaying preliminary work on the project until July 1, 1959, the beginning of the next fiscal year. Work could be initiated in September or October toward the construction of a tunnel, certain access highways, and other necessary preliminary operations.

I am interested in the amendment not alone because it would expedite the construction and completion of a reservoir which would control the water flow in my own District located downstream, but I am also concerned with the effect it would have upon unemployment in the whole area. There are two counties which would directly be involved, Fayette and Nicholas. In the county of Fayette, more than 25,000 persons out of a population of 82,000 are living on surplus food commodities. Out of a labor force in excess of 18,000 men, unemployment, I am informed today by Dr. C. W. Stallard, member of the Fayette County Court, is in excess of 9,000, or better than 50 percent. In the first quarter of 1958, \$165,126 was paid claimants in this county, which is an increase of 123 percent over the \$73,910 paid during the fourth quarter of 1957. Many of the men have used up their unemployment compensation and there is real misery and poverty in

the area. Many families have lost their homes, their property, their refrigerators, their automobiles, and have been forced deeply into debt for the purchase of groceries and everyday necessities. Many small businesses are on the rocks. Here is an instance, Mr. Chairman, where additional moneys appropriated now will not only provide early flood protection and water conservation, but will also provide work for people in the immediate future. West Virginia has the highest unemployment rate of any State in the United States. 13.1 percent of its insured workers were unemployed as of the week ending May 31.

The additional \$1 million which would be provided by the gentleman's amendment can be wisely expended immediately, according to the United States Army Engineers, and it will help to combat the recession. I congratulate my colleague and I urge that the amendment be adopted. May I add, too, in closing my remarks, that I am grateful to the Committee on Appropriations and to its distinguished chairman for including the sum of \$30,000 for survey of the Guyandot River Basin in West Virginia.

Mr. Chairman, for the further information of the Committee of the Whole, I call to your attention the following letter received from the Assistant Chief of Engineers for Civil Works relative to the Summersville Reservoir project.

DEPARTMENT OF THE ARMY,  
OFFICE OF THE CHIEF OF ENGINEERS,  
Washington, D. C., June 17, 1958.

Hon. ROBERT C. BYRD,  
*House of Representatives.*

DEAR MR. BYRD: You request information in regard to the amount of funds the Corps of Engineers could use for work on the Summersville Reservoir project, West Virginia, in fiscal year 1959.

Strictly from an engineering standpoint, considering this project by itself without reference to our overall program, our overall capability, or fiscal considerations, an amount of \$1 million could be utilized for this project in fiscal year 1959. As you may know, no funds for the Summersville Reservoir project are included in the President's Budget, so that no funds can be utilized for this project in view of the overall budgetary considerations.

Sincerely yours,

J. L. PERSON,  
Brigadier General, United States  
Army, Assistant Chief of Engineers  
for Civil Works.

Mr. REES of Kansas. Mr. Chairman, I rise at this time to call the attention of the members of the committee to a group of people in the Fourth District of Kansas who oppose appropriation of construction funds for the item described in this bill as the Pomona Reservoir. It is in Osage County, Kans.

The item of \$800,000 for the construction of Pomona Reservoir is not included in the request made by the Bureau of the Budget nor in the approved items of the Office of the Army Engineers. These people were given to understand that only those items which had the approval of both agencies would be included in this appropriation measure.

I have a volume of correspondence from these people calling attention to the destruction of farmlands, and homes, and towns, running into the mil-

lions of dollars, that will result if this appropriation is approved.

The right thing to do is to withhold this appropriation until the Appropriations Committee has had a chance to take a good look at it. These people are already in the process of establishing a watershed program that will, if carried out, prevent the floods anticipated by the promoters of the Pomona Dam. Their program will cost much less money and will prevent damages and injuries that will be sustained if the Pomona project is carried out.

I am listing herewith a number of landowners and residents in the area whose property will be damaged millions of dollars by reason of the construction of this project. Many will be driven from their homes. The least we can do is to postpone the consideration of this appropriation until opportunity is afforded for a full and complete hearing on this project. It is more important than most of you realize. This item of \$800,000 should not be included in this bill.

Here are the names of some of the residents of the area who would be adversely affected if funds, not approved by the Bureau of the Budget are appropriated in this bill for Pomona project. Many of these people would lose their homes if this legislation is approved.

Mr. and Mrs. Melvin Schif, Ruth McReynolds, Mr. and Mrs. C. W. Chrisman, Mr. Lloyd Truelove, Mrs. Glenn Small, Mr. and Mrs. Jim Cochran, Mr. and Mrs. Howard Truelove, Mr. Howard Birkbeck, Mrs. X. Decker, Miss Maude Elliott, Miss Julia M. Elliott, Mr. Vernon E. Griffiths, Mr. and Mrs. W. U. Blankley, Mrs. Leora Smith, Mr. and Mrs. George W. Suggs, Mr. and Mrs. Hugh F. Jones, Mr. Dan C. Evans, Harriet Woodbury George, G. R. Evans, J. O. Williams, David E. Evans, Eugene F. Freund, Mrs. Wesley H. Jones, C. H. Rutledge, Wayne M. Traylor, W. H. Green, John L. Davis, Charles A. Knight, Harry F. Coffman, Masenthin Brothers, Taft Masenthin, Mrs. Fred Jones, Mr. and Mrs. Rees Lewis, Kay Lewis, Elva Leonard, R. L. Booth, Mrs. Russell Booth, Jimmy Booth, Milton Booth, Mrs. Anita G. Niles, Miss Sherrill Niles, Douglas B. Niles, Herbert T. Niles, Mr. and Mrs. John H. Lewis, Mary L. Morton, T. R. Evans, Mrs. Seymour Morton, Mr. and Mrs. A. H. Theobald, Myrl Griffin, Mrs. LaVerne Birkbeck, Albert E. Birkbeck, Mr. and Mrs. Floyd Laws, Mr. and Mrs. Ralph Shobe, Mr. and Mrs. Henry Van Arsdale, Mr. and Mrs. R. R. King, E. J. King, O. K. Lyon, Lucian Hammond, Dale O. Thorne, Harold G. Waite, R. B. Shunk, J. W. Wise, Mrs. Nora Lind, Jack K. Allegre, John W. Jones, K. M. Allegre, Mrs. Orlen Dotson, Dale Roberts, Richard L. Jones, Dan C. Evans, R. E. Peterson, Glen Thorne, R. L. Brown, M. L. Bailey, Ivor H. Davies, A. E. Cummins, Glenn W. Jones, Elias Lind, Jack Freund, Nolan Petty, K. E. Richards, Dean H. Evans, Preston Williams, Robert D. Jones, Frank J. George, Mr. and Mrs. Harold Luck, V. E. Underwood, Mr. and Mrs. W. C. Neihart, Ada Neihart, Mr. and Mrs. Wayne Litch, Mr. and Mrs. Gerald D. Goldsmith, Mr. and Mrs. Walter

Mochamer, Mrs. Warren W. Thomas, Commodore W. Wood, R. O. Gardner, G. E. Palin, Mr. and Mrs. Alvin J. Hess, Howard K. Woodbury, Mr. and Mrs. Hiram Monypeny, Mr. and Mrs. Ed Wendland, George Branson, Mrs. Pearl Jones, S. C. Jones, C. F. Clark, Mrs. Mae Clark, Mrs. J. C. McKinney, Mrs. S. R. Gardner, Mrs. Margaret T. Smith, Mrs. Francis E. Hurtig, H. A. Smith, Cora E. Wood, Mr. and Mrs. Mike Garman, Homer Hatch, Walter C. Combes, Mrs. E. C. Kelley, Rev. Wright M. Horton, Mr. and Mrs. Harold Featherstone.

Mr. GRAY. Mr. Chairman, I want to take this opportunity to congratulate the distinguished gentleman from Michigan [Mr. RABAUT] and the other members of both the Subcommittee and the full Committee on Appropriations for their excellent work on this bill. The courtesy with which they accepted me in committee after hearing a long list of witnesses is highly commendable. I certainly appreciate their consideration in allowing funds for southern Illinois projects. These projects are vitally important to the welfare of our people and I can guarantee that the work performed will be a meritorious expenditure of public funds.

The CHAIRMAN. The Chair recognizes the gentleman from Missouri [Mr. CANNON], chairman of the committee.

Mr. CANNON. Mr. Chairman, we ask for a vote.

The CHAIRMAN. The question is on the amendment offered by the gentleman from West Virginia [Mr. BAILEY].

The question was taken; and the Chair announced that the "noes" had it.

Mr. BAILEY. Mr. Chairman, I ask for a teller vote.

Tellers were refused.

So the amendment was rejected.

Mr. CANNON. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. BOGGS, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H. R. 12858) making appropriations for civil functions administered by the Department of the Army, certain agencies of the Department of the Interior, and the Tennessee Valley Authority, for the fiscal year ending June 30, 1959, and for other purposes, had come to no resolution thereon.

#### DESEGREGATION IN THE PUBLIC SCHOOLS

Mr. ROOSEVELT. 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 California?

There was no objection.

Mr. ROOSEVELT. Mr. Speaker, the month of June is the time for taking inventory of our civil rights gains in the field of education, since it marks the end of the public school year. We should take stock of what has already been done

in the various States to comply with the Supreme Court's decisions on desegregation and what exactly needs to be done to pave the way for more concrete and widespread gains in the coming school year.

With this in mind, I have written a letter to the President, asking what specific plans the administration has for preventing repetitions of the Little Rock debacle in other communities.

As we all know, such situations lend themselves to tremendous propaganda use as evidenced by its great coverage in the press, radio and television facilities of countries throughout the world.

Our inept handling of the integration problem at Central High School in Little Rock, Ark., coupled with the mistreatment of Negro students by white students, the flouting of the law by the governor of the State, and the injection of State and National troops upon the scene made this incident truly a shot heard round the world. The result was a disastrous undermining of our leadership and a great loss of face among the free and uncommitted nations of the world.

And now, Mr. Speaker, we are faced with a similar dilemma—to name one specific example—in the State of Virginia right across the Potomac River from the Nation's Capital.

There the State government has announced its intention to close all of Virginia's public schools rather than comply with the desegregation law—the law of the land. A local school board, in an effort to obey the law, has asked its counsel to look for ways and means of complying with the Supreme Court's edict without at the same time running into trouble with the State officials. And still further south in Virginia the chairman of another school board has declared a policy of admitting Negro pupils to white schools and facing the consequences of the State law.

These are shining examples of where communities need to feel that the power and resources of the office of the President of the United States stand squarely behind them—nay, at their service. School boards, teachers, parents, students, and concerned citizens, working in these communities toward the day when integration in the public schools will have become a reality instead of an ideal, are hampered in their efforts without the complete support of the Federal Government.

Mr. Speaker, I do not feel that this support has been available and I should like to know why. The time has come—in fact, the time is past due for the Federal Government, particularly the executive branch, to assume its full share of the responsibility for not only preparing the ground for acceptance of desegregation, but to be actively buttressing the efforts of local organizations and individuals to implement the Supreme Court's decisions.

I have asked the President, Mr. Speaker, two very pertinent questions which need to be answered immediately: First, is the Federal Government preparing a program for these intervening months, between the closing of the

schools and their reopening next fall, aimed at preventing a recurrence of the situation at Little Rock which discredited and dishonored us before the world, and second, because of the international implications inherent in such a travesty upon our democratic way of life, is he prepared to lend the strength of his leadership and the full prestige and resources of his office to spur community efforts to comply with the law?

As I also said in my letter, Mr. Speaker, and I quote:

This is the time for realistic support of the law. Education and enforcement of the law must go hand in hand if we are to do the job of abolishing segregation in the schools within the meaning of the Supreme Court's admonition "with all deliberate speed."

This need not be a nationwide program, Mr. Speaker. We know the localities in which trouble may arise, and I contend that educational material, which would help develop public understanding of the problem, should be prepared and disseminated by the Federal Government at the earliest possible moment. Further, I believe that representatives of public and private agencies in the five or six more crucial areas should be studying ways and means of eliminating segregation in public education, conducting public forums, radio and television roundtable discussions, and using every other available device for reaching all members of the community, especially parents.

And finally, I suggest that trained specialists—those who are immediately available and those who are in the process of being trained—be sent at once to the places of potential and possible outbreaks to give advice, be accessible for consultation, and lend actual assistance in carrying out the programs of desegregation.

If we are foresighted and farsighted enough, if we are not only aware but willing to act, we can make real progress toward the goal which has been set for us by the highest court in the land.

This now becomes an immediately vital matter—not just a matter of principle, but a matter of a situation which faces us in a very short time.

I again quote from my letter to the President:

Thoughtful men who are concerned about the total welfare of the Nation appreciate the dimensions of the problem that we face now. They know the way will not be easy, or devoid of pain on either side. But they also know the real nature of justice, and that the function of the law is to support it. Unless this is true, we stand to lose more than continued denial of the Negro's rights. We open the door to the greatest threat that a democracy can know—that of abandonment of the safeguards of the law. The rights that are guaranteed by the Constitution cannot be selectively applied or selectively enforced. They must apply to us all—or they will soon apply to no one.

I call upon you, Mr. President, to begin to plan now for obedience to the laws of our country and through that obedience to make provision for the protection of the rights of every American no matter where he may live or who he may be in this, our free country.

Mr. Speaker, I ask unanimous consent that I may insert the full text of my letter

to the President at this point in the RECORD:

JUNE 11, 1958.

The PRESIDENT,

*The White House,*

*Washington, D. C.*

MY DEAR MR. PRESIDENT: As the public schools of the country approach the closing days of the school year, I am impelled by a sense of urgency to ask what positive steps are being taken by the Federal Government and the executive branch to prepare the way for more widespread compliance with the Supreme Court's decisions on desegregation when the schools reopen next fall.

Is the Federal Government preparing a program for the intervening months aimed at preventing a recurrence of the situation at Little Rock which discredited and dishonored us before the world?

Because of the international implications of such a travesty, Mr. President, are you prepared to lend the strength of your leadership and the full prestige and resources of your office to community efforts to comply with the law?

This is the time for realistic support of the law. Education and enforcement of the law must go hand in hand if we are to do the job of abolishing segregation in the schools within the meaning of the Supreme Court's admonition: "With all deliberate speed."

Thoughtful men who are concerned about the total welfare of the Nation appreciate the dimensions of the problem that we face now. They know the way will not be easy, or devoid of pain on either side. But they also know the real nature of justice, and that the function of the law is to support it. Unless this is true, we stand to lose more than continued denial of the Negro's rights. We open the door to the greatest threat that a democracy can know—that of abandonment of the safeguards of the law. The rights that are guaranteed by the Constitution cannot be selectively applied or selectively enforced. They must apply to us all—or they will soon apply to no one.

I call upon you, Mr. President, to begin to plan now for obedience to the laws of our country and through that obedience to make provision for the protection of the rights of every American no matter where he may live or who he may be in this, our free country.

And finally, Mr. President, I ask specifically whether it is possible for you to give me at this time—that I may relay it to my constituents—a well defined, specific program which you and the administration may have in mind.

Respectfully yours,

JAMES ROOSEVELT.

#### RULES COMMITTEE

Mr. ASPINALL. Mr. Speaker, I ask unanimous consent that the Rules Committee may have until midnight tonight to file certain reports.

The SPEAKER. Is there objection? There was no objection.

#### EXCHANGE OF ATOMIC INFORMATION AND MATERIAL WITH OUR ALLIES

Mr. HOSMER. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and include four tables.

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

There was no objection.

Mr. HOSMER. Mr. Speaker, it is probable that tomorrow we will complete ac-

tion on H. R. 12716 and I wish to speak now on the subject so that a written explanation of the bill may be before you during the debate.

For various good reasons which will be brought out at that time, a greater exchange of nuclear information and material with our military allies is at this time desirable. I emphasize "at this time" because throughout our nuclear history we have tried to align the volume of our exchanges of information and material of this nature to the exigencies of the times.

At the close of World War II, when the Atomic Energy Act of 1946 was passed and we had an essential monopoly on this kind of information, the needs of those times dictated most strict limitations. The provisions of that act in this regard are set forth in table 1.

By 1954 circumstances had changed and this Congress, in its wisdom, recognized that some of the limitations of the 1946 act were no longer best forwarding the security of this Nation. As a consequence, changes were made by the Atomic Energy Act of 1954. The provisions of that act, which are currently in effect, are set forth in table 2.

During the last 4 years further changes in international relations together with technological developments by various nations in the nuclear field have been swift. To bring ourselves abreast of them, and by that I mean forward the security of this Nation, the certain changes proposed by H. R. 12716 are now necessary.

The Joint Committee on Atomic Energy held extensive hearings on the subject in both closed and open sessions. JCAE wrote into the bill every safeguard that appeared prudent.

What precisely these safeguards are is set forth in table 3.

What precisely by way of information or material is proposed to be exchanged under these extensive safeguards is set forth in table 4.

It is possible that some of you have received some of the same kinds of letters I have opposing this legislation. These letters seem to be inspired from a particular source, because in almost identical language they set out some four arguments in opposition to the legislation. So that you may know the answers to these arguments, I am setting them out here.

The first argument is that all benefits from a test ban would be offset by this legislation.

The answer is that we have been made increasingly aware over the past years of the fact that the Soviet Union has achieved a significant nuclear military capability. Thus the Soviet Union has an increasing capability to launch a nuclear attack upon the United States or Europe. To counter this increasing Soviet capability there must be broader sharing of United States nuclear knowledge with our allies. In this manner it will be possible for them to participate most effectively in the development of plans for the overall defense. If the United States were not to share its nuclear knowledge with its allies, the only way our friends could achieve an effective counter to the increasing Soviet

nuclear threat would be by the development of their own nuclear capability and this would require continued testing. Thus, contrary to offsetting the benefits which would be derived from a test ban, this legislation is most important if a test ban in any form is achieved. The Secretary of State, in testimony in support of these amendments, stated:

All of our major planning, both in terms of disarmament, the limitation of nuclear testing, the limitation of the use of nuclear weapons, the building of NATO, all those plans would be disastrously affected, in my opinion, without this legislation. (From page 472 of hearings before subcommittee on Agreements for Cooperation of the Joint Committee on Atomic Energy, Congress of the United States, 85th Cong., 2d sess.)

The second argument is that more bombs in more countries increase danger of nuclear war and multiply problems of disarmament.

The answer is that these amendments to the Atomic Energy Act do not authorize the transfer of United States atomic weapons to any country. They do not authorize nor has it been the intent of the administration to establish a fourth atomic weapon power. The act itself now contains a provision, section 121, which would permit the administration, by an international agreement, approved by the Congress, or a treaty, ratified by the Senate, to transfer atomic weapons to another country, but these amendments do not permit such a transfer. The NATO stockpile concept is one whereby United States weapons are placed in NATO countries for possible use by our allies. These weapons remain in United States custody. Further, it would be a mistake if we conclude that the spread of nuclear weapons could be prevented, or even retarded, by rejection of these amendments to the Atomic Energy Act. Materials needed to make nuclear weapons are becoming increasingly available as nuclear power plants are built. The knowledge to turn these materials into weapons has been independently attained by three countries, and the scientists of other countries have the skills to enable them to do the same.

Specifically, with regard to disarmament and these amendments to the Atomic Energy Act, the Secretary of State has stated that:

There is today understandable resistance on the part of other Free World countries to an international agreement which would have the effect, if not the purpose, of perpetuating for all time their present nuclear weapons inferiority, without the mitigation which would be made possible by these amendments. Other Free World nations would understandably find it difficult to accept that result and the United States does not want to seem to be seeking to impose it (p. 449, hearings).

The Secretary has also stated that:

The Soviet Union is making extreme efforts to bring it about that the Free World nations of the Eurasian Continent will be limited to conventional weapons as against the nuclear weapons capability of the Soviet Union. If it can succeed in this effort, it will have already achieved a one-sided disarmament of considerable dimensions which involves no controls or limitations whatever on the Soviet Union, but only limitation upon the neighboring nations of the Eurasian Continent. Under these circumstances, there

will be much less incentive for the Soviet Union to seek a balanced limitation of armament.

Therefore, rather than multiplying the problems of disarmament, these proposed amendments of the Atomic Energy Act will serve a useful, and indeed necessary, purpose in the negotiation of any fair and effective disarmament agreement.

The third argument is that giving nuclear weapons to European allies would complicate a European settlement from a foreign relations point of view.

The answer is that these amendments to the act do not permit giving nuclear weapons to any nation or regional defense organization. They do not authorize, nor has it ever been the intent of the administration to create, a fourth nuclear power by these amendments. The weapons that would be stockpiled for use by our NATO allies would be under the custody of the United States. They could not be used without United States approval and I would repeat that no atomic weapons will be given to our European allies by the authority of these amendments. As to complicating a European settlement, the Secretary of States has said that the program envisaged by the amendments "is the very heart of our foreign policy so far as Western Europe and NATO are concerned, and insofar as our disarmament proposals are concerned. I do not think any group could be any more back of this legislation than the State Department is"—page 472, hearing. Without these amendments we may well get into a situation where there will be such an imbalance of military power between the Free World nations of the Eurasian Continent and the power of the Soviet Union that the Soviet Union will have very little incentive to seek any kind of European settlement.

The fourth argument is that a colonial commander of a nuclear-supplied ally could trip off the third world war.

The answer is that in responses to previous questions, I have stated that these amendments do not authorize the giving of any United States atomic weapons to any nation. Atomic weapons which are allocated for the use of any nation would remain in the custody of the United States. We all share the concern that there should be no promiscuous spread of nuclear weapons, but I would repeat that we delude ourselves if we believe that this possibility could be prevented or even retarded by rejection of these amendments to the Atomic Energy Act. I would hope rather that the sharing of our nuclear knowledge with our allies would have an effect upon these people which would permit them to reconsider any ambitions they may have to achieve nuclear weapons independence by the expenditure of their own materials and resources. Indeed, the Secretary of State has said:

I think it unlikely that they will try to do that (develop an independent nuclear capability) as they know that in time of war they will have nuclear weapons and will know how to use them (p. 470, hearings).

Thus these amendments, rather than bringing about a situation where an ally could act independently, would tend

to make it a necessity that that nation act in concert with the United States in the use of nuclear weapons.

TABLE 1

## ATOMIC ENERGY ACT OF 1946

1. Did not permit exchange of restricted data regarding atomic weapons.
2. Prohibited transfer of fissionable material.
3. Provided that an international agreement approved by Congress or treaty approved by the Senate could override 1 or 2.<sup>1</sup>

<sup>1</sup> Authority under item 3 never exercised.

TABLE 2

## ATOMIC ENERGY ACT OF 1954 (NOW IN EFFECT)

1. Permits communication to another nation or regional defense organization of limited information on atomic weapons to:
  - A. Develop defense plans;
  - B. Train personnel; and
  - C. Evaluate capabilities of potential enemies in employment.
- But design and fabrication information limited to external characteristics, yields and effects, and systems employed in delivery or use, and then only such data as does not reveal important information concerning design or fabrication nuclear components.
2. Prohibits transfer of special nuclear material for military purposes.
3. Provides again that an international agreement approved by the Congress or treaty approved by the Senate could override 1 or 2.<sup>1</sup>

<sup>1</sup> Authority under item 3 never exercised.

TABLE 3

## H. R. 12716 WOULD AUTHORIZE GREATER EXCHANGE OF INFORMATION AND MATERIAL WITH MILITARY ALLIES UNDER FOLLOWING STRICT LIMITATIONS

1. If the cooperating nation or regional defense organization is participating with the United States pursuant to an international arrangement by substantial and material contributions to mutual defense and security.
2. The exchange can take place only pursuant to an agreement<sup>1</sup>—
  - A. Approved by the President.
  - B. Performance of which the President has determined in writing will promote and will not constitute an unreasonable risk to the common defense and security.
3. The President must also determine that the specific cooperation undertaken will promote and will not constitute an unreasonable risk to the common defense and security.
4. In addition, the Joint Committee on Atomic Energy shall be kept fully and currently informed.

<sup>1</sup> But provided there is no concurrent disapproving resolution by Congress.

TABLE 4

## WHAT COULD BE TRANSFERRED OR EXCHANGED UNDER H. R. 12716

- A. To a nation or regional defense organization classified information as necessary to: planning; training; evaluating enemy capabilities; developing compatible delivery systems; and other military applications of atomic energy.
- B. To a nation additional classified information:
  1. Relative to military reactor design.
  2. To improve its atomic weapons development, design or fabrication (but only providing that nation has made substantial progress in developing atomic weapons).<sup>1</sup>
- C. To a nation material and equipment, including:
  1. Nuclear materials for:
    - (a) Military reactors.

(b) Atomic weapons (provided that nation has made substantial progress in the development of atomic weapons).<sup>1</sup>

2. Nonnuclear parts of atomic weapons.

3. Military reactors.

<sup>1</sup> Report on H. R. 12716 states only nation presently qualifying is the United Kingdom.

## PUBLIC COMMUNITY JUNIOR COLLEGE CONSTRUCTION BILL

The SPEAKER. Under previous order of the House, the gentleman from Oregon [Mr. ULLMAN] is recognized for 20 minutes.

Mr. ULLMAN. Mr. Speaker, on April 28, 1958, I introduced H. R. 12232, a bill to establish a 5-year program of Federal grants-in-aid to the States for the construction, expansion, and remodeling of public community junior colleges. In order to insure that my proposal would meet the concrete needs of the States for public community junior colleges, I subsequently invited various education experts and educational groups in the public junior college field to offer their comments, suggestions, and criticisms on the various features of my bill.

The response from these educators has been most encouraging. The correspondence received since the introduction of H. R. 12232 represents the opinions of educators from Alaska to Florida and from Massachusetts to California. I believe that these letters indicate the strong sentiment which exists on behalf of the public junior college movement, and I am happy at this time to present some of these many letters for the consideration of my colleagues.

I am particularly anxious that everyone realize the full benefit to be derived by the States and the Nation through enactment of this legislation. Therefore, I would like to present at this time those letters in which specific questions were raised about certain provisions in the bill. In the near future I plan to insert other letters from educators who have commented on my proposal.

A number of questions have been raised concerning the priority provisions of the bill. I would like to further clarify this matter at this time. Provisions in the bill require that State plans be submitted outlining proposed projects within the State. Under section 6 (a), priorities, or first considerations, are to be given by the State according to their particular need for public community junior colleges. As stated in the bill the particular priorities to be given consideration by the State educational agency for those communities most in need of aid are:

(A) \* \* \* at least 30 miles distant from the nearest State college or university. (B) desire a public community junior college, (C) are making an effort commensurate with their economic resources and are unable solely because of lack of such resources, to finance from the resources available to them the full cost of the needed facilities, and (D) are determined by the State educational agency to be communities where the need for public community junior colleges is most urgent.

These priorities are to serve as guidelines. It is not intended that the priorities as indicated are to be considered

in numerical succession. The purpose of this system of priorities is to have the State educational agency determine which areas within the State are in most urgent need for prompt attention. The bill was specifically drafted to provide this flexibility.

It was to obtain this degree of flexibility that I also included a provision allowing for a 1 year carryover of a State's allotment, thus permitting longer range and more realistic planning for State projects.

This same principle of flexibility was incorporated in the allocation formula of the bill. The total authorized appropriation for each year of the program would be \$200 million, of which one-half or \$100 million would be apportioned equally among the 48 States, the District of Columbia, the Territories of Alaska, Hawaii, and Puerto Rico. The remaining \$100 million would be apportioned among the States on a matching basis according to the ration of a State's total public elementary and secondary enrollment as compared with the national enrollment for these same grades. I believe that this system of a flat Federal grant and a variable Federal grant allows for the greatest amount of flexibility in meeting the varying financial demands of the States.

For instance, those States which lack the matching capacity of other States do not have placed upon them the burden of matching a fund larger than they can afford. At the same time, those States able to do so may extend the amount of State and local funds to their own desired proportions. The flat Federal grant, however, guarantees that each State shall receive at least a minimum amount of Federal assistance. Because the educational structure of the United States consists of 48 separate State school systems, this type of flexibility in a program of grants-in-aid for education is extremely important.

Mr. Speaker, I ask permission to have the following correspondence inserted in the RECORD:

DEARBORN PUBLIC SCHOOLS,  
HENRY FORD COMMUNITY COLLEGE,  
Dearborn, Mich., May 13, 1958.  
Representative AL ULLMAN,  
Congress of the United States,  
House of Representatives,  
Washington, D. C.

DEAR REPRESENTATIVE ULLMAN: I was very pleased to receive in yesterday's mail your letter, dated May 6, together with a copy of H. R. 12232 and your remarks before the House of Representatives on April 28. I have read your statement and the bill through rather hurriedly, since we are presently involved in a special millage election having to do with the raising of funds for our community college in Dearborn. Following the election, I intend to study your bill with much greater care and may have additional comments to make at a later date.

In the first place, I am enthusiastic about it and I realize that a great deal of time and effort on your part must have gone into it and the very comprehensive remarks made by you before the House. Since Michigan is one of the leaders in the locally controlled community-college movement, I know your bill will receive enthusiastic support from our State.

Now for a few comments. One of the great advantages of a locally controlled community college is the meeting of the needs

of the community it serves. They are much more apt to meet needs in a better way than a system of State-controlled branches of the State university. It gives a wonderful opportunity for full-time working adults and housewives to continue their education. These are people who have home and family obligations who cannot go away. The family breadwinner needs and appreciates opportunities for upgrading and retraining. It is surprising how many full-time working adults and housewives attend our institution, who would not be able to improve themselves if we were not operating in our community. In other words, I am emphasizing how much an institution of this kind can mean to adults as well as those of the usual college age.

I would like to raise a mild voice of protest to line 15 on page 6 of the bill, "are at least 30 miles distant from the nearest State college or university." Ofttimes, State colleges and universities have no interest in terminal-technical and semiprofessional programs and, as their enrolments rise, their standards tend to go up and up. At times, in highly populated areas where a State college is located, the needs of a great many young people are not any better met than they are in less populated areas. I think each State is, perhaps, in a better position to judge its needs, and I hate to see too definite restrictions in a Federal appropriation. In a highly populated area, the needs for technicians and programs to train technicians are acute, and I hate to see any restrictions put around their development because a State university might be nearby. Of course, we do not want duplication of effort; but we do want equal and adequate opportunities.

One other point I believe needs mention. We have had a capital outlay matching fund for community colleges in Michigan for the past 2 years. Locally controlled community colleges need time for planning. Most of us use citizens committees to do it, and it takes a good while. Following the planning committees must come working drawings, bids, contracts, and so forth. Communities must know how they stand financially before they go too far into these things. I would, therefore, like to suggest that on page 6, line 2, the time be extended to at least the end of the second fiscal year following the year for which such allotment is made. This gives time for longer and better overall planning instead of a bunch of piecemeal projects which the 1-year limitation has caused in Michigan.

Let me express my deep appreciation for your letter, and I shall be interested in the progress of your bill. I hope that I may be kept on your mailing list, and let me assure you of my full support.

Very sincerely,

FRED K. ESHLEMAN,  
Dean.

SAN DIEGO CITY SCHOOLS,  
San Diego, Calif., May 19, 1958.  
Hon. AL ULLMAN,  
House of Representatives, Congress of  
the United States, Washington, D. C.

DEAR MR. ULLMAN: Mr. Walter Thatcher, principal of the San Diego Junior College, has forwarded to me your letter of May 6 enclosing a copy of H. R. 12232, a bill which you have introduced to provide Federal assistance for the construction and expansion of public community junior colleges.

I can certainly support and vouch for the need and desirability of such Federal assistance. The paramount need for legislation to provide Federal aid for general school construction has been fully demonstrated and recommended by the President of the United States. Meanwhile, the problem of providing trained technicians and relieving the 4-year colleges of a portion of the lower division instruction can best be solved, as

you point out, through an expansion of the public junior colleges.

It is obviously unrealistic to expect that this expansion can be accomplished without Federal aid in the face of critical classroom shortages across the Nation.

There are two details of your bill which I feel deserve further study:

1. The priority given to areas not now served by 4-year colleges.

2. The allocation formula.

The priority system implies that 4-year colleges can serve the junior college function in areas within a 30-mile radius. In California, over the past several decades, we have found this is not possible or desirable. First, few 4-year colleges have ever provided sound and continuing 2-year programs of technical education. Second, 4-year colleges should maintain entrance requirements which enable them to concentrate on the well-qualified students. This can only be done if there is a public junior college in the vicinity which can accept all high-school graduates and give the "late bloomers" one more chance to qualify for college entrance. There is now increasing pressure in Oregon to raise the entrance requirements to your universities. This can be done only if public junior colleges are available in the Portland, Eugene, and Corvallis communities.

The allocation formula distributes an unusually large proportion of the money equally among the States regardless of need, population, or wealth. I know of no other Federal appropriation, with purposes so clearly related to the total population ratio, which allocates as high as 50 percent of the total funds on an equal basis among the States. One million dollars per State would be more equitable.

I hope these comments are of some interest to you. I would be glad to provide further information if you feel it would be of value.

Sincerely,

C. W. PATRICK,  
Assistant Superintendent in Charge  
of Post High School Education.

RIVERSIDE COLLEGE,  
Riverside, Calif., May 14, 1958.

The Honorable AL ULLMAN,  
Member of Congress, Second District,  
Oregon, House of Representatives,  
Washington, D. C.

DEAR MR. ULLMAN: Thank you for your letter of May 6 and a copy of bill H. R. 12232 which you have introduced.

May I call your attention to page 6 of the bill wherein it states that priority for assistance will be given to (A) communities in a State which are at least 30 miles distant from the nearest State college or university. This, of course, will do us in Riverside, Ontario, and San Bernardino, for instance, no good. We have a branch of the State university in Riverside, but only about 11 percent of the high-school graduates in California have grades good enough to enter the University of California. The three junior colleges I have mentioned receive anywhere from 30 to 40 percent of the high-school graduates of their respective districts every year. The fact of the matter is that this bill would not help too many junior colleges in the State of California which, as you know, has for many years been in the forefront of junior-college education.

Very truly yours,

O. W. NOBLE,  
President.

REEDLEY COLLEGE,  
Reedley, Calif., May 30, 1958.

The Honorable AL ULLMAN,  
Member of Congress, Congress of the  
United States, House of Representatives,  
Washington, D. C.

DEAR MR. ULLMAN: My work in Oregon with Vanport College and Portland State College convinced me of the need for public

community colleges for the State of Oregon and other States. My present work in the California public junior college increases my conviction that the next great step in the universal public education will be to extend the time which the vast majority of our young people will spend in school through the 14th year.

Now for a suggestion on your bill which I think is excellent. On page 6, lines 11 through 16, I would eliminate the requirement that the junior college must be at least 30 miles away from a State college or university to receive priority. While this would be perhaps desirable in a sparsely settled area, it would be an unnecessary handicap in a metropolitan area, especially in States where the entrance requirements of the university are highly restrictive. This happens to be true in California.

Best wishes for success in getting this legislation enacted. I hope you will keep me on your mailing list to receive material from your office.

Respectfully yours,

STEPHEN E. EPLER,  
President.

UNIVERSITY OF HOUSTON,  
Houston, Tex., May 30, 1958.

Hon. AL ULLMAN,  
Member of Congress,  
House Office Building,  
Washington, D. C.

DEAR CONGRESSMAN ULLMAN: Your letter of May 6 with enclosures addressed to Gen. A. D. Bruce has been referred to me for reply.

Let me say first that I have read and re-read both H. R. 12232 and your statement to the House dated April 28, 1958, and that I for one am most appreciative of your actions to assist us educators as we face critical shortages of faculty and facilities. For your information I am enclosing a copy of a letter I wrote to Carl Elliott on his bill. In it you may gather some of my overall views relative to the support of American education in this critical era.

As for the junior college movement, I am convinced, after considerable initial skepticism, that California, Texas, and a number of other States are on sound ground indeed as they proceed toward the establishment of more public community junior colleges, and as they move toward adequate support of those already in existence.

Your bill, I believe, should be enacted. I suggest a number of revisions as follows and for reasons set forth in each case:

Page 3, 1, 2, add after "study": "Whether or not this program is terminal in the total offerings of the institution of higher learning of which the junior college is a part."

This addition is essential it seems to me if those institutions like mine (which started as a junior college and which added senior college and graduate programs) are not to be excluded from the benefits of your program. It must be recognized that such institutions have taken on greatly expanded responsibilities and services to our people and surely should be assisted as they struggle to meet the needs of their communities, State, and Nation.

Page 6, 11, 11-24: Eliminate.

This elimination is urged for the twofold reason that: (1) local rather than Federal control of educational programs is desirable; and (2) there are many struggling junior colleges already in existence which are in dire need of assistance. Surely the State educational agency would be in much better position than the Federal Government to establish priorities.

I might add that in Texas most educational funds are raised and expended by the local independent school districts. Complications which conceivably could result under section 6. (a) (2) might well defeat the fine purpose of your bill. Surely many per-

sons would be inclined toward the view that this paragraph is not consistent with section 12 of your bill.

I expect to be in Washington during the last week of June. I have told Carl Elliott that I would be available for any testifying or conversing that he might want me to do at that time. I add that if I could be of any service to you then, I would be delighted if you would call upon me.

Most sincerely yours,

CLANTON W. WILLIAMS,  
President.

HIBBING JUNIOR COLLEGE,  
Hibbing, Minn., May 28, 1958.

The Honorable AL ULLMAN,  
Member of Congress,  
House of Representatives,  
Washington, D. C.

DEAR CONGRESSMAN ULLMAN: Thank you for your very interesting letter of May 6, 1958. You are to be congratulated on your realization concerning the contributions which junior colleges can make to bring higher education to the youth of this country. While I do not qualify as an expert concerning the financial aspects of your bill, I certainly find myself in agreement with its principles.

I would like to raise one question, however. It concerns the need for capital expansion, or even the building of separate facilities for existing junior colleges. Thus, in Minnesota as well as in other States many junior colleges are located in high-school buildings. Hibbing Junior College, for instance, occupies part of the Hibbing High School building, but has expanded at a more rapid rate during the last 3 years than any other college or university in the State of Minnesota. As a consequence, we are very hard pressed for classroom space, let alone other types of college facilities. Speaking for myself, I am hoping that aid will be forthcoming for the construction of a building since I do not know whether the local taxpayers, particularly in view of the economic situation, would be willing to assume the total cost of a new separate building. I was not sure in reading your bill and comments whether this type of need was covered by the law you propose.

Thank you again for informing me concerning this matter, and for spending your efforts in behalf of the public junior colleges and their present and potential students.

Sincerely yours,

JOHN J. NEUMAIER,  
Dean of the College.

SHASTA COLLEGE,

Redding, Calif., May 13, 1958.

The Honorable AL ULLMAN,  
Member of Congress,  
Congress of the United States,  
House of Representatives,  
Washington, D. C.

DEAR CONGRESSMAN ULLMAN: Our experience of 50 years in junior college development in California convinces me that this is a type of educational development that can be an important cog in the solution to the American higher education program in the next decade.

Recently I visited in your State, at the request of the State Committee of the American Association of University Women, to speak on the subject of California junior colleges. In addition we have an increasing number of students who come across the border from Oregon to have the opportunity to attend junior colleges.

My observations of the difference in our two States in the encouragement of a large group of youth to make their beginning in post high school education leads me to believe that some Federal assistance to State and local communities in this type of responsibility will help to create opportunity

close to home for students to go on to school. I believe that by broadening the educational front we will be ready to take care of the great enrollment surge.

I have no particular suggestion in reference to your bill. I do wonder what happens to the money in a given State that is not allocated in a given year. Will this be used by other States or merely go unused.

I might call attention to one other item, section 6, A-2. The provision that limits assistance to communities that are at least 30 miles distant from State colleges and universities may be a serious restriction. We in California do not believe that the factor of having the State college or university quite close would have an important bearing, particularly if there is a large population concerned which would need a type of program that the junior college is more fitted to promote. Also it may be that in this heavier population the junior college is needed to take some of the lower division load off the State college or university. In addition this restriction may encourage the formation of the very weak junior college in the less populated areas. I would favor removing this restriction and leave the State agency with the power to determine eligibility for assistance.

Once again I think that your recognition of this need is a timely one and I shall be glad to be of any further assistance.

Sincerely yours,

G. A. COLLYER, President.

PALM BEACH JUNIOR COLLEGE,  
Lake Worth, Fla., May 21, 1958.

The Honorable AL ULLMAN,  
The House of Representatives,  
Washington, D. C.

DEAR SIR: I have received and read, with a great deal of interest, the copy of the bill which you recently introduced in the House of Representatives. The proposal you are making to establish a system of Federal grants-in-aid to the States to assist in the construction and expansion of public community junior colleges does, as you can well imagine, strike a responsive note with me.

In reading your statement before the House of Representatives on April 28, I noted on page 3, paragraph 4, the following statement: "In the initial establishment of public community junior colleges and to those 2-year institutions which now exist as a subsidiary of a senior institution of higher education."

There is a large segment of the junior colleges in the United States which do not fall into the two classifications which you have made according to the above quotation. As an example, the junior colleges of Florida are locally controlled by the boards of public instruction, and none of the junior colleges in Florida is subsidiary to an institution of higher education. I realize that there are situations throughout the country where the junior colleges are subsidiary to State universities, but this is not the case in Florida and perhaps many other States. It would seem, therefore, that your bill does not include any program for the expansion of the existing public junior colleges inasmuch as it provides only for the establishment of new junior colleges and those 2-year institutions which now exist as a subsidiary of a senior institution. The public junior colleges now organized are growing very rapidly—conservatively, at the rate of 15- to 28-percent increase each year, and we are about to be presented with very serious problems in connection with enrollment.

I am wondering if you have any thought or idea of including a provision of expansion of existing public junior colleges in your bill.

I want to congratulate you on your concept of the problem with which the junior colleges and higher education institutions are faced in the United States. The promotion of junior colleges is one of the very best ways to take care of the increased enrollments we

will have in higher education in the next few years.

Very truly yours,

JOHN L. LEONARD,  
President.

THE MONTGOMERY JUNIOR COLLEGE,  
Takoma Park, Md., May 12, 1958.  
Congressman AL ULLMAN,  
Congress of the United States, House  
of Representatives, Washington,  
D. C.

DEAR CONGRESSMAN ULLMAN: I have received with much interest the copy H. R. 12232 and your remarks to the House. I would appreciate it if you would send me 7 copies of the bill and your remarks in order that I may distribute them, in my capacity as chairman of the legislative committee of the American Association of Junior Colleges, to the members of my committee.

There are a number of comments I should like to make about the bill itself on the basis of the preliminary reading:

1. Under section 6 (a), paragraph (2) (A), I wonder about the priority assigned to the geographical distance from a State college or university. In general, I think the junior college and the senior college are not competing for the same students. Indeed, the community college facility in close proximity to senior colleges can be argued to enhance the service of both. This is true of my own institution in spite of the fact that we are located within 3 miles of a State university. Our need for assistance with our capital program is just as urgent as if we were located at a greater distance from the State university.

2. Section 6 (a) (2) seems to me not specifically clear that existing institutions are meant to benefit from your bill. This seems to be clear in section 3 (4) and in your comments to the House, and I am sure this was what was intended. Section 6 (B), (C), and (D) could be construed, however, to provide only for new institutions.

3. Section 5 refers to the allocation of funds. Of course, I suspect a formula will never be found which satisfies everyone. However, it does seem to me that annual equal grants to the States of \$1,923,076 are extremely generous for some States small in area and population and are extraordinarily small for larger States such as California and New York. I also wonder about the allocation of the variable portion of the grant on the basis of total school population. I think it would be more equitable to allocate on the basis of the annual number of high school graduates or the total population, ages 18 to 24. These figures are available either from the Bureau of Census or from the United States Office of Education.

The bill you propose would be of very great help to present and future junior colleges as we approach the critical time in higher education. You are to be congratulated for your interest in the junior college movement and you may depend upon our support.

Sincerely,

DONALD E. DEYO,  
Dean.

OLYMPIC COMMUNITY COLLEGE,  
Bremerton, Wash., May 16, 1958.  
Hon. AL ULLMAN,

Second District, Congress of the  
United States, House of Represent-  
atives, Washington, D. C.

DEAR REPRESENTATIVE ULLMAN: May I express a word of appreciation for your efforts in introducing H. R. 12232 before the House of Representatives. Your bill which would provide public community-junior colleges with Federal assistance for construction and expansion is very much in our minds these

days. We, in the State of Washington, as in practically every other State in the country, are most concerned over the securing of funds for buildings. As any of our administrators could tell you, our needs are much greater in the building area than is money for general operation and maintenance. Therefore, in my estimation, we should turn our efforts to the successful passing of your bill.

High on our priority list for the State of Washington for new public community-junior college construction are requests from several districts within the immediate proximity of senior institutions. Several districts in our most-populated areas, principally around Seattle and Spokane, are particularly anxious to establish their own community-junior colleges. We in the districts already with established junior colleges are inclined to be sympathetic with these groups since the pressure of great numbers of students is greatest in these populated centers. Under the limitations recommended in your bill, these areas would not be on the priority list for Federal help. However, it is realized any new legislation is likely to contain limitations, perhaps more severe than succeeding measures.

I would enjoy corresponding with you further concerning your noble efforts and I hope your efforts have initiated energy in this direction around the country.

Sincerely yours,  
FREDERICK C. KINTZER,  
Dean.

#### LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to Mr. YATES (at the request of Mr. O'HARA of Illinois) for June 18, 1958, on account of illness.

#### 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. ULLMAN, for 10 minutes today, to revise and extend his remarks, and include extraneous matter.

Mr. BENTLEY, for 15 minutes, on to-morrow.

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:

Mrs. GRANAHAN and to include extraneous matter.

Mr. DOLLINGER and to include extraneous matter.

Mr. WALTER.

Mr. BROOKS of Louisiana in three instances and to include extraneous matter.

Mr. THOMPSON of New Jersey.

Mr. METCALF.

Mr. BEAMER.

Mr. BYRD, the remarks he made today on the public works appropriation bill and include extraneous matter.

Mr. REES of Kansas, in the remarks he made today and include extraneous material.

Mr. CUNNINGHAM of Nebraska (at the request of Mr. MARTIN).

Mr. LIBONATI (at the request of Mr. ASPINALL) in three instances and include extraneous matter.

Mr. BOGGS (at the request of Mr. ASPINALL) and include extraneous matter.

#### ENROLLED BILLS SIGNED

Mr. BURLESON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H. R. 10589. An act making appropriations for the Executive Office of the President and sundry general Government agencies for the fiscal year ending June 30, 1959, and for other purposes; and

H. R. 12540. An act making appropriations for the Department of Commerce and related agencies for the fiscal year ending June 30, 1959, and for other purposes.

#### BILL AND JOINT RESOLUTION PRESENTED TO THE PRESIDENT

Mr. BURLESON, from the Committee on House Administration, reported that that committee did on June 17, 1958, present to the President, for his approval, a bill and a joint resolution of the House of the following titles:

H. R. 7251. An act to amend the definition of the term "State" in the Veterans' Readjustment Assistance Act and the War Orphans' Educational Assistance Act to clarify the question of whether the benefits of those acts may be afforded to persons pursuing a program of education or training in the Panama Canal Zone; and

H. J. Res. 427. A resolution to permit use of certain real property in Kerr County, Tex., for recreational purposes without causing such property to revert to the United States.

#### ADJOURNMENT

Mr. ASPINALL. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 29 minutes p. m.) the House adjourned until tomorrow, Thursday, June 19, 1958, at 12 o'clock noon.

#### EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

2029. A communication from the President of the United States, transmitting amendments to the budget for the fiscal year 1959, involving an increase in the amount of \$8 million for mutual assistance programs (H. Doc. No. 407); to the Committee on Appropriations and ordered to be printed.

2030. A letter from the Acting Secretary of the Interior, relative to certifying that an adequate soil survey and land classification has been made of the lands in the Crooked River project, Oregon, and that the lands to be irrigated are susceptible to the production of agricultural crops by means of irrigation, pursuant to Public Law 172, 83d Congress; to the Committee on Appropriations.

2031. A letter from the Under Secretary of the Navy, relative to a proposal by the Department of the Navy to donate two 24-foot plane personnel boats, hull Nos. 102952

and 103062, without engines, to the United States Volunteer Life Savings Corps, pursuant to title 10, United States Code, section 7308; to the Committee on Armed Services.

2032. A letter from the Acting Secretary of the Interior, transmitting a report on the receipt of a project proposal relating to the South Sutter Water District of East Niclaus, Calif., pursuant to section 10 of the Small Reclamation Projects Act of 1956; to the Committee on Interior and Insular Affairs.

2033. A letter from the Acting Secretary of the Interior, transmitting a report on the receipt of a project proposal relating to the Georgetown Divide Public Utility District of Georgetown, Calif., pursuant to section 10 of the Small Reclamation Projects Act of 1956; to the Committee on Interior and Insular Affairs.

2034. A letter from the Chief Commissioner, Indian Claims Commission, transmitting a report that proceedings have been concluded with respect to the following claim: *The Pottawatomie Tribe of Indians, the Prairie Band of the Pottawatomie Tribe of Indians, et al., Plaintiffs, v. United States of America, Defendant* (Docket No. 15-H), pursuant to the act of August 13, 1946 (60 Stat. 1055; 25 U. S. C. 70t); to the Committee on Interior and Insular Affairs.

2035. A letter from the Chairman, United States Atomic Energy Commission, transmitting a draft of proposed legislation entitled "A bill to amend the Atomic Energy Act of 1954, as amended"; to the Joint Committee on Atomic Energy.

2036. A letter from the Secretary of State, transmitting a draft of proposed legislation entitled "A bill to amend the International Organizations Immunities Act extending certain privileges, exemptions and immunities to international organizations and to officers and employees thereof"; to the Committee on Ways and Means.

2037. A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting copies of orders suspending deportation as well as a list of the persons involved, pursuant to Public Law 863, 80th Congress; to the Committee on the Judiciary.

2038. A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting copies of orders suspending deportation as well as a list of the persons involved, pursuant to the Immigration and Nationality Act of 1952; to the Committee on the Judiciary.

2039. A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting copies of orders suspending deportation as well as a list of the persons involved, pursuant to the Immigration and Nationality Act of 1952; to the Committee on the Judiciary.

2040. A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting copies of orders granting the applications for permanent residence filed by the subjects, pursuant to the Refugee Relief Act of 1953; to the Committee on the Judiciary.

2041. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, Department of the Army, dated April 22, 1958, submitting a report, together with accompanying papers and an illustration, on a preliminary examination and survey of Southwest Harbor, Maine, authorized by the River and Harbor Act approved September 3, 1954 (H. Doc. No. 408); to the Committee on Public Works and ordered to be printed with one illustration.

2042. A letter from the Director, Bureau of the Budget, Executive Office of the President, transmitting plans for works of improvement for the Antelope Creek watershed, Nebraska; Bear, Fall, and Coon Creeks watershed, Oklahoma; and Auds Creek watershed, Texas; pursuant to the Watershed Protection and Flood Prevention Act, as amended

(16 U. S. C. 1005), and Executive Order No. 10654 of January 20, 1956; to the Committee on Agriculture.

2043. A letter from the Director, Bureau of the Budget, Executive Office of the President, transmitting plans for works of improvement for the Mud River watershed, Kentucky, and Tramperos Creek watershed, New Mexico, pursuant to the Watershed Protection and Flood Prevention Act, as amended (16 U. S. C. 1005), and Executive Order No. 10654 of January 20, 1956; to the Committee on Public Works.

#### 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. DAWSON of Illinois: Committee on Government Operations. S. 2752. An act to amend section 207 of the Federal Property and Administrative Services Act of 1949 so as to modify and improve the procedure for submission to the Attorney General of certain proposed surplus property disposals for his advice as to whether such disposals would be inconsistent with the antitrust laws; with amendment (Rept. No. 1920). Referred to the Committee of the Whole House on the State of the Union.

Mr. DAWSON of Illinois: Committee on Government Operations. H. R. 10853. A bill to provide for the addition of certain excess Federal property in the village of Hatteras, N. C., to the Cape Hatteras National Seashore Recreational Area, and for other purposes; without amendment (Rept. No. 1921). Referred to the Committee of the Whole House on the State of the Union.

Mr. HARRIS: Committee on Interstate and Foreign Commerce. H. R. 12832. A bill to amend the Interstate Commerce Act so as to strengthen and improve the national transportation system, and for other purposes; with amendment (Rept. No. 1922). Referred to the Committee of the Whole House on the State of the Union.

Mr. McMILLAN: Committee on the District of Columbia. S. 1706. An act to amend the act entitled "An act to grant additional powers to the Commissioners of the District of Columbia, and for other purposes," approved December 20, 1944, as amended; without amendment (Rept. No. 1927). Referred to the Committee of the Whole House on the State of the Union.

Mr. McMILLAN: Committee on the District of Columbia. House Joint Resolution 582. Joint resolution to authorize the Commissioners of the District of Columbia to promulgate special regulations for the period of the Middle Atlantic Shrine Association meeting of A. A. O. N. M. S. in September 1958, to authorize the granting of certain permits to Almas Temple Shrine Activities, Inc., on the occasions of such meeting, and for other purposes; with amendment (Rept. No. 1928). Referred to the Committee of the Whole House on the State of the Union.

Mr. McMILLAN: Committee on the District of Columbia. H. R. 11246. A bill to amend the act of July 1, 1902, to exempt certain common carriers of passengers from the mileage tax imposed by that act and from certain other taxes; without amendment (Rept. No. 1929). Referred to the Committee of the Whole House on the State of the Union.

Mr. McMILLAN: Committee on the District of Columbia. H. R. 12643. A bill to amend the act entitled "An act to consolidate the Police Court of the District of Columbia and the Municipal Court of the District of Columbia, to be known as 'The Municipal Court for the District of Columbia', to create 'The Municipal Court of Appeals for the District of Columbia', and for other pur-

poses," approved April 1, 1942, as amended; without amendment (Rept. No. 1930). Referred to the Committee of the Whole House on the State of the Union.

Mr. McMILLAN: Committee on the District of Columbia. S. 3057. An act to amend the District of Columbia Teachers' Salary Act of 1955; with amendment (Rept. No. 1933). Referred to the Committee of the Whole House on the State of the Union.

Mr. COLMER: Committee on Rules. House Resolution 597. Resolution for consideration of H. R. 3, a bill to establish rules of interpretation governing questions of the effect of acts of Congress on State laws, without amendment (Rept. No. 1934). Referred to the House Calendar.

Mr. COLMER: Committee on Rules. House Resolution 598. Resolution for consideration of H. R. 11077, a bill to incorporate the Veterans of World War I of the United States of America; without amendment (Rept. No. 1935). Referred to the House Calendar.

#### REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. LANE: Committee on the Judiciary. S. 488. An act for the relief of Eva S. Winder; without amendment (Rept. No. 1895). Referred to the Committee of the Whole House.

Mr. CRETTELLA: Committee on the Judiciary. S. 1524. An act for the relief of Laurence F. Safford; without amendment (Rept. No. 1896). Referred to the Committee of the Whole House.

Mr. LANE: Committee on the Judiciary. S. 1879. An act for the relief of Casey Jimenez; without amendment (Rept. No. 1897). Referred to the Committee of the Whole House.

Mr. LANE: Committee on the Judiciary. S. 2146. An act for the relief of William F. Peitler; with amendment (Rept. No. 1898). Referred to the Committee of the Whole House.

Mr. MONTOYA: Committee on the Judiciary. H. R. 1565. A bill for the relief of Donald R. Pence; with amendment (Rept. No. 1899). Referred to the Committee of the Whole House.

Mr. ASHMORE: Committee on the Judiciary. H. R. 2062. A bill for the relief of John F. Smith; without amendment (Rept. No. 1900). Referred to the Committee of the Whole House.

Mr. LANE: Committee on the Judiciary. H. R. 4059. A bill for the relief of Mr. and Mrs. Carmen Scoppettuolo; with amendment (Rept. No. 1901). Referred to the Committee of the Whole House.

Mr. LANE: Committee on the Judiciary. H. R. 5351. A bill for the relief of Harlee M. Hansley; without amendment (Rept. No. 1902). Referred to the Committee of the Whole House.

Mr. LANE: Committee on the Judiciary. H. R. 7293. A bill for the relief of Capt. Carl F. Dykeman; with amendment (Rept. No. 1903). Referred to the Committee of the Whole House.

Mr. LANE: Committee on the Judiciary. H. R. 8233. A bill for the relief of James L. McCabe; with amendment (Rept. No. 1904). Referred to the Committee of the Whole House.

Mr. MONTOYA: Committee on the Judiciary. H. R. 8313. A bill for the relief of Wayne W. Powers, of Walla Walla, Wash.; with amendment (Rept. No. 1905). Referred to the Committee of the Whole House.

Mr. MONTOYA: Committee on the Judiciary. H. R. 8732. A bill for the relief of Ella H. Natafalusy; with amendment (Rept.

No. 1906). Referred to the Committee of the Whole House.

Mr. LANE: Committee on the Judiciary. H. R. 8759. A bill for the relief of W. G. Holloman; with amendment (Rept. No. 1907). Referred to the Committee of the Whole House.

Mr. LANE: Committee on the Judiciary. H. R. 8894. A bill for the relief of Mrs. Betty L. Fonk; with amendment (Rept. No. 1908). Referred to the Committee of the Whole House.

Mr. POFF: Committee on the Judiciary. H. R. 9006. A bill for the relief of John C. Houghton, Jr.; without amendment (Rept. No. 1909). Referred to the Committee of the Whole House.

Mr. LANE: Committee on the Judiciary. H. R. 9197. A bill for the relief of Mrs. Sumpter Smith; with amendment (Rept. No. 1910). Referred to the Committee of the Whole House.

Mr. DONOHUE: Committee on the Judiciary. H. R. 9772. A bill for the relief of William C. Hutto; with amendment (Rept. No. 1911). Referred to the Committee of the Whole House.

Mr. LANE: Committee on the Judiciary. H. R. 9884. A bill for the relief of the Aetna Casualty & Surety Co., New York, N. Y., with amendment (Rept. No. 1912). Referred to the Committee of the Whole House.

Mr. LANE: Committee on the Judiciary. H. R. 9986. A bill for the relief of 1st Lt. Luther A. Stamm; with amendment (Rept. No. 1913). Referred to the Committee of the Whole House.

Mr. MONTOYA: Committee on the Judiciary. H. R. 10096. A bill for the relief of Olin Fred Rundlett; without amendment (Rept. No. 1914). Referred to the Committee of the Whole House.

Mr. MONTOYA: Committee on the Judiciary. H. R. 10139. A bill for the relief of Wallace Y. Daniels; without amendment (Rept. No. 1915). Referred to the Committee of the Whole House.

Mr. LANE: Committee on the Judiciary. H. R. 10473. A bill for the relief of Hipolito C. DeBaca; without amendment (Rept. No. 1916). Referred to the Committee of the Whole House.

Mr. LANE: Committee on the Judiciary. H. R. 10520. A bill for the relief of Alc Delbert Lanham; without amendment (Rept. No. 1917). Referred to the Committee of the Whole House.

Mr. LANE: Committee on the Judiciary. H. R. 10835. A bill for the relief of Tibor Wollner; without amendment (Rept. No. 1918). Referred to the Committee of the Whole House.

Mr. LANE: Committee on the Judiciary. H. R. 11975. A bill for the relief of Eber Bros. Wine & Liquor Corp.; without amendment (Rept. No. 1919). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. H. R. 1293. A bill for the relief of Giuseppe Stefano; with amendment (Rept. No. 1923). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. H. R. 6353. A bill for the relief of Mrs. Margarete Briest (nee Eggers); without amendment (Rept. No. 1924). Referred to the Committee of the Whole House.

Mr. HILLINGS: Committee on the Judiciary. H. R. 6667. A bill for the relief of Maria Fierro Calogero; without amendment (Rept. No. 1925). Referred to the Committee of the Whole House.

Mr. FEIGHAN: Committee on the Judiciary. H. R. 7282. A bill for the relief of Iwan Okopny; with amendment (Rept. No. 1926). Referred to the Committee of the Whole House.

Mr. HYDE: Committee on the Judiciary. House Joint Resolution 627. Joint resolution for the relief of certain aliens; with

amendment (Rept. No. 1931). Referred to the Committee of the Whole House.

Mr. FEIGHAN: Committee on the Judiciary. House Joint Resolution 628. Joint resolution to facilitate the admission into the United States of certain aliens; with amendment (Rept. No. 1932). Referred to the Committee of the Whole House.

#### PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BENTLEY:

H. R. 12999. A bill to establish a Joint Committee on Foreign Intelligence; to the Committee on Rules.

By Mr. BOOGS:

H. R. 13000. A bill to continue until the close of June 30, 1959, the suspension of certain import taxes on copper; to the Committee on Ways and Means.

H. R. 13001. A bill to amend the Internal Revenue Code of 1954 to repeal the excise tax on electric or gas clothes dryers and electric mangles; to the Committee on Ways and Means.

By Mr. BURLESON:

H. R. 13002. A bill to provide for the erection of a Federal and post office building in Mineral Wells, Tex.; to the Committee on Public Works.

H. R. 13003. A bill to provide for the erection of a Federal and post office building in Snyder, Tex.; to the Committee on Public Works.

H. R. 13004. A bill to provide for the erection of a Federal and post office building in Dublin, Tex.; to the Committee on Public Works.

By Mr. COLLIER:

H. R. 13005. A bill to amend the Passport Act of July 3, 1926, to authorize certain restrictions and limitations with respect to the issuance and validity of passports; to the Committee on Foreign Affairs.

By Mr. HOLT:

H. R. 13006. A bill to provide that the Channel Islands off the coast of southern California shall be referred to as the Juan Rodriguez Cabrillo Islands; to the Committee on Interior and Insular Affairs.

By Mr. MACK of Illinois:

H. R. 13007. A bill to amend title II of the Social Security Act to increase to \$5,000 a year the amount of outside income permitted without deductions from benefits, and to provide that all types of income shall be taken into account in determining whether an individual's benefits are subject to such deductions; to the Committee on Ways and Means.

H. R. 13008. A bill to establish a Commission on Primary Election Dates; to the Committee on House Administration.

By Mr. MONTOYA:

H. R. 13009. A bill to provide for assistance by the Federal Government in the construction of schools by local educational agencies which have reached their bonding capacities; to the Committee on Education and Labor.

By Mr. NICHOLSON:

H. R. 13010. A bill to amend the Tariff Act of 1930 to place ground, powdered, or granulated seaweeds on the free list; to the Committee on Ways and Means.

By Mr. POFF:

H. R. 13011. A bill to amend section 5 of the Administrative Procedure Act; to the Committee on the Judiciary.

By Mr. RODINO:

H. R. 13012. A bill to incorporate the National Association of State Militia; to the Committee on the Judiciary.

By Mr. SAYLOR:

H. R. 13013. A bill to establish a national wilderness preservation system for the permanent good of the whole people, and for

other purposes; to the Committee on Interior and Insular Affairs.

By Mr. TEAGUE of Texas:

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; to the Committee on Veterans' Affairs.

By Mr. VINSON:

H. R. 13015. A bill to authorize certain construction at military installations, and for other purposes; to the Committee on Armed Services.

By Mr. KEARNS:

H. R. 13016. A bill to provide for a National Cultural Center which will be constructed, with funds raised by voluntary contributions, on a site made available in the District of Columbia; to the Committee on Public Works.

By Mr. THOMPSON of New Jersey:

H. R. 13017. A bill to provide for a National Cultural Center which will be constructed, with funds raised by voluntary contributions, on a site made available in the District of Columbia; to the Committee on Public Works.

By Mr. THOMSON of Wyoming:

H. R. 13018. A bill to authorize the Gray Reef Dam and Reservoir as a part of the Glendo unit of the Missouri River Basin project; to the Committee on Interior and Insular Affairs.

By Mr. BARING:

H. R. 13019. A bill to create an independent Federal Aviation Agency, to provide for the safe and efficient use of the airspace by both civil and military operations, and to provide for the regulation and promotion of civil aviation in such manner as to best foster its development and safety; to the Committee on Interstate and Foreign Commerce.

H. R. 13020. A bill to provide for the purchase of copper, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. BOSCH:

H. R. 13021. A bill 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; to the Committee on Education and Labor.

By Mr. BURNS of Hawaii:

H. R. 13022. A bill to amend the Hawaiian Organic Act to provide for the election of the justices of the Supreme Court of Hawaii and of judges of the circuit courts of Hawaii; to the Committee on Interior and Insular Affairs.

By Mrs. GRANAHAN:

H. R. 13023. A bill to provide compensation for extra duties assigned to postal employees; to the Committee on Post Office and Civil Service.

By Mr. BROWN of Missouri:

H. J. Res. 629. Joint resolution to authorize the placing of suitable memorials by the American Battle Monuments Commission marking and commemorating the Spanish American War of 1898; to the Committee on Foreign Affairs.

By Mr. McMILLAN:

H. J. Res. 630. Joint resolution providing that the Commissioners of the District of Columbia be authorized to use squares 354 and 355 in the District of Columbia and certain water frontage on the Washington Channel of the Potomac River for the proposed Southwest Freeway and for the redevelopment of the Southwest area in the District of Columbia; to the Committee on District of Columbia.

By Mr. CARNAHAN:

H. Con. Res. 341. Concurrent resolution relative to the execution of Hungarian national leaders; to the Committee on Foreign Affairs.

**PRIVATE BILLS AND RESOLUTIONS**

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

By Mr. AUCHINCLOSS:

H. R. 13024. A bill for the relief of Tong Yuan; to the Committee on the Judiciary.

By Mr. FARBSTEIN:

H. R. 13025. A bill for the relief of Miksa Frater; to the Committee on the Judiciary.

By Mr. GUBSER:

H. R. 13026. A bill to validate the conveyance of certain land in the State of California by the Central Pacific Railway Co. and the Southern Pacific Co. to D'Arrigo Bros. Co., of California; to the Committee on Interior and Insular Affairs.

By Mr. HYDE:

H. R. 13027. A bill for the relief of Claude Thomas Lawrence; to the Committee on the Post Office and Civil Service.

By Mr. MULTER:

H. R. 13028. A bill for the relief of Victor Hoffer; to the Committee on the Judiciary.

By Mr. SHELLEY:

H. R. 13029. A bill for the relief of Teresa Rosa Panesi; to the Committee on the Judiciary.

By Mr. SMITH of California:

H. R. 13030. A bill for the relief of Joan Bennett; to the Committee on the Judiciary.

By Mr. SMITH of Virginia:

H. R. 13031. A bill for the relief of Angelos J. Maroulis; to the Committee on the Judiciary.

By Mr. THOMSON of Wyoming:

H. R. 13032. A bill directing the Secretary of the Interior to issue a homestead patent to the heirs of Frank L. Wilhelm; to the Committee on Interior and Insular Affairs.

By Mr. TOLLEFSON:

H. R. 13033. A bill for the relief of Floyd Oles; to the Committee on the Judiciary.

By Mr. TEWES:

H. Con. Res. 342. Concurrent resolution recognizing the lifelong contributions of Maj. Gen. Claire L. Chennault (retired) to his Nation; to the Committee on Armed Services.

**PETITIONS, ETC.**

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

686. By Mr. DOOLEY: Resolution adopted by the mayors and other municipal officials at the annual meeting of the New York State Conference of Mayors, Lake Placid, N. Y., June 4, 1958; to the Committee on Interstate and Foreign Commerce.

687. By the SPEAKER: Petition of the city clerk, Elizabeth, N. J., urging proposals on the State and Federal levels for governmental action to ease the burden on the community of Elizabeth, relating to unemployment compensation; to the Committee on Education and Labor.

688. Also, petition of the secretary, Richmond Chamber of Commerce, Richmond, Mo., relative to approving and urging the enactment of Senate bill 3778 and the adoption of Senate Resolution 303; to the Committee on Interstate and Foreign Commerce.

**EXTENSIONS OF REMARKS**

**Extra Compensation to Postal Employees Performing Service at Higher Levels**

**EXTENSION OF REMARKS  
OF**

**HON. KATHRYN E. GRANAHAN**

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 18, 1958

**Mrs. GRANAHAN.** Mr. Speaker, I am offering a bill which would provide that postal employees who are assigned to duties and responsibilities of a salary level higher than that to which ordinarily they are assigned shall be paid the higher salary attached to such more responsible duties.

In the Postal Pay Act approved June 10, 1955—Public Law 68—it is provided in section 204 (b)—

If any employee is assigned for more than 30 days in any calendar year to duties and responsibilities of a salary level which is higher than the salary level to which his position is assigned \* \* \* he shall be paid for the period of his assignment in excess of 30 days a basic salary computed in accordance with the provisions of section 502.

Section 502 of the cited law has to do with permanent promotion to the higher level and the effect of section 204 (b) accordingly is to provide that when any employee works at a higher level than that to which ordinarily he is assigned he may be paid at a higher rate of pay in the same manner as though he had permanently been promoted to that higher level except that he must first perform 30 days of service.

Postal employees report that the Post Office Department is requiring them to repeat the 30-day requirement in each calendar year. I point out to you that in the quotation it is stated that such payment shall be allowed if an employee is assigned for more than 30 days in any calendar year. The law does not say that this employee must requalify in every

calendar year. It simply says that in order to qualify the period of 30 days must fall within a single 12-month calendar period.

I think it is improper for the Post Office Department to require, as I understand it is now doing in the vast majority of cases of this kind, the 30-day requalification period each succeeding year. It is now almost 2 years since this law has been in effect. In that period of time there has been acting supervision of varying degrees and lengths of time.

Mr. Speaker, I think that in view of the application placed upon this section by the Post Office Department, and in view of the length of time the law has now been operative, there can no longer be any continuing need for the 30-day indoctrination period. Accordingly, I am today introducing a bill to remove that 30-day limitation.

I hope that the bill can be brought to speedy action in the Committee on Post Office and Civil Service and that my colleagues in the House will support the legislation when it comes to the floor.

**Flying Saucers**

**EXTENSION OF REMARKS**

OF

**HON. ROLAND V. LIBONATI**

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 18, 1958

**Mr. LIBONATI.** Mr. Speaker, the advent of the saucers as sky objects has mystified the world. Several scientists predicted that their origin would be discovered as interplanetary, and surmised, further, that a secret weapon was in the inventive stage of development. The official word later came that, in reality, these objects were aircraft with saucer-like characteristics, recognized as in the development stage, with some now flying.

The prediction later was that we would see some official ones soon.

It was described as the simplest flying machine ever created and can hover, climb, and dart sideways riding on a column of air.

Thus, for 12 years the probes have been going on. The knowledge of these "what-niks" is still at the zero level.

The Air Force, acting upon these reports and being fearful of dangers from the skies, launched a secret, scientific search—over 200 scientists and engineers—working to discover the nature of this baffling aerial phenomena—these mysteries seen, but never caught—flying saucers. The Air Force has collected more than 800 sightings of flying saucers, and reports were received from outposts such as Alaska and Newfoundland, and from our vital atomic installation sites. Great secrecy shrouded this planning and special mechanisms, apparatus, instruments, and cameras—lens—were perfected to photograph and register identifying color glows for determination of fuel supply, material, construction, and so forth.

By combining existing radar telescopes and cameras, photographs were taken of objects spotted in the daytime and glowing objects at night. Modified Navy sonar sound detection equipment shows the absence of sound a characteristic of most reports on flying saucers.

The Air Force, releasing after a 10-year study, a report that previous sightings of flying saucers were illusions, or explainable as conventional phenomena. The Air Force added that no aircraft of foreign origin were identified in these sightings. The study encompassed 316 pages, replete with charts, drawings, and statistical data.

Our Air Force also has a project in this field of research and has perfected a revolutionary design study that envisions a craft that will outdistance and outmaneuver present day jets and eliminate runways.

A vertical rising, man-bearing plane, resembling a flying saucer, has passed

drawing board and production development and has, since October 1957, been subjected to rigid tests at San Diego, Calif.—produced by the Ryan Aeronautical Co. However, no description of the Ryan plane was made public. The Air Force released an artist's conception of what the first American flying saucers would look like.

The drawing depicts a huge disk, with a raised central plateau that is serrated on one side by many vanes. Surmounting the plateau is a transparent cockpit like that in a conventional plane. It is expected that Avro, Ltd., of Canada, will build the saucer craft.

Yet, official comment made was that the people of San Diego might mistake the Ryan plane for the Avro project.

The Air Force thus was encouraged by the inflow of reports of sightings to develop an eccentric aircraft, thus introducing a new period of aviation development along technical lines, in which aircraft of unusual configuration and flight characteristics were considered. These disk-shaped craft resemble the thousands of objects that people have seen all over the United States and foreign countries for years. The flying disks may soon become a reality and thus set to rest the interest in a popular delusion. The official statement denies the flight of any saucers over the United States, in its study. The novel forms of new aircraft will appear from time to time and are fundamentally from the development of conventional aircraft and not a result of a supernatural or mysterious design. They will be faster, fly higher and farther than any present aircraft. But the natural and scientific laws of present knowledge are obeyed. The flying saucer is not an experience to be scoffed at, and the Air Force has concluded that, if reporting and investigating procedures could be improved, the percentages of cases carried as insufficient information and unknown would be greatly reduced. Accordingly, the system was improved with the result that the 131 sightings between January 1, 1955, and the present time were evaluated as follows:

	Percent
Balloons	26
Aircraft	21
Astronomical	23
Other	20
Insufficient information	7
Unknown	3

It has, by periodical reporting, reassured the public that none of the sightings was aircraft. The scientific data collected in the report were commented upon as being balloons, planes, or planets, viewed by people under circumstances which cause these common objects to take on unusual appearances.

First. Four thousand balloons released in the United States every day—weather and research balloons; weather balloons and upper research balloons. Balloons vary in size from 4 feet to 200 feet in diameter, released mostly at night, carrying running lights, causing a weird or unusual appearance. Also, at dawn or sunset they reflect slant rays of the sun upon surfaces. Large balloons caught in jet streams assume a near horizontal position (partially inflated, or flattened on top), traveling to

speeds of 200 miles an hour—a startling effect results.

Second. Modern planes under adverse weather and sighting conditions are reported as unusual objects and flying saucers.

Third. Planes at high altitudes reflect sun's rays or when jet exhausts are visible at night—can have the appearance of from disks to rockets in shape.

Fourth. Single jet bombers having multi-jet pods under swept-back wings have been identified as flying objects or saucers in V formation.

Fifth. Vapor trails will often appear to glow with fiery red or orange streaks when reflecting sunlight—afterburners as well.

Sixth. Astronomical objects are subject to illusions—bright stars, planets, meteors, comets and other celestial bodies—when observed through haze, light fog, or moving clouds. The planets Venus, Mars, and Jupiter have often been reported as unconventional moving objects. Observation of astronomical bodies with binoculars under adverse weather conditions, have been similarly described.

Seventh. Other misrepresentations are the result of reflections, searchlights, birds, kites, blimps, clouds, sundogs, spurious radar indications, hoaxes, fireworks displays, flares, fireballs, ice crystals, etc. For example, large Canadian geese, flying low over a city at night with street lights reflecting on their bodies; searchlights playing on scattered clouds, appear as moving disc-like shapes.

And so is explained away the myth of the flying saucer.

The sightings listed as unknown mean that the data was insufficient or unrelated to make a determination.

The sightings that do not give essential items of information essential to a true conclusion are similarly listed. These include description of size, form, shape or color of object; direction and altitude, exact time and location; wind and weather conditions.

#### Flood Control on the Wabash River

##### EXTENSION OF REMARKS OF

**HON. JOHN V. BEAMER**  
OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 18, 1958

Mr. BEAMER. Mr. Speaker, the Wabash River affects most of the Congressional Districts in Indiana. When flood conditions arise the effect is felt in successive stages in these districts. The upper Wabash River flows first through the Fifth District, then through portions of the Second, Sixth, Seventh, and Eighth Districts.

For this reason, I wish to include under unanimous consent, a statement made by our colleague, the gentlewoman from Indiana [Mrs. HARDEN], who so ably represents the Sixth District.

Congresswoman CECIL HARDEN, back in Washington after a weekend survey of flood

damage in west-central Indiana, today called for Federal action to prevent such terrible suffering and loss in the future.

Mrs. HARDEN said she is contacting the Army engineers urging expansion of the current channelization survey of the Wabash to embrace flood-control measures as well.

She called, too, for enactment by Congress of a bill authorizing construction of three huge reservoirs on the upper Wabash near Peru, Wabash, and Huntington. All three sites are included in a public works bill scheduled for action this week.

And she said she is urging the Army engineers and the Indiana Flood Control Commission to speed up surveys on three other proposed reservoir sites in west-central Indiana. The sites are:

1. Big Pine Creek, between Attica and Williamsport.

2. Big Sugar Creek, near Turkey Run State Park.

3. Wildcat Creek, near Lafayette.

Construction of these six reservoirs and deepening of the river channel below Terre Haute would, in Mrs. HARDEN's view, "end for all time the tragic losses the people of the Wabash Valley suffer from floods almost every year."

The Congresswoman pointed out that the Cagles Mill project in Putnam County, the only Federal flood-control reservoir in Indiana, has more than proved its worth and said completion of the huge Mansfield Dam on Raccoon Creek in Parke County, scheduled in 1959 or 1960, will help materially.

But she said real flood control for the Wabash Valley will not result until additional reservoirs are located further upstream.

She said it is quite possible that there would have been little damage in west-central Indiana during the current flood had the Peru, Wabash, and Huntington Reservoirs been in operation.

"We have to look at the river as a whole," she cautioned. "That is why I am supporting the three upstream sites. If we can get them under construction, we will be well on the way to solving the problem."

The Hoosier Congresswoman said the Indiana Flood Control Commission has worked out the reservoir plan and it is a good one.

"What we need," she concluded, "is to speed it up. The problem is an urgent one. Our people are losing millions of dollars every spring in crops and property damage, not to mention the threat to health and to life itself which the floodwaters pose."

She said extensive reconstruction and repair of levees will be necessary this year and construction of new levees probably will be needed to supplement the reservoir system. Several levees went out over the weekend as the swollen Wabash prevented normal water discharge from the streams.

Levee problems are particularly serious in the West Terre Haute, Terre Haute, Montezuma, and Clinton areas, Mrs. HARDEN said.

#### Our Good Neighbor

##### EXTENSION OF REMARKS OF

**HON. OVERTON BROOKS**  
OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 18, 1958

Mr. BROOKS of Louisiana. Mr. Speaker, the Dominican Republic, that great island nation which has for so long constituted the bulwark which has protected our southeastern sea frontier from atheistic communism, has vigorously protested to our Department of

State about some remarks made on the floor of this House concerning some of the high officials and military men of that nation.

In these times of great peril which confronts the Free World, I believe it to be our duty to not only take cognizance of these protests, but to determine if they are justified. Naturally, Mr. Speaker, it would be quite easy to shrug off the matter by simply saying "So what?" I must confess that if such protests came from one of the great powers, I would feel like doing exactly that.

But, Mr. Speaker, the Dominican Republic, although not a world power, militarily or economically, is, nevertheless, a sovereign nation, and one that has demonstrated over many years that it is our firm friend and our loyal ally. And, of even more importance is the fact that the Dominican Republic is an American nation. All of these circumstances make it imperative that we examine closely the relations that exist between the Dominican Republic and our own country. These circumstances include not only the geographical position of the Dominican Republic in relation to us, but also the ancient and traditional principle of noblesse oblige.

And even more important, Mr. Speaker, from the standpoint of our own welfare and the welfare of the Western Hemisphere, are the continuous and vicious attacks that have been for so long leveled against the Dominion Republic and its high officials. This constitutes something much more than mere coincidence. It is quite evident to all thinking Americans that there exists some central authority which has determined that our loyal ally, the Dominican Republic and its Government, so long established and so long friendly to us, must be eliminated. It is even more surprising when we remember that this state of things and all of this senseless vituperation has been launched against a small and valiant country, one that has always been our dependable friend and ally; that no such insulting vituperation has been unleashed against any Latin American nation that has, unlike our faithful Dominican ally, failed to openly and continuously condemn atheistic communism and those who support it for the conspiracy of bandits and murderers that they are. We must never forget, also, that it was not in the Dominican Republic that our Vice President, the man who holds the second highest elective office in our land, and his wife, the second lady of our Nation, were mobbed, attacked, spat upon, and ridiculed. On the contrary, when our Vice President and his wife visited the Dominican Republic, they were accorded the most friendly and cordial welcome. Indeed, there is no record of abuse being heaped upon any official visit by any dignitary of our Nation who has visited the Dominican Republic. The Dominican Republic has at all times demonstrated that it is, in fact and not in theory, a good neighbor in the very best sense of that term.

Now, Mr. Speaker, the Dominican Republic has objected, specifically, to the attacks made upon Gen. Rafael Trujillo, Jr., who is the highest military

authority in his country, and who, in the past few months, has shown a propensity to carry on a friendship with and associate himself with the highest circles of society existing on our west coast. Unfortunately, some of these attacks have shown a tendency to use language that is, to say the least, of questionable taste, if not downright vulgar. I do not intend to imply, nor shall these remarks be construed as criticizing any of those who have commented. On the contrary, there is not the slightest doubt in my mind that those who have engaged in such castigation have had nothing more on their minds than the expression of the saving grace of humor. Be that as it may, in the face of the serious and grave world situation which threatens the very existence of our Christian civilization, the propriety of such humor is also questionable. Such speeches under the conditions now facing us tend to reflect upon the dignity of this country and hold it up to ridicule.

Now, Mr. Speaker, it has been alleged that General Trujillo, Jr., has been guilty of the awful crime of spending some \$50,000 a month on certain west-coast actresses, and that this sum is equal, give or take a little, to the amount of foreign aid extended to his country. Those making such statements simply have not bothered, or have not had the time to acquaint themselves with the facts. While I am only one humble Member of this great and important House, I have made it my business to ascertain the facts. Those facts are that we have not made any loan or gift to our friends of the Dominican Republic, nor have the people of that friendly nation participated in any way in the vast foreign-aid program under which we have for so long been distributing the bounty of our own Nation among the other nations of the world. On the contrary, the Dominican Republic, our stanch friend and valiant ally for so long, is and has been one of the few countries which has proudly stood upon its own feet, asking and accepting nothing from us. Actually, all the funds that we have spent in the Dominican Republic, and are spending in that proud and sovereign nation, have been, and are, to pay for our own technical installations there and to pay the salaries of the personnel there. Let us never forget that our guided-missile program, upon which our very survival may depend, is being continuously tested at Cape Canaveral, Fla., and that our testing range extends from Cape Canaveral through the Caribbean and into the South Atlantic. In order to insure the success of this vital part of our Military Establishment, we must have military establishments, or tracking stations in the Caribbean, and we must have them in a nation that is our firm friend and our dependable ally, a nation which has demonstrated its stability and ability to cope with those evil international Communists who are so desperate to infiltrate all of our most secret defense activities and thus warn and enlighten international communism in advance as to what may be expected from us in case the Free World is involved in a holocaust which might well mean the end of our

Christian civilization in the Western Hemisphere. In this respect, maintaining friendly and amicable relations with the tried and true Dominican Republic may well be absolutely necessary to the survival of our own great Nation.

Mr. Speaker, let me make it quite clear that I ask none of my colleagues and none of my compatriots to approve or pardon the activities of General Trujillo, Jr., in connection with his alleged activities in Hollywood. I am, quite frankly, concerned only with the welfare and survival of our own country. On the other hand, I firmly believe that it is incumbent upon all of us to refrain from vilification of this young man, the commander of the military forces of his nation, a nation which, to us and to every nation in the Americas, occupies a paramount position concerned with the very survival of our Nation, and even our hemisphere. His nation has long been a good neighbor to us. The least we can do is to be a good neighbor to his own country. Being a good neighbor is a two-way street. And, Mr. Speaker, in this instance, as selfish as it may sound, our very survival may depend upon it. And, even beyond that, decency and good manners require that we respect our friends.

Mr. Speaker, it has been alleged that the conduct of General Trujillo, Jr., has offended some of our traditional precepts and morals. May I point out, Mr. Speaker, that even granting, for the purpose of this speech only, that such is the case, such conduct would have been quite impossible without the active cooperation of many of our own compatriots? The alleged exaggerated hospitality of this high ranking military man from a friendly nation, now so vital to us, would have been quite impossible without the willing cooperation of citizens of our Nation, or at least permanent residents. Thus it is that if we single out General Trujillo, Jr., upon whom to cast aspersions, we must of necessity castigate also citizens of our own country.

Finally, Mr. Speaker, I am sure that all of my colleagues will agree that if, as has been alleged, this young military officer from our friend and ally, the Dominican Republic, is spending some \$50,000 a month in our country, we should all be very happy. For more than a decade now, we have been scattering our resources over the world—excluding, I am sorry to say, the nations of Latin America, to any substantial extent, and especially the Dominican Republic—and our riches have been depleted accordingly. We are in the process of becoming a have-not nation. It is only a matter of time until we must ourselves seek economic assistance here. Certainly we would be fortunate indeed if we had a host of rich young men from other countries who would spend large sums in our country.

In conclusion, Mr. Speaker, I ask only that my distinguished colleagues and my compatriots concern themselves with the welfare of our country and do not become embroiled in absurd attacks upon our friendly neighbors. Every attack made upon the Dominican Republic can benefit only Moscow and Peking. I earnestly suggest that every one of my

distinguished colleagues who has not already done so, read the remarks of our distinguished colleague from Wisconsin, Congressman WITHROW, which appeared in the RECORD on the 19th of June, under the title "The Interest of International Communism Has Been Served."

Mr. Speaker, my first objective is the welfare of our own great Nation, and the second is the welfare of our sister nation of the Americas. Only when those objectives have been achieved can we have any legitimate concern with the welfare of the rest of the world.

**Gen. Robert E. Wood, the Giant on the Paths of Boyhood Charity**

**EXTENSION OF REMARKS  
OF**

**HON. ROLAND V. LIBONATI**

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 18, 1958

**Mr. LIBONATI.** Mr. Speaker, Gen. Robert Elkington Wood was born on June 13, 1879, in Kansas City, Mo., the son of Robert Whitney and Lillie nee Collins Wood. His father was one of the John Brown's raiders, a captain in the Union Army, a Kansas homesteader, a Colorado gold prospector, a coal and ice merchant. Young Wood went to West Point because he wanted an education and loved military life. He was graduated high in his class—13th—in 1900. He was careful in spending his money and left the Academy with a nest egg saved from his \$45 monthly pay. He served in the Philippines for 2 years—Philippine Insurrection—and was promoted to 1st lieutenant in the 3d Cavalry. He was posted in Montana and for 2 years taught French and Spanish at West Point. In 1905 he was sent to Panama.

Only a great man who has a real knowledge of the boys' world's desires could do the things that Gen. Robert E. Wood has done and is doing for the youth of the city of Chicago; through his tremendous building and recreational programs for the Chicago boys' clubs. Even in his retirement he contemplates earning a million to leave as a permanent endowment to the clubs. And he certainly is not fooling.

Throughout his entire life he has been in the center of big operations. His 10 years spent, first, as assistant chief quartermaster, then chief, and later director of the Panama Railroad Company during the construction of the Panama Canal, he hired thousands of employees and distributed millions of dollars of supplies each year.

Before the United States entered the First World War, however, Wood retired from the Army. He spent 2 years, from 1915 to 1917, with Du Pont and as assistant to the president of General Asphalt Co., but in 1918 donned his uniform once more. A colonel and a brigadier general, he acted as Quartermaster General for the entire United States until 1919 buying and distributing food, clothing, and

materiel for 4 million soldiers. Perhaps no one has ever had Army experience so helpful as General Wood's in the operation of a mail-order business.

His first mail-order house was Montgomery Ward, and until 1924 General Wood was vice president of that company. By the time he left to become vice president of Sears, Roebuck (Fortune has intimated that he was fired), Montgomery Ward was really beginning to show the other firm a contest. But not for long. Both Wood and President Kittle of Sears believed that the next great national growth would come from the South; they opened a string of southern mail-order houses, then a retail chain in the larger cities. When Kittle died in 1928, General Wood succeeded to his position, and he began the practice of establishing several medium-sized neighborhood department stores in big cities rather than one mammoth store downtown.

His expansion program of setting up retail stores in areas of expanding populations and activities as the vice president and president of Sears, Roebuck & Co. placed the concern in top position as the leader of mail order, retail, and department-store merchandising. The chainstore system grosses \$200 million and the retail department stores \$375 million annually. In 1938 Sears' gross income was \$575 million. In 1939, under retirement rule, General Wood moved up from president to chairman of the board. He remains "in the driver's seat."

He is an individual with an enlightened philosophy on life's social problems. He once stated:

I am a firm believer in the capitalistic system. Nevertheless, I do not see that the charge of socialism, communism, or regimentation should be hurled at every new proposal or reform. \* \* \* A lot of businessmen will not look at facts. \* \* \* Their reasoning is based on their dislikes. When you know the current income and trend for tenant farmers and sharecroppers in some States, for example, you cannot dismiss the problem by saying they are shiftless. Instead you know something has to be done to protect society against such a focus of trouble, and you lose your horror of the fellow who is willing to try to clean up the mess.

Until his disagreement on foreign policy, General Wood was friendly and cooperative with the Roosevelt administration—1932-36. He favored the AAA, SEC, social security, the housing program, and was called to Washington frequently for his advice, testimony, and service on committees. In 1939, Harry Hopkins appointed him to a temporary post as an official adviser on business relations. He was in disagreement on the domestic program. He advocated the sterilization of sterilized gold and described the modification of capital gains and undistributed profits taxes as burning the house down to get roast pig; begged for an end to hate talks. In 1940, he returned to the Republican fold.

A look at the Sears policy for its workers shows his attitude toward them. He believes that the Sears savings and profit-sharing pension plan helps to avoid strikes and labor unrest. It gives the employee greater security and unites him in the interest of the company's

program. A feature of the plan treats with constant wage formula for seasonal workers and sickness and vacation allowances.

General Wood is a director in the Atlass Corp., the United Fruit Co., the Illinois Central Railroad, and the National Life Insurance Co.; he is department chairman of the Federal Reserve Bank of Chicago; and in September 1938 he became one of the three "public" governors of the New York Stock Exchange by appointment of President Martin. He resigned his post as chairman of the Economic Policy Committee of the National Association of Manufacturers in July 1941.

The general's America First activities brought him under public fire more than once.

Secretary of Interior Ickes was most vitriolic in his attack. But many interventionists spared him while attacking other prominent isolationists, and although he never showed any signs of open disagreement with Colonel Lindbergh or others, it was frequently rumored that he planned to resign or dissolve the America First Committee if the international situation should grow so critical that disunity placed the country in actual danger. This he apparently did not consider necessary until the Japanese attack on Pearl Harbor. On December 1, 1941, he announced that America First would "go into the 1942 national elections" with support for candidates opposing the administration's foreign policy, which was condemned as a "trend toward fascism in America." On December 8 he was quoted:

We opposed participation in this war in good faith, but now that we are in it, we shall support it.

In April 1908 General Wood married Mary Butler Hardwick, of Augusta, Ga. He is a great believer in big families, and they have four daughters and a son. Grandchildren get 200 shares of Sears common stock when born. Wood is usually up at 6, full of "storming, gregarious exuberance," and in bed before 11. Clothes do not matter to him; he is sometimes so impatient that he eats caramels with their paper on; he is a restrained doodler; his favorite expression is "let's charge," and his company has sometimes been called the old soldiers' home because there is more than one retired military man in it. He has a remarkable memory, even more for figures than for people, so inaccuracy makes him lose his temper more quickly than anything else. In Panama they say that he used to turn down parties in order to stay home and study census figures, and today the United States census reports and the Statistical Abstract still comprise his book of revelations. His life is not entirely a matter of statistics, however. He is a good horseman and dancer, a great reader of biography and history, an enthusiastic shot and fly fisherman.

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Fifth. Who's Who in America.

Sixth. Who's Who in Commerce and Industry.

These interesting excerpts from an article written by Eleanor Page, the celebrated society feature writer of the Chicago Daily Tribune, on June 16, 1958, accurately depicts the strong sense of family unity practiced and advocated by General Wood. Chicagoans admire and children revere this great American who lives to serve the youth of America that they may better prepare themselves for the patriotic and civic responsibilities of citizenship.

[From the Chicago Daily Tribune of June 16, 1958]

**A COOL BREEZE FAILS TO CHILL WARMTH FOR GENERAL AND MRS. WOOD—YOUNG AND OLD OF FAMILY ATTEND GOLDEN FETE**

(By Eleanor Page)

Noses, fingers, and toes were cold, but hearts were warm at the reception General and Mrs. Robert Elkington Wood held to celebrate their golden wedding anniversary Saturday in the Lake Forest home of their son-in-law and daughter, Mr. and Mrs. Calvin Fentress, Jr.

Unseasonably chilly weather kept those at the outdoor event on the move. A setting sun glistened on velvety lawns. Red carpeting protected the path from the rambling home, formerly General and Mrs. Wood's, across the terrace and down to a green and white striped tent which sheltered the buffet tables.

#### STROLLING VIOLINISTS PLAY

A dozen strolling violinists played as relatives and friends gathered to congratulate General Wood, war veteran and business and civic leader, and his wife on their 50 years of married life.

A devoted family man, General Wood delayed the celebration from April 30, the actual date of the marriage, until yesterday so that his grandchildren and great-grandchildren, some of whom would have been away at school, could be present. And they all were from David Gorter, born in March, to Mrs. James W. Kinnaer III, of Jamaica, the Woods' oldest grandchild, who arrived with her infant son, William Mitchell, in her arms.

All family members wore white rosettes with ribbons printed with the years 1908-1958. David's rosette was pinned to his perambulator. The Wood's oldest daughter, Mrs. William H. Mitchell, pinned hers to a blue print frock, in which she shivered bravely. The youngest daughter, Mrs. Hugo V. Neuhaus, Jr., of Houston, pinned hers to a mink jacket which she wisely brought north to wear with her yellow print frock.

#### FRIENDS AND ADMIRERS

Among early arrivals was the dean of Chicago bankers, bearded, 90-year-old Albert W. Harris, longtime friend of General Wood. Through the receiving line flocked neighbors, and former neighbors, General Wood's former associates at Sears, Roebuck & Co., of which he was chairman; coworkers on the board of the Chicago Boys Club, one of his favorite civic activities, and scores of other friends and admirers.

A large American flag was hung between trees at the entrance to the home. Mrs. Wood, clad in blue-gray lace, and General Wood, in striped trousers and cutaway, were aided in the receiving by children and grandchildren, who took turns greeting guests.

#### ADMIRE FAMILY TREE

A dramatic entrance was made by Mrs. George Enzinger, the former Irene Castle McLaughlin, who braved the breezes in an ankle-length, figure-molding gown of scarlet

taffeta, a long overskirt of scarlet net trailing behind.

Everyone admired a Wood family tree mobile made for the occasion by Mrs. Charles F. Glore, a Lake Forest neighbor. It stood on the sun porch, and whenever anyone became confused about which child belonged to what parents and grandparents, the tree, with its family names dangling on fishlike shapes, was there to solve the problem.

General and Mrs. Wood were married in New York City while he was an instructor at West Point. He celebrated his 79th birthday at a dinner Friday night.

[From the Chicago Sunday Tribune of July 27, 1958]

**BOYS CLUBS—BOON TO CITY YOUTH—HELP IN FIGHT ON DELINQUENCY**

(By Jacqueline Southerland)

Once upon a time, a group of boys broke into a deserted old home in one of Chicago's transitional areas. They were caught and they were afraid. They thought they would be sent to jail.

They weren't. They were lucky. The man who caught them was a Chicago Boys Club official. The home they broke into was slated to become another boys' club.

He invited all the boys to come back to the scene of their break-in once the club was in operation. They did and became charter members. Most of the boys were helped, but not all. To show the extremes, one became an outstanding student leader. Another, sadly, eventually went to a reformatory.

#### NOT A CURE-ALL

"We're not a cure-all," pointed out the boys' club director who told this story to illustrate what the clubs can and cannot do. "We don't claim to be able to end all juvenile delinquency or to help everybody. But we try. And we think we have a pretty good batting average."

Once upon an earlier time, an underprivileged boy had to sweep floors at the Lincoln Boys' Club to earn his membership fee.

Years later the boy, Irving Rudolph, became executive vice president of the Chicago Boys' Clubs.

In case the reader thinks it was cruel for the club to make Rudolph work for his dues, listen to his comments.

#### MORE APPRECIATIVE

"We've found," he said, "that boys appreciate things more if they have to work for them. Something for nothing doesn't work. The clubs aren't charity."

Today many boys still work for their dues, ranging from 25 cents to \$2 a year.

The first club was organized in 1902. The movement grew. Now there are 16,000 members in Chicago, ranging from 6 to 18. There are 13 clubs, 2 outposts, 7 camps, and 2 farms.

The newest completed club building is the General Robert E. Wood Club at 2950 25th street, built 3 years ago. Another new one is in the making. This is the Colonel Robert R. McCormick Club being built at 4835 Sheridan road.

The clubs are supported by the Community fund (19 percent) and contributions (81 percent). The Robert R. McCormick charitable trust has pledged \$400,000 toward this newest club named after the Tribune's late editor and publisher, and a fund campaign now is in progress to match this amount.

The clubs range from cramped quarters in rundown neighborhoods to comparatively plush buildings in well kept, home owning communities.

A Tribune photographer and reporter recently visited four of these clubs. First stop, the Kiwanis, formerly the Sheffield club at 2742 Sheffield avenue, in the midst of a community of 12,000 school-age children served by only four agencies.

The Kiwanis Boys Club is above the Sheffield police station. It covers two floors. On its first, the gymnasium once was a cell block, the recreation room was a courtroom.

#### GIRLS ARE MEMBERS

Upstairs are a library, science room, and crafts area. In the library, a 14-year-old red-headed girl, Rosalie Cook, 2738 Fullerton Avenue, was reading to some youngsters. Some clubs take girls, although the national policy frowns on it since there also is a national girls clubs organization. However, these clubs have not reached Chicago and, therefore, the Chicago boys clubs have 3,500 girls in their membership.

Rosalie took the club's science classes last winter, showing a marked aptitude for chemistry. She wants to be a doctor, perhaps a surgeon.

The club quarters obviously are old, so is much of the equipment. But both are kept in tiptop shape.

The table tennis tops are waxed to make them last longer. There are no initials cut into the furniture, no scribbling on the walls, and the place is cleaned twice a week, said the director, A. O. Nicolette.

"I've been in boys club work for 35 years," said Nicolette proudly, "and I have never seen a nicer bunch of youngsters."

## Our Water Resources as Seen by Senator Mansfield

### EXTENSION OF REMARKS OF

### HON. OVERTON BROOKS

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 18, 1958

Mr. BROOKS of Louisiana. Mr. Speaker, the 45th National Convention of the National Rivers and Harbors Congress was honored by having Senator MIKE MANSFIELD welcome the members to Washington. While he extended the members a warm and most cordial welcome, he gave the meeting vitally important information on our water resources in his brilliantly delivered speech. I feel all the Members of Congress will be interested in reading his remarks, which I present below:

WELCOMING SPEECH OF SENATOR MIKE MANSFIELD, DEMOCRAT, MONTANA, 45TH NATIONAL CONVENTION OF THE NATIONAL RIVERS AND HARBORS CONGRESS, MAY 15, 1958

It is indeed a pleasure to be here this morning and I bring to all of you the greetings of the Senate of the United States for a most successful 45th convention of the National Rivers and Harbors Congress.

During this session of Congress the House and Senate have given considerable time and deliberation to the best and most immediate means of combating the recession which has engulfed the Nation. The Rivers and Harbors Congress has and can continue to do a great job in helping to meet this challenge through its efforts in behalf of water resource development. This Nation's water resources are now recognized for their worth and if this value is to be fully realized it will require a coordinated plan of development and protection.

President OVERTON BROOKS and Executive Vice President William H. Webb are to be highly commended for effective guidance and counsel in developing our water resources.

The public works programs being considered by Congress as antirecession measures include flood control, rivers and harbors construction, watershed programs, water-pollution control, and reclamation, all of vital concern to you folks.

Water requirements for this country will be much greater in the future than they are today. Water use for domestic and industrial purposes has increased 50 percent in the past 10 years. In many areas supply has not kept pace with the demand and this problem will become more difficult in the next few years.

Rivers and harbors projects are naturals in any antirecession program, they provide employment, they provide a stabilizing influence on local economy and provide multipurpose benefits. The continued growth of our population and the expansion of industry along our waterways are intensifying flood, stream pollution and power problems. This organization can be of inestimable value in assisting the Federal Government and the individual States in meeting these numerous problems. We know that our natural wealth is not endless and this organization has helped and will continue to help guide the policy of the Government in water-resource development.

I do not want to appear to be preoccupied with construction of power project and navigation projects for I fully realize the attainment of our goals in water resource development will require a variety of conservation practices. Among these is the prevention and control of water pollution and the regulation of runoffs to even out stream flows. In addition, we must give consideration to the preservation of our recreation facilities.

I would like to comment briefly on the international aspects of America's water resource development. It is not news to anyone here that the nations of the Free World are not only competing with the Communist world on a military and ideological basis but we are also competing with the Soviet Union and her satellites for industrial supremacy, which has definite relationship with the development of rivers and waterways for power and navigation.

In the past year several startling reports have been issued in the Senate pointing up the tremendous progress made in the Soviet Union on the development of their water resources.

A report issued by the Senate Committee on Interior indicated that Russia and China are driving forward river and water resource development programs that are overtaking those of the United States.

After ALLEN ELLENDER, the senior Senator from Louisiana, returned from his most recent trip to the Soviet Union he stated that "As a result of my inspection of installations in Russia I am convinced that in water transportation and hydroelectric power development they are inching ahead of us and in some areas of the tooling industry they are very close to our own standards."

HENRY JACKSON, the junior Senator from Washington made a trip to the Soviet Union in 1957 and he reported that he was particularly impressed by the Soviet advance in the field of hydroelectric power—"one of the vital bases for industrial growth and strength." Senator JACKSON inspected a dam at Stalingrad on the Volga River which, when completed in the near future, will have a generating capacity of 2,310,000 kilowatts—far greater than that produced at Grand Coulee Dam. The Soviet Union already has in operation at Kulibyshev on the Volga a dam larger than Grand Coulee. It is the world's largest single producer of hydroelectric power. Its generating capacity is 2,100,000 kilowatts.

This is only a small sample of what the Russians are doing in the field of water resource development. They have not accomplished what we have in this country with free enterprise, but we cannot be over-

confident. We must go on to greater things in the field of water-resource development, so that we can maintain this leadership. We cannot do this standing still and the Rivers and Harbors Congress can be instrumental in seeing that we maintain this lead.

I was indeed sorry that the President saw fit to veto the omnibus rivers and harbors bill. Over 90 percent of the projects included in this general authorization measure were approved in Federal Government surveys and studies. The bill included many Army engineer projects of vital importance to every section of the country, flood-control projects, harbor projects, and multi-purpose power projects.

This legislation has been referred back to the Senate Committee on Public Works and I am confident that the committee will recommend that the Congress override the Presidential veto. An additional year's delay in authorizing these projects will have grave consequences, especially at this time when stimulants and new sources of employment are so badly needed.

The Rivers and Harbors Congress is nearing its half century of service to the Nation in preserving and developing our water resources. Water has been taken for granted for far too many years and largely through the efforts of this organization we in America are becoming water conscious, a major factor in the growth of the United States.

The Senate is truly indebted to the Rivers and Harbors Congress for its advice and counsel. Majority Leader LYNDON JOHNSON and my colleague, the senior Senator from Montana, JAMES E. MURRAY, and the entire membership of the Senate join me in welcoming the Rivers and Harbors Congress to the Nation's Capital.

#### H. R. 12832: A Bill To Provide Aid to Railroads

##### EXTENSION OF REMARKS OF

**HON. GLENN CUNNINGHAM**

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 18, 1958

Mr. CUNNINGHAM of Nebraska. Mr. Speaker, there will shortly be before the House a bill designed to aid one of this Nation's oldest and most vital industries—the railroads.

The Senate has acted on recommendations of the Smathers committee. The House Interstate and Foreign Commerce Committee has reported a bill, H. R. 12832, which will provide aid to railroads along the same lines as the legislation passed in the other body.

I have been hearing from many of my constituents about their desires for legislation in this field. Not all my letters have been from those representing the railroad industry alone, although we have received many from railroad employees themselves. I have also received letters by the hundreds from outside the industry itself due to the fact that Omaha is the fourth largest rail center in the country and has 10 trunklines operating in the city.

Thus, there are many persons in addition to railroad workers who are interested in the future of the shining rails and the diesels. We know that railroads will always be with us, but for many

railroads it is a time for decision: railroads run by private enterprise or by the Government.

My people do not want Government-run railroads. They want a healthy railroad industry able to stand on its own feet and compete in a free market with other forms of transportation. The burdens of ever-increasing Government regulation are strangling the initiative of this country's railroads, and action must be taken.

I stand in support of the recommendations made by the Smathers committee, including the move to abolish the excise tax on transportation. I was happy to note the remarks by the gentleman from Arkansas [Mr. MILLS] on the floor of the House recently that he finds the transportation tax the most offensive of the excise taxes. I would most warmly join him in this sentiment, and in his wisdom I hope the gentleman and other members of the Ways and Means Committee will find it expedient to report a tax bill to the House which eliminates this burden on our railroads and other transportation carriers and on every person who travels or ships freight. This certainly must be one tax that would not be missed in the Treasury, since its repeal would spur spending for transportation, which automatically causes other spending and more tax dollars for the Treasury.

I urge my colleagues who are doubtful about this issue of aid for the railroads to consider the choice: this program or federally run railroads. I doubt that the most ardent Federal aid champion on the floor would look forward to control and operation of the railroads by Uncle Sam. I shudder at the thought.

#### Senate Salad Luncheon

##### EXTENSION OF REMARKS OF

**HON. HALE BOGGS**

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 18, 1958

Mr. BOGGS. Mr. Speaker, Louisiana's claim as the producer of the Nation's finest salad oil, is again substantiated by the use of 5½ quarts of this vital ingredient in preparing the dressing for Senate salad of 1958.

I am glad once again to have the opportunity to serve as a host at the second annual Senate salad luncheon, to be held this afternoon in the Senate District of Columbia Committee room.

My fellow hosts have revealed to you the many ingredients which have been blended together to make up this unique creation—a masterpiece of culinary art.

But this tasteful combination of ingredients—shrimp molded into lemon-flavored gelatin cubes, artichoke hearts, tomatoes, greens, and all the rest—would be lifeless were it not for the special salad dressing.

And that salad dressing would lack perfection were it not for the inclusion of the finest salad oil—Louisiana salad oil—expertly blended with just the right

amounts of vinegar and a special garlic-type salad dressing mix.

I hope that all of you will join us today for a plentiful serving of another Senate salad.

### The Execution of Hungarian Patriots

#### EXTENSION OF REMARKS OF

**HON. FRANCIS E. WALTER**

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 18, 1958

Mr. WALTER. Mr. Speaker, recently some Members of the Congress have been invited by the Soviet Ambassador to accept his hospitality. There was a time when such an invitation would have been rejected without hesitation as having been extended—vicariously—by the bloody hand of Joe Stalin. In view of current events such a tempo may return.

But some may think times change. That is true. Today the jet airplanes are faster than the propeller-driven aircraft of the war years. Our current functional architecture is at variance with the Union League Club of Philadelphia, or, to cite local examples, the Court of Claims and the old State Department on Pennsylvania Avenue. Times do change, appearances alter, but principles remain. It still is necessary to place a stone upon a stone. There must be mortar. A steel frame helps, but is not necessary. The Parthenon, Chartres, and Notre Dame de Paris all stand even after centuries of erosion. So survive truth, fidelity, and courage.

Appearances change, but principles do not. Through the years the great religions have survived and stand today for the same truths which their founders and their apostles first advocated.

Communism is a form of distorted religion, spawned in hate, aimed at division, and dedicated to destruction. Communists are dedicated. They believe that the millennium will come on this earth. But only when all the peoples of all the countries of all the world are—not members of the Communist Party; that is too elite—subject to Communist control and discipline. Only then will they have achieved their objective.

Workers cannot be members of the party. That is reserved for the elite. But they can—and must—be members of the movement.

Now, what is the movement? It is the apparatus. It is the cause. It is the Daily Worker. It is the American Youth Congress. It is the League for Peace and Democracy. In short, Mr. Speaker, the Communist movement is a chameleon. It takes on colors which are compatible with its local surroundings. It is a creature which can phase into local flora. Its appearance changes. Its external manifestations change. But its basic principles remain immutable.

In Joe Stalin's day people who had access to the news came to know him as the world's greatest butcher and—at the same time—as the most successful prac-

titioner of communism in action. Then Joe died, or was liquidated. The new masters of the Communist conspiracy have put on masks and sought to make the uninquisitive and the uninformed forget the butchery, the liquidation of millions in Europe and around the world. So now the masks are off. The cycle is complete. Once more the extended Communist hand publicly drips with blood. Again, by their own admission, they stand revealed as murderers of national patriots.

As part of this new look they sent us their new Ambassador "Smiley" Menshikov. He was well trained for his job. He had honors from the Moscow School of Public Relations. He was the Soviet answer to Madison Avenue. It was thought that he could take us in. I must say, Mr. Speaker, he achieved a degree of success.

He did his job well. "Smiley" was all over the scene. He entertained extensively. Ladies loved him. He smiled at us from our television screens and had commercial sponsors. It was a good commie show. This was the new look—the Khrushchev vision—of communism. We listened to good Soviet music. One of our boys won the Tschaikovsky competition. The harmony was sweet. But then, suddenly, came a jangling, discordant note. All at once we recalled the wanton murder of Hungarians in the streets by Soviet troops and tanks in 1956. Once more we were reminded of the liquidation of Germans, of Czechs, of Slovaks, of Bulgars, of Albanians. Again we recalled the wholesale slaughter of Rumanians, of Latts, of Estonians, Lithuanians, of Poles, of Ukrainians, White Russians, of Byelorussians—of the whole blood bath that is communism.

And what called it to our attention? It was the dramatic, the sad news of an Associated Press story of last Monday which said that Imre Nagy—the leader of the freedom fighters in Hungary—had been murdered by the Communists. The Associated Press story said "Moscow broke the word first." Very appropriate. They should have. They engineered it. They executed it.

Mr. Speaker, with the death of Imre Nagy and his brave cohorts dies the myth of the new communism. If that be a fact, these courageous men have not died in vain. And, with the departure—temporary though it may be—from our shores of the smiling duplicity, of the false face of communism in the person of Ambassador Menshikov, we can be reminded again of the true nature of this conspiracy, dedicated to destroy not only Hungarians but all people who are or want to be free. So, for a time, there will be a hiatus in the flow of invitations from the Soviet Ambassador.

I hope, Mr. Speaker, that this Congress will soon pass the bill which I reported some time ago which grants permanent haven to the brave Hungarian freedom fighters, the blood brothers of Imre Nagy, of Arpad, of St. Stefan. The Hungarians stood at the gates of Budapest in 1956 as their ancestors stood at the gates of Vienna in the 13th century. We owe all of them a debt which we in the Congress can repay by giving legislative approval to their entry and saying, "Wel-

come, brother. You know the enemy. Tell us about him. And let us never forget his true nature. Stay with us and enrich our heritage, as your countrymen have done in years past."

Mr. Speaker, I would like to enclose a statement which the Department of State released on June 17, 1958:

#### STATEMENT ON EXECUTION OF HUNGARIAN PATRIOTS

The execution of Imre Nagy and Pal Maleti and other Hungarian patriots, first publicly announced last night by radio Moscow, can only be regarded by the civilized world as a shocking act of cruelty. The preparation of this act, beginning with the Soviet abduction of Imre Nagy from the Yugoslav Embassy in Budapest in violation of assurances of safe conduct pledged by the Soviet puppet, Kadar, was by stealth and secrecy. It follows, significantly, on Mr. Khrushchev's April visit to Budapest. It has also come at a time when the Soviet Union has been attempting to persuade the world that international discussion of the plight of Hungary and eastern Europe generally should not take place because it would constitute unwarranted intervention in the internal affairs of these countries.

The Soviet Union, which has pursued a policy of terror toward the peoples of Hungary and of the other dominated countries of eastern Europe for over 12 years, must bear fundamental responsibility for this latest crime against the Hungarian people and all humanity. The murder of these two Hungarian leaders, who chose to serve the interests of their nation rather than those of Soviet communism, brings to a tragic culmination the Soviet-Communist betrayal of the Hungarian people. It is the executioners of Imre Nagy and Pal Maleti, and not the executed patriots, who have committed treason against the Hungarian nation. By this act the Soviet Union and the Soviet-imposed regime in Hungary have once more violated every principle of decency and must stand in judgment before the conscience of mankind.

### Statement by Hon. Isidore Dollinger Urging Increased Social Security Benefits

#### EXTENSION OF REMARKS OF

**HON. ISIDORE DOLLINGER**

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 18, 1958

Mr. DOLLINGER. Mr. Speaker, I am including in the RECORD my statement to the Committee on Ways and Means covering proposed amendments to the Social Security Act.

Mr. Chairman and members of the Committee on Ways and Means, it is a shocking reality that millions of our elder citizens, dependent upon Social Security benefits for their existence, do not have enough to eat, cannot afford necessary medical care, hospitalization, or nursing care; are deprived of many essentials, so that their standard of living is plummeting to new depths. We are proud to call ours a land of plenty. How, then, can we, in good conscience, close our eyes to the sad plight of those countless older persons, who, having worked hard during their younger days, are now the main victims of ever-increasing living costs. Mounting evidence proves that present social-security benefits are grossly inadequate to meet even the bare necessities of life.

I have received hundreds of letters describing pitiful circumstances and hardship being suffered by older people in my District; petitions bearing thousands of names of those who need our help, have been sent to me, and I have turned them over to your committee for consideration. I feel certain that all my colleagues have received similar pleas from the elder citizens they represent.

There are many bills before your committee which provide for liberalized benefits, which would institute new programs, and which contain numerous new meritorious provisions. I wish to emphasize those provisions which would meet the most pressing needs and which demand our immediate favorable action.

First of all, cash monthly benefits must be increased at least 10 percent; this would mean that a single individual or a family unit now receiving social security benefits would receive at least a small increase in monthly benefits. Ten percent is the minimum increase to be considered; nothing less will help to meet the all-time high cost of food, to mention but one essential.

A dire necessity is a program of health benefits to cover the cost of certain hospital, nursing home, and surgical services for those receiving old-age and survivors insurance benefits and for persons who would be eligible for OASI benefits if they applied. This vitally needed protection should be provided within the framework of our national system now established as the American way of protecting our workers and their families against hazards of income loss due to old age, disability, or death. The health program proposed would be of great assistance to those aged persons and to widowed mothers of young children who now cannot obtain or afford private insurance and cannot meet the expense of illness. They should receive necessary hospital care, subsequent skilled nursing-home care, and surgical care as needed.

The health program, its insurance coverage and financing, as provided in the Forand bill, has my staunch support, and many thousands of my constituents have requested its passage.

I also urge your committee to take favorable action on proposed legislation which would provide that full benefits under the Social Security Act, when based upon the attainment of retirement age, will be payable to men at age 60 and to women at age 55. I introduced a bill providing for this revision of the law, which would lend a helping hand to our aging population and create additional job opportunities for our young people. Many persons reaching the ages specified would prefer to retire if they could receive the financial assistance afforded by social security benefits. Their retirement would mean jobs for our young people all over the country as they come out of school and are ready for work, as well as for others desperately in need of employment. We should also consider that it is practically impossible for the average person over 45 years of age to get a job. According to a Department of Labor survey, 3 out of every 4 employers refuse to hire persons of that age. Inasmuch as this vicious ban exists, our older workers, when out of a job, face desperation and humiliation in their search for work. If they can receive social security benefits at the ages specified in my bill, many will not seek jobs and will thus make work available to millions of younger people.

I have also introduced a bill to remove the limitation upon the amount of outside income which an individual may earn while receiving benefits under the Social Security Act. Many persons receiving social-security benefits have dependents and heavy obligations; they cannot possibly fulfill their obligations unless they work and supplement the amount received under social security.

The existing limitation is very unfair and imposes grave hardships.

We should also eliminate the requirement that an individual must have attained the age of 50 in order to become entitled to disability-insurance benefits. Disabled workers under 50 are, in many cases, completely destitute and in need of financial assistance. They are entitled to the benefits of social security when they can no longer take care of themselves. My bill would protect these workers, who must depend upon social security for their very existence.

Other bills I have introduced would increase the amounts payable by the Federal Government to States having approved plans for old-age assistance, and would provide that entitlement to State workmen's compensation benefits shall not prevent an individual from receiving full disability insurance benefits.

In considering amendments to the Social Security Act, it is imperative and only fair that we remember that we are weighing the fate of our great industrious body of American workers, not the indolent. We should help those who have done all in their power to help themselves; who have paid for their old-age insurance; who have economized and saved against the day when they would be too old to work or obtain unemployment, and who, through no fault of their own, are now in desperate straits, because of the tremendous economic changes which have taken place in our country. These are the people who will starve rather than ask for bread, who will suffer pain and illness rather than beg for medical aid, who would abhor asking for welfare aid, no matter what their suffering might be. These are the people who, in the prime of their lives, constitute the very backbone of America.

I urge your committee to take favorable action on proposed amendments to the Social Security Act which would provide the benefits so greatly needed and so much deserved by our older citizens. We must not desert them, but must accept and discharge our responsibility to them, and help restore their sense of well-being, their morale, and a decent standard of living which is rightfully theirs.

### The Fire-Ant-Eradication Program

#### EXTENSION OF REMARKS

OF

**HON. LEE METCALF**

OF MONTANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 18, 1958

Mr. METCALF. Mr. Speaker, on several occasions I have called the attention of my colleagues to my bill, H. R. 783, to direct the Secretary of the Interior to begin continuing studies of the effects of pesticides on fish and wildlife.

As you know, the other body has passed S. 2447, the companion measure by the senior Senator from Washington [MR. MAGNUSON]. It and H. R. 783 are pending in the Committee on Merchant Marine and Fisheries.

The Agriculture Department appropriation bill, Public Law 85-459, granted the Department \$2.4 million to continue its war on the destructive pest, the imported fire ant.

As part of their larger concern over indiscriminate dumping of billions of pounds of toxic chemicals over our crop and timberland each year, without knowing what they will do to fish, birds, small

game, and even man, conservationists have questioned the use of two chemicals, heptachlor and dieldrin, in the war against the fire ant.

To date less than 200,000 acres have been doused with these deadly chemicals in the fire-ant-control program. Treatment is planned for an area of up to 20 million acres.

The very limited research possible to date has given us more questions than answers. We know that fish, birds, and small game die in areas treated with these two poisons. Here is the most recent report by competent technicians of the wildlife mortality in areas treated with heptachlor and dieldrin:

#### EFFECTS OF THE FIRE ANT ERADICATION PROGRAM UPON WILDLIFE, SUMMARY OF INFORMATION AVAILABLE MAY 25, 1958

The imported fire ant (*Solenopsis saevissima richteri* Forel) apparently entered this country in the vicinity of Mobile, Ala., about 1918, and has extended its range until it now infests some 20 million acres in 8 Southeastern States. In March 1957, the United States Department of Agriculture stated that it had requested Congressional approval for control of this pest, and on October 7, 1957, the Department announced plans for large-scale eradication programs. Insecticidal applications were to be made by airplane, motorized ground equipment, and hand applicators, and it was stated that all infested lands, regardless of ownership or use, would need to be treated if the program was to succeed. It was anticipated that a single application of 2 pounds of heptachlor or dieldrin per acre would give protection for a minimum of 3 years.

The Bureau of Sport Fisheries and Wildlife recognizes the value of, and the need for, effective control of insect pests. However, the Bureau has moral and statutory obligations to aid in the development of information, methods, and materials which will protect and preserve desirable wildlife species, resist depletion, and promote the use of these living resources. In keeping with these responsibilities, constant efforts are made to determine the toxicity of pesticides to birds, fish, and wild mammals, and to evaluate insect-control operations as factors in wildlife depletion.

At the time the fire ant eradication program was launched, the Bureau had little direct information on effects to be expected from applications of granular heptachlor or dieldrin. Indirect information included:

Aerial applications of 5 pounds of DDT (in oil) per acre of forest were highly destructive to birds.

Damage to fish and other aquatic life had resulted when forest areas were treated with 2 pounds of DDT (in oil) per acre.

Five annual applications of 2 pounds of DDT (in oil) per acre reduced numbers of nesting birds by 26 percent.

Studies with penned quail and pheasants had shown that heptachlor is 10 to 15 times more toxic than DDT fed under comparable conditions, and that dieldrin is 20 times more toxic than DDT.

Reproduction of penned quail and pheasants was reduced by feeding upon diets containing sublethal amounts of DDT, heptachlor, or dieldrin.

The Bureau had no desire to prejudge the fire ant eradication program on the basis of this indirect evidence. It was felt, however, that the magnitude of operations scheduled to involve millions of acres, the toxicity of the insecticides used, and the persistent residues left by these materials posed possible threats to wildlife values. The Department of Agriculture was advised of the Bureau's concern, and in December 1957 arrangements were made for exchange of information

through liaison representatives appointed by the 2 organizations. At the same time, studies of the effects of the eradication program upon wildlife were initiated. Bureau employees were assigned to determine the extent and significance of any immediate losses of wildlife, and to evaluate possible long-range effects upon reproduction and maintenance of wildlife numbers. Work of these employees was augmented through research contracts with Louisiana State University and Alabama Polytechnic Institute, and through the cooperation of the Texas Game and Fish Commission.

Data on possible long-range effects upon reproduction and maintenance of populations will not be available for several months. Information on immediate effects has been obtained through checks of sample areas in Decatur County, Ga., and Acadia Parish, La., and through systematic pretreatment and posttreatment studies of study areas in Wilcox County, Ala., and Hardin County, Tex. These data may be summarized as follows:

*Decatur County, Ga.* Posttreatment observations were made in various sections of the 48,000 acres treated by aerial application between November 20, 1957, and March 5, 1958. Observers were Deen, Webb, Ross, Cole, Williams (Atlanta Regional Office, B. S. F. & W.); Speake (Alabama Cooperative Wildlife Research Unit); Rosene, DeWitt (Branch of Wildlife Research, B. S. F. & W.).

No evidence of damage to fish and other aquatic life in 5 impoundments, 14 smaller ponds, and other miscellaneous pools and tanks checked at various intervals between February 24 and March 14 (Webb).

No evidence of wildlife damage apparent in section treated on November 20 and checked 3 months later, on February 25. Another area treated January 10 and 13 revealed no sick or dead specimens when checked between February 25 and March 5 (Deen, et al.).

Heavy losses in sample plot (approximately 2 acres) treated on January 29 and checked on February 6 (Rosene, Speake) and on March 18 (Rosene, DeWitt). Dead specimens recovered included 6 quail, 7 rabbits, 20 songbirds, 3 field rodents, and 1 cat. Heptachlor and heptachlor epoxide were found in tissues of these specimens. Bird and animal activity in this area on February 6 was appreciably lower than in adjacent untreated plots, and no live birds or rodents were seen on March 18.

Six plots (size not given) treated between February 20 and March 5; checked by Deen, et al. on several dates between February 26 and March 5. Dead specimens found included 18 quail, 24 rabbits, 62 songbirds, 5 rodents, 2 cats, and 1 calf. Presence of heptachlor and heptachlor epoxide in birds and rabbits was demonstrated by chemical analysis. Dead frogs (13) were subsequently observed in one of these areas on March 18 (Rosene, DeWitt).

*Hardin County, Tex.* Pretreatment and post-treatment observations were made on 1,400 acres treated by aerial application with 2 pounds heptachlor per acre on March 3. Studies were made by D. W. Lay (Texas Game and Fish Commission). Sampling was done on a systematic basis, using 24 transects 66 feet by 660 feet representative of the entire area, and through roadside counts. Incomplete report dated April 5 shows:

Pretreatment counts showed 8.9 birds per mile of roadside and 6.1 birds per acre. Post-treatment counts showed 1.4 birds per mile and 1.7 birds per acre.

Quail numbers dropped 77 percent in 10 days after treatment, and survivors were observed to have difficulty flying.

Ninety-one birds, 2 nutria, 3 rabbits, 1 squirrel, 2 raccoons, 1 opossum, and 3 armadillos were found dead. Mortality reached its peak on the 9th and 10th days.

Heavy loss of aquatic life despite efforts to protect canals, etc.

Chemical analysis of birds and mammals showed presence of heptachlor and heptachlor epoxide in such quantities that death is presumed to have resulted from heptachlor poisoning.

*Wilcox County, Ala.* Pretreatment and post-treatment observations were made on approximately 4,000 acres on and near the Alabama Polytechnic Institute lower coastal plains research substation. A control area of 550 acres was left untreated; 1,000 acres were treated with dieldrin; and the remainder treated with heptachlor. Observers were Dr. M. F. Baker, Leader, Alabama Cooperative Wildlife Research Unit, and associates. Incomplete report shows:

Fourteen out of sixteen coveys of quail on the treated area disappeared, and are presumed to have been killed. Range of the remaining 2 coveys include untreated land off the area. Quail on untreated control area were unharmed.

Heavy mortality of ground-dwelling species, such as towhees, meadow larks, cotton rats.

Two hawks, one barred owl, and one crow found dead; four red fox cubs killed in the den.

Newly killed specimens still being found 7 weeks after treatment. Thus far, 180 animals of 24 species have been recovered.

Heavy losses of fish and frogs.

Heavy losses of fish in pond three-eighths of a mile from area treated with dieldrin.

Specimens from this area are now being analyzed. Heptachlor and heptachlor epoxide have been found in all specimen examinations completed.

*Acadia Parish, La.* Post-treatment observations were made on 2 plots; 1 of 300 acres treated with heptachlor on March 2 and observed on March 5; and 1 of 400 acres treated March 1 and observed March 10. Observers were Glasgow and Catalano (L. S. U.). Pretreatment and post-treatment determinations of earthworm numbers were made in 4 treated areas on an untreated check plot. Preliminary report dated May 20 shows number of earthworms in treated plots decreased from 4.75 per 5-inch sample to 1 or 78.9 percent. Decrease on the check plot was from 2.5 to 2.4, or 44 percent.

Initial mortality of animal life was apparently high. Mammals, birds, fish, crayfish, and snakes were found dead. No estimate of reduction in bird and animal numbers is given.

These reports from all areas studied by Bureau of Sport Fisheries and Wildlife employees or cooperating agencies show losses of birds and small mammals as an immediate consequence of the fire ant control operations. Bird numbers in the two most extensively studied areas were reduced 75 to 85 percent. In Hardin County, Tex., dead specimens recovered amounted to 33 percent of the estimated pretreatment population. Quail and rabbit populations were decimated or completely wiped out.

The areas involved in these studies represent a relatively small proportion of the 300,000 acres treated to date, or of the 20 million or more acres scheduled for treatment. The data so far available reflect only immediate losses and do not indicate possible long-range effects from continued exposure to residues in the soil. Further studies are needed to establish whether the observed losses are atypical or whether they are replicated throughout the range of the imported fire ant.

The Department of the Interior and the Department of Agriculture are continuing to work together in efforts to develop guidelines and procedures which will minimize damage to wildlife resources.

And so our researchers tell of the direct effects of these poisons. As you see, they are serious. But they may be dwarfed by the longtime indirect effects. We know little enough about the direct ef-

fects. We know practically nothing about the indirect effects on reproduction, beneficial insects, soil organisms, and man. Laboratory tests show that some pesticides inhibit reproduction of wildlife. For all we know, we may be busying ourselves rendering the next generation sterile as we go about scattering these pesticides.

The 300,000 acres treated to date in the fire-ant-control program is only a fraction of the 20 million acres scheduled for treatment. In turn, that 20 million acres is only a fraction of the more than 70 million acres over which at least 3 billion pounds of pesticides were scattered to kill insects, weeds, and plant diseases last year.

The above summary deals with two poisons. Each year dozens of new pesticides are developed. The most recent issue of the Pesticide Handbook lists more than 6,000 commercial preparations of poisons for controlling pests.

Of course, this control program is justified. The Department of Agriculture estimates that insects alone cause losses exceeding \$4 billion a year. Everyone appreciates the need for minimizing the damage to farm and forest.

But we also must be concerned over the potentially destructive effects of these chemicals on wildlife. For this control program also involves the multi-billion-dollar recreation and commercial fishery industry of interest to at least 40 million Americans. According to a recent survey, America has some 25 million sportsmen. They spend at least \$3 billion and 567 million man-days just hunting and fishing each year.

Sportsmen, conservationists, foresters, and farmers are equally concerned about minimizing damage to crops and to wildlife. We must have the research authorized by this bill to save as much of both as possible.

## The Cultural Facilities of Nation's Capital Found To Be Inferior to All Leading European Capitals, and Numerous Smaller European Cities

### EXTENSION OF REMARKS

OF  
HON. FRANK THOMPSON, JR.

OF  
IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 18, 1958

Mr. THOMPSON of New Jersey. Mr. Speaker, in its splendid report on S. 3335, sponsored by Senators FULBRIGHT, WILEY, and ANDERSON, the Senate Public Works Committee declared:

All Americans are very proud of their National Capital, yet the cultural facilities here are inferior to all leading European capitals, and numerous smaller European cities. Adequate facilities are not available for presenting grand opera in full performance with suitable stage and scenery equipment. This lack of an adequate center for the arts in Washington detracts from our international prestige. Visitors from abroad to Washington inquire about our opera house and are told we have none. \* \* \* Our citizens are not without talent or interest in

the arts, and these facilities should be developed to provide common ties which will unite the United States with other nations and assist in the further growth and development of friendly, sympathetic, and peaceful relations between the United States and the other nations of the world.

The committee believes that music, art, poetry, drama, and dance, transcends language barriers, and provides a means of communication between people of different nationalities, which will permit conveyance to people of other countries some of the basic concepts of the American way of life.

The Wall Street Journal in a front-page story on May 15, 1958, declared that while Vice President Nixon and his entourage were running into angry mobs the New York Philharmonic Symphony on its South American tour at the same time was everywhere greeted with warmth and affection by cheering symphony fans. And on May 19, 1958, the New York World Telegram said editorially that—

[From the New York World Telegram of May 19, 1958]

#### COUNTERPART TO CARACAS

There is a faintly encouraging counterpoint to last week's savage outburst in Caracas—one which this Nation might well nurture and exploit.

New York's Philharmonic Symphony, currently on tour in Latin America, has been the object of adulation at almost every stop. In Caracas, particularly, mobs were as wild in their enthusiasm for Conductor Leonard Bernstein as they were in their disenchantment with Vice President Nixon a few days later.

The Philharmonic's success under State Department-ANTA sponsorship duplicates triumphant cultural forays into ninety-odd countries by 100 other groups of American artists since the program's inception.

Cultural successes do not, of course, compensate for this country's economic and political failures in Latin America and elsewhere. But they have proved their value in helping to win the minds of alien and suspicious people.

The gentlefolk in the Kremlin delight in picturing Americans as Babbitts braying in a cultural desert. Tours such as the Philharmonic's provide a sure and relatively inexpensive way of proving them wrong.

On Monday, June 16, 1958, Senator ALEXANDER WILEY and the distinguished gentleman from New York [Mr. KEATING] were hosts at a luncheon in the Senate District of Columbia Committee room to a group of drama students from Catholic University of America who left this week for a tour of South America to appear in most of the leading cities in a great play, *The Song of Bernadette*.

The great task of cultural ambassadorship was set forth in moving speeches to these young people by Senator Theodore Francis Green; Senator Alexander Wiley; Senator George Aiken; Senator James E. Murray; Dr. Jose Mora, Secretary-General, the Organization of American States; United States Ambassador to that inter-American organization, John Drier; the Right Reverend Monsignor John McClafferty, assistant to the rector of Catholic University of America; former United States Ambassador to Luxembourg, Perle Mesta; the Reverend Gilbert Hartke, O. P., director, department of speech and drama, Catholic University of America; as well as our colleague from New York [Mr. Keating].

Because of the importance of this matter, I include here the text of the brilliant report on S. 3335:

#### NATIONAL CAPITAL CENTER OF THE PERFORMING ARTS

Mr. CHAVEZ, from the Committee on Public Works, submitted the following report:

The Committee on Public Works, to whom was referred the bill (S. 3335) to provide for a National Capital Center of the Performing Arts which will be constructed, with funds raised by voluntary contributions, on part of the land in the District of Columbia made available for the Smithsonian Gallery of Art, having considered the same, report favorably thereon with amendments, and recommend that the bill, as amended, do pass.

The amendments are indicated in the bill as reported by linotype and italic, and are as follows:

Strike out all after the enacting clause and insert new language as a substitute.

Amend the title to read: "A bill to provide for a National Cultural Center which will be constructed, with funds raised by voluntary contributions, on a site made available in the District of Columbia."

#### PURPOSE OF THE BILL

The purpose of S. 3335, as amended, is to establish in the Smithsonian Institution a Board of Trustees of the National Cultural Center, composed of 15 specified Federal officials, members *ex officio*, and 15 general trustees appointed by the President, to cause to be constructed for the Institution, with funds raised by voluntary contributions, a building to be designated as the National Cultural Center on a site in the District of Columbia bounded by Rock Creek Parkway, New Hampshire Avenue, the proposed Inner Loop Freeway, and the approaches to the authorized Theodore Roosevelt Bridge.

The Board would maintain and administer the National Cultural Center and site thereof, present programs of the performing arts, lectures and other programs, and provide facilities for other civic activities. There would also be established an Advisory Committee on the Arts, designated by the President, to advise and consult with the Board and make recommendations regarding cultural activities to be carried on in the Center. The lands for the National Cultural Center and related activities would be acquired by the National Capital Planning Commission, with plans and specifications for the building approved by the Commission of Fine Arts.

#### HEARINGS

The Subcommittee on Public Buildings and Grounds held hearings on S. 3335 concurrently with those on S. 1985, a bill authorizing preparation of plans for a National Air Museum, since both buildings were proposed for approximately the same site. In general, the Federal agencies had opposed the site on the south side of the Mall opposite the National Gallery of Art, largely because of the size and shape of the site, the lack of parking area, and because it had previously been approved as a site for the National Air Museum. Several alternate sites for the National Cultural Center were proposed. The Bureau of the Budget opposed the provisions of S. 3335 assigning to the Smithsonian Institution responsibility for operating cultural activities, believing that encouragement of the arts is primarily a matter for private and local initiative.

The author of S. 3335, and a companion bill in the House of Representatives; national and local representatives of all branches of the performing arts, music, opera, drama, letters, dance, and others; civic and trade organizations; and individuals; testified as to the urgent need in the District of Columbia for more adequate public facilities to present programs in the performing arts,

provide for adequate instructions in such arts, and the provision of adequate facilities for other civic activities. There was unanimous agreement among all witnesses who testified at the hearing of the many benefits that would accrue, and the interest and appreciation that would develop in this country, for the opera, the ballet, drama, and music in every form, if an adequate cultural center for the performing arts is developed in the city of Washington, D. C.

#### AMENDMENT

Because of the controversy that developed over the proposed site for the National Capital Center of the Performing Arts, and opposition to certain provisions of S. 3335, the coauthors of the two bills pending before Congress, the interested Federal agencies, and others, cooperated in working out an amendment to S. 3335 in the nature of substitute language, with the proposed building to be located on a site in the Foggy Bottom area near the Potomac River. This site and the proposed language changes has the approval of the Commission of Fine Arts, the National Capital Planning Commission, the Board of Commissioners of the District of Columbia, the Bureau of the Budget, the Washington Board of Trade, and others. The committee heartily endorses this amendment to S. 3335.

#### DISCUSSION

The committee was presented testimony at great length on the dire need, long overdue, for a National Cultural Center in the city of Washington, D. C., to provide adequate facilities for the performance of opera, ballet, symphonic and chamber music, drama, and reading of poetry. All Americans are very proud of their National Capital, yet the cultural facilities here are inferior to all leading European capitals, and numerous smaller European cities. Adequate facilities are not available for presenting grand opera in full performance with suitable stage and scenery equipment. This lack of an adequate center for the arts in Washington detracts from our international prestige. Visitors from abroad to Washington inquire about our opera house and are told we have none.

In recent years, there has been several international cultural exchange programs between various countries. The exhibits and events at the Brussels Fair place an emphasis on culture as well as on science and trade. Our citizens are not without talent or interest in the arts, and these faculties should be developed to provide common ties which will unite the United States with other nations and assist in the further growth and development of friendly, sympathetic, and peaceful relations between the United States and the other nations of the world.

The committee believes that music, art, poetry, drama, and dance, transcends language barriers, and provides a means of communication between people of different nationalities, which will permit conveyance to people of other countries some of the basic concepts of the American way of life.

The committee commends the sponsors and proponents of S. 3335 for working out a satisfactory amendment which has been found to be so widely acceptable. The site selected is in an area of street and highway development, and adequate routes of ingress, egress, and parking areas can be developed as the plans proceed. The bill provides that the site be provided by the United States, which would be the only Federal expense involved. The National Capital Planning Commission estimates the cost of acquiring the additional private property in the proposed site not in Federal ownership as \$650,000, and proposes to utilize funds appropriated under the Capper-Cramton Act for that purpose. The Commissioners of the District of Columbia approve this proposal. Funds for construction of the Cultural Center building would be raised by voluntary

contributions, which would be administered and disbursed by the Board of Trustees.

The committee is of the opinion that enactment of this legislation will permit careful planning and construction of a National Cultural Center worthy of the city of Washington and of America, and to permit our cultural development to keep pace with our economic and scientific development. It believes that vast public benefits will result in awakening and advancing our artistic, creative, and cultural development, and recommends enactment of the legislation.

The comments of the Federal agencies on the bill, as amended, are shown in the following communications:

EXECUTIVE OFFICE OF THE PRESIDENT,  
BUREAU OF THE BUDGET,  
Washington, D. C., May 27, 1958.  
Hon. FRANK THOMPSON, Jr.,  
House of Representatives,  
House Office Building,  
Washington D. C.

DEAR MR. THOMPSON: This refers to your letter of May 13, 1958, requesting views of the Bureau of the Budget on a tentative draft bill to provide for the establishment and maintenance of a National Cultural Center.

Although the Bureau has no recommendations on the location of the proposed center, we tend to agree with the National Capital Planning Commission that the site described in the draft bill would be generally suitable for an activity of this nature.

In connection with the establishment of a National Cultural Center, we must, of course, withhold final comment until an administration position can be developed on an introduced bill, particularly as to the policy questions involved. It would appear, however, that the draft removes most of the objections as to form of legislation advanced in review of the earlier bill, H. R. 9848.

Sincerely yours,

ROGER W. JONES,  
Assistant Director.

NATIONAL CAPITAL PLANNING  
COMMISSION,  
Washington, D. C., May 28, 1958.  
Hon. FRANK THOMPSON, Jr.,  
House of Representatives,

Washington, D. C.

DEAR MR. THOMPSON: In response to your request for the comments of the Commission with regard to the newest version of your bill providing for a National Cultural Center, please let me say that we find it to be in conformity with the stand taken by the Commission at its April meeting. At that time the Commission heartily endorsed the concept of the Cultural Center and strongly urged the consideration of the site on the Potomac River.

We are delighted to see that many persons and groups in the community and Members of Congress are concurring with our recommendation. We urge the passage of your new bill and pledge our continuing support toward the building of this most important project.

Very truly yours,

HARLAND BARTHOLOMEW,  
Chairman.

NATIONAL CAPITAL  
PLANNING COMMISSION,  
Washington, D. C., May 23, 1958.  
Hon. J. W. FULBRIGHT,  
United States Senate,

Washington, D. C.

MY DEAR SENATOR FULBRIGHT: In response to your request for further information concerning the feasibility of utilizing the United States Navy Potomac Annex site for the proposed Cultural Center, and for a clarification of the Commission's position with regard to the use of the site on the Potomac

River, please let us submit the following information.

Our project planning staff has reanalyzed the two sites and finds that the Navy Hospital site in its present form would not permit the ingress and egress of the large number of passenger cars which would be generated by the proposed Cultural Center. The high wall along 23d Street and the steep grades on E Street and to the south permit most inadequate vehicular access. The present entrance at the intersection of 23d and E would, if used for major access, create congestion serious enough to be detrimental to the popularity of such a center. The proposed inner loop to the west would not permit access from that direction. This high-speed traffic facility has been designed according to the most modern standards and to redesign it to provide access to the subject site would reduce its efficiency and safety to a disastrous degree. Concerning parking, we find that the State Department space could not be relied on and the proposed Potomac Plaza Hotel to the north could provide parking only for its own use.

One solution would be to reduce the level of the hill approximately 30 feet, which would provide easier access at several places. Aside from the serious question of whether or not such a site of prominence should be lowered, the sheer cost of such an undertaking would be very great. According to the engineers supervising the excavation of the adjacent State Department site, and the estimates prepared by our technical staff, the cost of lowering the elevation of this site would be somewhat in excess of \$3 million. It is difficult to believe that such a cost would be justified when the result, trafficwise, would still be less than satisfactory.

You will be interested in knowing that Lt. Col. Thomas Hunter, Assistant Engineer Commissioner of the District of Columbia, indicated at the meeting called by the Fine Arts Commission, that it would be practically impossible to bring traffic in and out of the site during peak hours. It should be noted that our most recent studies indicate that approximately 10 acres of land on this site would be suitable for actual building and parking purposes.

Concerning the river site, a reanalysis of the area reveals that nearly 10 acres would be available at this location without disturbing the private property east of 26th Street. We have been in constant communication with the design engineers of both the Highway Department and the National Park Service and still find that the bridge approaches will not reduce the size of this site.

As our Commission indicated by its action at its May meeting there is a genuine desire on its part to be helpful in the acquiring of the site for the Cultural Center. Upon examining the slightly more than \$1 million of the funds already appropriated under section 4a of the Capper-Cramton Act, we find that it would be feasible, if specifically authorized by Congress, and subject to the approval of the District Board of Commissioners and the Bureau of the Budget, to utilize approximately \$300,000 toward the purchase of the remainder of the river site. According to our estimates, this would be nearly one-half of the remaining property. The Commission could then, in its regular budget request for fiscal year 1960, ask for sufficient funds for the last portion of the site. By that time the Commission will have exhausted already appropriated funds for acquisition of park and playground sites in the District, and would in the normal course of events be requesting further appropriations. To expend more than \$300,000 from present appropriations would seriously endanger park and playground sites in several of the District's residential neighborhoods. Attached you will find a map indicating the river site and environs.

Please be assured that the Commission will continue to support the proposed Cultural Center in every way possible.

Respectfully submitted,

HARLAND BARTHOLOMEW,  
Chairman.

THE COMMISSION OF FINE ARTS,  
INTERIOR DEPARTMENT BUILDING,  
Washington, May 28, 1958.

Hon. FRANK THOMPSON, Jr.,  
House of Representatives,  
Washington, D. C.

MY DEAR CONGRESSMAN THOMPSON: At the meeting of the Commission of Fine Arts, which was held on May 22, 1958, the members considered the draft legislation containing the proposals sponsored by you and Senator FULBRIGHT to appropriate as a site for the National Center of the Performing Arts, the land owned by the Federal Government, along the Potomac Parkway, bounded by the projected Inner Loop Freeway on the east, the newly authorized Theodore Roosevelt Bridge approaches on the south, Rock Creek and Potomac Parkway on the west, and New Hampshire Avenue and F Street on the north, as approved by the National Capital Planning Commission for this purpose.

We hope the National Capital Planning Commission will be authorized to acquire by purchase, condemnation, or otherwise, the additional land which may be necessary to provide an adequate site for the National Center of the Performing Arts and related facilities in the location referred to above. We would suggest that not only the design and specifications of the buildings for the performing arts should be approved by the Commission of Fine Arts but also the approaches and landscape treatment of the grounds. The Commission also recommended that highways in the neighborhood of the buildings shall be located as not to restrict access to the buildings and the parking areas. We further recommend that the draft legislation be changed to give the bridge its official title, "The Theodore Roosevelt Bridge."

The Commission will be delighted to see such a site provided for the Center of the Performing Arts in Washington. We feel that it is of the greatest importance that a handsome building should be available for the performance of symphonic music, opera, ballet, and drama in the Nation's Capital. We hope that if the Government is willing to provide a suitable location such as the river site, it may be possible to secure by private donations the funds with which to erect the buildings. We also hope the committee will give consideration to the proposals advanced by Senator FULBRIGHT and Congressman THOMPSON in the draft legislation.

Sincerely yours,

DAVID E. FINLEY,  
Chairman.

GOVERNMENT OF THE  
DISTRICT OF COLUMBIA,  
EXECUTIVE OFFICE,  
Washington, D. C., June 4, 1958.

Hon. FRANK THOMPSON, Jr.,  
United States House of Representatives,  
Old House Office Building,  
Washington, D. C.

DEAR CONGRESSMAN THOMPSON: Reply is made to your telephone conversation requesting information on the proposed location of the Cultural Center.

This matter was considered at the meeting of the Board of Commissioners on Tuesday, June 3, 1958, at which time Mr. William E. Finley, Executive Director of the National Capital Planning Commission and Lt. Col. Thomas B. Hunter, Assistant Engineer Commissioner were present.

Previously, in reporting on legislation, the Commissioners had expressed a preference

for the Mall site. Subsequently they learned that due to a building restriction line imposed by the Planning Commission the Mall site was considerably less than the 11 acres which they thought was available and that the Mall site is now limited to about 5½ acres.

During the meeting, Mr. Finley of the Planning Commission presented to the Commissioners an analysis of the Capper-Cramton projects and funds and presented a schematic layout of the river site, showing possible building arrangements, parking, and egress and ingress areas, including street and highway system adjacent thereto.

After a discussion, the Commissioners agreed to the river site for the Cultural Center and the use of Capper-Cramton funds by the Planning Commission to acquire the remaining private property within the boundaries of the proposed site.

Very sincerely yours,

ROBT. E. MC LAUGHLIN,  
President, Board of Commissioners,  
District of Columbia.

**S. 3335, ANALYSIS OF PROPOSED AMENDMENTS  
IN THE NATURE OF A SUBSTITUTE**

Section 1 designates the act as the "National Cultural Center" Act.

Section 2 establishes in the Smithsonian Institution a Board of Trustees to administer and maintain the National Cultural Center and site. The Board would consist of 9 Federal officials, 3 Members of the Senate, and 3 Members of the House of Representatives, as members ex officio, and 15 general trustees appointed by the President for 10-year staggered terms. The President would also appoint an Advisory Committee on the Arts (unlimited number), to advise and consult with the Board and make recommendations to the Board regarding cultural activities to be carried on in the National Cultural Center. The Advisory Committee would serve without compensation, but with reimbursement for travel, subsistence, and other necessary expenses incurred in connection with committee work.

Section 3 directs the Board to construct for the Smithsonian Institution, using funds obtained by voluntary contributions, a building to be designated the "National Cultural Center," on a site in the District of Columbia in the Foggy Bottom area near the Potomac River, which will be selected and acquired by the National Capital Planning Commission, with the plans and specifications approved by the Commission of Fine Arts. The National Capital Planning Commission states that an area of about 10 acres is available, about 9 acres of which is now federally owned.

Section 4 outlines the duties of the Board to develop and present various programs at the center, and provide facilities for other civic activities.

Section 5 authorizes the Board to solicit, accept, and administer, subscriptions, gifts, bequests, or other money, securities, or property, and to sell, exchange, invest, or reinvest, funds or properties, for the benefit of the National Cultural Center, and to make necessary expenditures. The Board is authorized to appoint and fix the compensation and duties of a director, assistant director, and secretary, and such other officers and employees of the National Cultural Center as are necessary for efficient administration of the functions of the Board. The actions of the Board would not be subject to review by any officer or agency other than a court of law.

Section 6 authorizes the Board to adopt an official seal, and to make such bylaws, rules, and regulations considered necessary for proper administration, organization, and procedure of the Board. Eight members of the Board would constitute a quorum for the transaction of business. The Board would have all the powers of a trustee in respect to trust funds it administers, and would sub-

mit an annual report of its operations and a financial statement to the Smithsonian Institution.

The Bureau of the Budget agrees that the site proposed in the amendment would be suitable for an activity of this nature, and apparently removes most of the objections to the original bill, but withholds final comment until an administrative position can be developed on introduced legislation. The National Capital Planning Commission and the Commission on Fine Arts approve the proposed amendment to S. 3335.

**The Star-Spangled Banner**

**EXTENSION OF REMARKS**

OF

**HON. ROLAND V. LIBONATI**

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 18, 1958

Mr. LIBONATI. Mr. Speaker, the composer of a national song writes with hurried strokes fed by the strong feelings of fervent patriotism from within the very soul of his being, and this is certainly true of Francis Scott Key. The song of Deborah, the psalm of Moses, and many of the psalms of David reveal a passionate patriotism. This is true of every nation in every age.

America has, through the years, had her share of national songs, and for generations to the present day still remain with us, just as popular now as then. We find Americans, and especially schoolchildren, singing the revolutionary marching song, Yankee Doodle, or My Country 'Tis of Thee, or Hail, Columbia, or The Battle Hymn of the Republic, or America, the Beautiful and many others.

The one song that for 144 years is seized upon by the Americans in a patriotic mood is The Star-Spangled Banner. The true American sentiment embodied in this song resulted in Congress declaring it a National Anthem on March 3, 1931.

Since this Congressional action, time and again controversial discussions have been waged, with demands that Congress rescind its action, seeking for the adoption different songs written for that purpose, versions of the same song, changes in the music arrangement and even changes in the words and tune. But Congress remains adamant.

At the time that Francis Scott Key, a lawyer, composed The Star-Spangled Banner, he was in the United States Army in the War of 1812. His friend, Dr. William Beanes, a brother-in-law of Justice Taney, had been captured by the British and made a prisoner of war on board the British fleet. Because of the importance of the prisoner's family, Mr. Key received permission from President Madison to go on board the British ship, under a flag of truce, with John S. Skinner, a Government agent, for the exchange of prisoners.

Key and Skinner were treated kindly by the British officers but were detained on board until after the fleet made its attack on Baltimore. On the night of September 13, 1814, Fort McHenry was

bombarded. The three Americans were on deck and watched the action. They knew that the returned fire from the fort signified that it had not surrendered. By the light of the rockets' red glare, and bombs bursting in air, they could see the American flag waving over Fort McHenry.

A short time before dawn the firing ceased and with it came a period of awful suspense. But, by the dawn's early light, they saw that our flag was still there.

In this tense, emotional condition of the moment the song was born. He jotted down on the back of a letter the clauses and phrases and lines as they came to him. During the day he and his companions were released. That night at the hotel he wrote out the song as it is today. He used the meter of a song that was popular at the time, and set his new song to be sung to the same then popular tune, Anacreon in Heaven.

The next morning he showed the song to Judge Nicholson, who approved it. A printer struck it off on handbills. The judge named it The Defense of Fort McHenry. But on January 6, just before the great battle of the war—the Battle of New Orleans—the song was renamed The Star-Spangled Banner.

Up to March 3, 1931, it was used along with all the other national songs. Mr. Jefferson Levy introduced a bill in the House on January 30, 1913, but it died in the Committee on the Judiciary.

The first official recognition came through President Woodrow Wilson, who designated its presentation at state functions and occasions. Congress passed a bill on March 3, 1931, designating The Star-Spangled Banner as the national anthem.

There have been introduced House Joint Resolutions 17 and 558 which have for their aim the adoption of a specific version of The Star-Spangled Banner, by Mr. BROYHILL. Hearings have been held, and voluminous testimony given, by its proponents to nullify the action of March 3, 1931. And so the critics are at it again. They are attacking the song as one that is not representative of the ideology, characteristics, or fundamental attitudes of the American people. Some aver that the words are not those of a poet and that the grammatical composition of the stanzas picture America in such a belligerent and bellicose manner that no one can escape the impression that it fosters a feeling of militarism and of narrow nationalism. Others, equally honest in their criticism, say that the tune is unsingable and is not expressive of the American spirit at its best.

Let us weigh these criticisms from an unprejudiced and unemotional viewpoint.

Nationalism, most commonly called patriotism, as understood by the average American, is a noble sentiment and one of the finest instincts in a man. A person without patriotism, as in the memorable words of Sir Walter Scott, is a dead soul as he suggests in the Lay of the Last Minstrel:

"Breathe there a man with soul so dead  
Who never to himself has said,  
This is my own, my native land."

The prophets of Israel felt their patriotism not as an emotional vibration, but as a sentiment of love. They yearned for their holy city when in exile and their joy at seeing it again, as set forth in their psalms, indicates their deep affection for their country. They displayed a religious and ethical passion in their patriotism and denounced and eradicated sin that had previously sapped the life of their nation.

The Star-Spangled Banner certainly does not favor a type of narrow nationalism, as against the broader and higher patriotism of the brotherhood of nations.

America is the composite of man bred of all extractions and accepts the spirit of Christ's Sermon on the Mount, as well as the Magna Carta and, certainly, as the good samaritan of modern times is the true guide of liberty-loving nations. Certainly, we have not been guilty of a selfish love for our own country alone but, on the other hand, have been forgetful of ourselves to not deny others in the human family their aspirations, comforts, and economic and military security.

Oh thus be it ever when free men shall stand  
Between their loved homes and the war's  
desolation.  
Blessed with victory and peace, may the  
heaven-rescued land,  
Praise the power that hath made and  
preserved us a Nation.  
Then conquer we must, when our cause it  
is just,  
And this be our motto:  
In God is our trust.

The tune of our national anthem is in keeping with its soaring heights of sweeping grandeur like the eagle in its balanced tempo of winged flight.

As Calvin Coolidge said in his address at Philadelphia at the celebration of the 150th anniversary of the Declaration of Independence—he contended that the exhortation of the Star-Spangled Banner—"We can conquer only when our cause is just." We can feel secure in our national safety only so long as we practice our national motto: "In God is our trust."

The spirit of our national anthem is one with the spirit of the Declaration of Independence. It came from a concept of religious teaching gained under a great spirit of development of the religious insight of the people. It resulted in great moral power.

Our national anthem, The Star-Spangled Banner fully treats in glorifying terms the symbol of our country.

Oh say can you see by the dawn's early light  
What so proudly we hailed at the twilight's  
last gleaming  
Whose broad stripes and bright stars  
through the perilous night,  
O'er the ramparts we watched were so gallantly streaming.  
And the rockets' red glare, the bombs bursting in air,  
Gave proof through the night that our flag  
was still there.  
Oh, say does that Star-Spangled Banner yet  
wave  
O'er the land of the free and the home of  
the brave?

The flag was born almost 1 year after the Declaration of Independence on June 14, 1777. The Continental Con-

gress voted that the flag of the United States should consist of 13 red and white stripes and a union of blue with 13 stars. Previously flags of various designs had been used by the Army and several of the States. A star and stripe was added for each newly admitted State. But later Congress enacted legislation limiting the flag to the 13 stripes, alternating red and white, representing the Thirteen Original States and that, in the little square heaven of blue, a star for each State. The red is of scarlet color—a bright, brilliant red of an orange tinge—the red of love, loyalty, and courage, the colors of blood, the fire of life. The white signifying purity of purpose, the transparent beauty of light meaning truth and saintly righteousness. The white stars in a blue field signify the Star of Bethlehem, a sacred meaning of the coming of the sacred ideals and aspirations of a free people with democratic ideals and a love for the perfection of the spotless character of our national aims and the realization of our strong virtues.

On the shore dimly seen through the mists  
of the deep,  
Where the foes' haughty host in dread si-  
lence reposes.

What is that which the breeze,  
O'er the towering steep as it fitfully blows,  
Half conceals, half discloses?  
Now it catches the gleam of the morning's  
first beam, in full glory reflected  
Now shines on the stream.  
'Tis the Star-Spangled Banner  
Oh long may it wave,  
O'er the land of the free, and the home of  
the brave.

The beauty of the flag unfurled, floating upon the breeze of this free America, with a beautiful grace and balance of excellence, personifies the true spirit of American ideology. It does not stimulate in one the idolaters' worship of it, but rather a sudden acceptance of the beauty of it.

The Star-Spangled Banner, in its second stanza, is glorified in itself. The lines in the first stanza—"rockets' red glare, the bombs bursting in air," and the lines in the second stanza, the "foe's haughty host," is only a depiction of the battle. Certainly the battle itself is not glorified. It is the sight of the flag that arouses the feelings of the observer. It is the flag that is loved, not war. The United States flag is a beautiful flag. The design, its symmetry, and the arrangement of the beautiful colors, give to it a pretty and pleasing acceptance as a beautiful banner in its appearance, waving in the breeze. The country it represents as a symbol would not have anything to do with this feeling. Foreign nations have commented upon its appearance as being strikingly attractive. It is significant because it is the sign of the American Government. In humility I have penned these few lines:

#### OUR FLAG

The Star-Spangled Banner  
Long may we sing,  
That in God is our trust  
So the heavens do ring!

For it glories the flag  
With the freedom it brings  
To the land of the free man  
Where liberty clings.

To those who would change it  
We say, without fear,  
That the soul of America  
Holds it too dear.

And the veterans who loved it  
Who died in a war,  
Are singing its tune  
On God's heavenly shore.

The national anthem is a  
World hymn today,  
For freedom-loving nations  
Revere it that way.

Listed below are interesting news items in the Chicago Tribune treating with the changing tonality of the voice of Americans, with or without quality or talent. It might be further stated that you have it or you do not. If you flatly hum, squeak or bray, it is needless to say this whole paper discussion is unnecessary.

The Tribune on July 19, 1939, stated that a Metropolitan American tenor, Frederick Jagel, filed a suit in the Federal district court attacking the legality of The Star-Spangled Banner as the national anthem at a time when the depression had the country on the ropes and too weak to make an outcry. Thomas Tardelli, his attorney, said that he would ask for a determination whether the Congress had a right in 1931 to so designate the song.

In a few hours, in Washington, the great-grandson of the author, Lt. Col. Francis Scott Key-Smith once more entered the lists in its defense; also, Mrs. Henry M. Robert, Jr., president general of the Daughters of the American Revolution. Jagel said he could not sing The Star-Spangled Banner and he did not think anyone else could.

The defenders scoffed at this criticism saying: Anyone can sing it. Just learn the words and the music. It was re-written in a lower key.

Jagel's petition avers that it has a low tune with too many high notes. He called the words vindictive and nonpoetic, and wedded to an ancient barroom ballad with a difficult range of one and one-fifth octaves. Not even a tenor could be at home in a range like that, insisted the tenor.

Old stuff, said the keysmith—they will do it every time—referring to the song's enemies, who in his lifetime he has come to know as legion.

He cited President Theodore Roosevelt's issuance of an executive order making The Star-Spangled Banner the national anthem for all military purposes—that it had held its place 117 years before Congress acted—that Admiral Dewey supplied Prince Henry of Prussia with band music for the song. The Prince had entertained Dewey at Manila and had played, Hail Columbia, as the national anthem.

Another news item as follows appeared in the Chicago Tribune May 23, 1958, by Seymour Raven:

IF VOICES GET LOWER OUR NATIONAL ANTHEM  
MAY BECOME INAUDIBLE

(By Seymour Raven)

No peacetime audience in my memory turned in a better performance of The Star-Spangled Banner than did the crowd at the recent opening night of Moscow's Moiseyev folk dancers here. If citizens have stood

largely silent on so many other occasions, they more than redeemed themselves in the presence of the Russians. For strategic reasons that need no explaining, it is better that way than the other way around.

Recent proposals to revise our national anthem, based on helplessness before the challenge of the song's melodic range, may be a new expression of dissatisfaction—but the dissatisfaction itself is of very long standing. As you have seen, one complaint talks about vocal strain and others soon enlarge the argument to esthetic considerations. This has been going on a long time, even before The Star-Spangled Banner was given official status.

The Tribune's music critic at the turn of the century, George Upton, complained:

"It should be humiliating to the national pride that our Star-Spangled Banner is sung to the tune of an English tavern drinking song; that Columbia, the Gem of the Ocean is borrowed from Britannia, the Pride of the Ocean; that the melody of Hail Columbia is of uncertain origin; that the tune of America came to us after it had done years of service in France and England.

"All of ours are borrowed. It is said that national anthems are inspired when the moment comes. The moment is a long time coming."

Well, now, if the moment was a long time coming a half century ago, what would Upton say about it today?

When Congress put the official stamp on The Star-Spangled Banner in 1931, it did so against a considerable accumulation of contrary feeling not alone Upton's. On record was the opposition of the music supervisors national conference (1930), which said "the text is a reflection of a single wartime event which cannot fully represent the spirit of a nation committed to peace and good will" and that "the music, while thrilling when well sung on occasions of high patriotic fervor, is not suitable for frequent singing in assemblages where a national anthem is needed."

Very latest efforts to remedy the situation deal with alteration of the tune, to make it lie more comfortably within the voice. But in my opinion this does little good because the words will continue to lie uneasily within the English language. The melody deserves the kind of words Francis Scott Key wrote to it. They deserve each other.

For every move one may make to bevel off the melody, one ought to make a compensatory move with the text, for the words as words are edgy and out of range. A revised text might go something like this:

By the light of early dawn,  
So proudly we see  
A land of the brave  
And a home for the free.

By this time the text is much different and the melody perhaps wholly different. Good. We might be on the way to a totally new song, and don't think for a minute I am nominating the four lines above as the start of a new text. Write your own.

The moment is a long time coming, Upton said. He understood the perils of waiting. See what the architects of New York's Lincoln Center for the Performing Arts are compelled to do for their Philharmonic and Metropolitan Opera housing plans.

Those architects are finding that they must cut the seating capacity because new generations of Americans are huskier and need more room for comfort. Rather than build the halls larger, and possibly reach a point of diminishing returns in acoustics, the New York planners are making the noble sacrifice of reduced ticket potential.

The question now arises: If Americans are growing taller, and broader across the beam, may they not also be developing deeper

voices? Will American males drop out of the tenor range and become a race of baritones, basses, and bassi profundi? Will females scale downward from contralto, doomed to rocking the gentle lark in the cradle of the deep?

The threat is very real, for then everybody will sing The Star-Spangled Banner several keys lower than at present. On that basis the high notes will be attainable, but the low notes will be inaudible. As everybody knows, when you go below a certain pitch you get not tone but hot air.

Before America gets into a position where it is singing an inaudible national anthem (O, Say, Can You Hear?) somebody better come up with a new one. There is not a minute to lose.

We are largely indebted to Mr. Daniel L. Marsh, former president of Boston College, retired 1951, who treated this subject with thorough finesse in his book, the American Canon, teaching and preaching Americanism in an unusual and effective manner. He considered the Star-Spangled Banner, and presents and discusses it, as one of the documents which constitute the American way of life, which forms part of an authoritative code for all who call themselves Americans, and should understand. We must disagree with his interpretation of certain statements and toasts given by heroic Americans as emphasizing a militaristic attitude. After all, love of country does connote the idea that one would die for his country, defending it against a common enemy, whether the moral issues were right or wrong.

Other bills being considered are House Joint Resolution 517, by Mr. DORN of New York; H. R. 4303, by Mrs. ST. GEORGE; H. R. 10452 by Mr. KEARNS; and H. R. 12231 by Mr. ZELENKO.

me to convey to you his personal regards and to present a message to all in attendance at this conference. It is a great privilege for me to do so:

The Honorable OVERTON BROOKS,

Member of Congress, President, National Rivers and Harbors Congress, Washington, D. C.

DEAR OVERTON: Please give my greetings to those attending the 45th annual convention of the National Rivers and Harbors Congress.

This annual meeting demonstrates the widespread interest of our citizens in the use and conservation of our country's water and land resources. Here too is convincing evidence that there must be the broadest possible participation and cooperation in the development of our resource projects.

This work takes time and skill. It is a real application of American democracy; with all voices heard, all needs fairly weighed.

We begin with a host of problems: the growing competitive uses of water, the thirst of our complex metropolitan and suburban areas, the sometimes overlapping and conflicting responsibilities of Federal, State, and local agencies. In trying to answer these problems there are bound to be honest differences of opinion, but every effort must be made to move forward to new achievements in the public interest.

Our plans should be comprehensive to keep in balance all types of public construction according to their relative urgencies.

Legislation for the 12 interstate compacts recently enacted by the Congress is a good example of the way water resource plans can be hammered out by enlisting the abilities of all concerned. Then as all join in vigorous preliminary participation, there is good reason to believe they will continue to share in the actual development, operation, and maintenance of works of improvement. This healthy process is well known to the members of the National Rivers and Harbors Congress who have long played an active part in this demanding field.

In this spirit, I am delighted to send best wishes to you for another fine convocation.

Sincerely,

DWIGHT D. EISENHOWER.

The President emphasized, as you have noted, what we believe to be one of the fundamental prerequisites for securing the kind of water resource development from which we all can receive lasting satisfaction—broad participation, cooperation, and willingness to share responsibility.

Since time began, man has had to deal with the plain but stubborn fact that his wants are infinite while the resources available to satisfy them have specific limits. History is replete with examples of how societies down through the ages have organized themselves to match resources with needs. Success in this effort has insured survival, as with Switzerland. Failure to do so resulted in decline and ultimate decay as with ancient Syria.

In the United States, we have traditionally recognized the right of freedom of action of individuals. But, in George Bernard Shaw's language, "Liberty (freedom) means responsibility. That is why most men dread it." So the right of each community to enjoy its water resources carries with it also participation in their development—responsibilities which include cooperative action and compromise when necessary for the overall good.

Our public works needs have pyramidized. Count the needs of your children and grandchildren and those of your neighbors. In ever-increasing amounts they require additional public facilities, including water supply, water transportation, and all the other blessings that result from the best uses of water.

### The President Speaks

#### EXTENSION OF REMARKS

OF

#### HON. OVERTON BROOKS

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 18, 1958

Mr. BROOKS of Louisiana. Mr. Speaker, the high point in recent meetings of the National Rivers and Harbors Congress has been remarks from the President. At the 45th national convention, held here in Washington, D. C., this year, we were honored by having the speech from the President delivered by Maj. Gen. J. S. Bragdon, special assistant to the President of the United States. The President in his remarks recognized the importance of river and harbor and water resources development. General Bragdon gave us a short, but vitally important speech on his own behalf and I take pleasure in presenting herewith these two addresses:

REMARKS BY MAJ. GEN. J. S. BRAGDON, SPECIAL ASSISTANT TO THE PRESIDENT OF THE UNITED STATES, BEFORE THE 45TH ANNUAL CONVENTION OF THE NATIONAL RIVERS AND HARBORS CONGRESS, WASHINGTON, D. C.  
MAY 16, 1958

Mr. Chairman, distinguished guests, ladies, and gentlemen, the President asked

Their needs are augmented by greater wants for better living, a better car, wider streets, and better lighting. We want our children's standard of living to grow.

When our citizens become cramped in our cities and want the fresh air and greater space of the suburbs, they get on the move. And Mr. Tom Jones, citizen, expects his public servants to provide additional public facilities for him to do so. We believe the expectations reasonable.

These not-so-unreasonable needs, wants, and growth movements have expanded to such gargantuan proportions that our resources have become taxed and we must choose between them. We must determine the relative urgencies of these demands. We need a sound method for this determination.

In a particular sense, when a region's citizens count up their natural water and related land resources and consider their future, should they in an arid region say, "We shall make steel here," or in the midst of the Rockies, "We shall raise cattle here." Should they not rather inquire, "What can we best do with what God has given us? What water resources have we? Are they limited? Can we augment them? Can we use them to transport materials to us and to carry away what we make? Shall we farm, mine, raise cattle, or manufacture? Finally, in view of all factors, what various alternatives have we to choose from to best guide our immediate future and the longer range future of our children?"

We believe a sound answer is that the best path of growth is that which nature dictates with all her assets weighed together. It is not a unilateral approach which springs from a study by any one agency which has been charged with one major function. We believe any region has a right to consider all possible alternative choices for its future growth.

We believe simply that the principles, choice, and selection of "the best for the region," "the best for the basin," "the best

for the State," and "the best for the Nation" should be applied to all planning before decisions are made. And all the folks of the region, basin, or State should have a voice in this planning from the beginning.

Comprehensive planning connotes not only a coordination of the functional planning of agencies and the harmonizing of the efforts of all levels of government, but aggressive participation by those primarily concerned. We have only to look at the \$12-billion plan of the great State of California for an outstanding example. Think of it—a \$12-billion plan for one State. It is their plan. Of course, they have cooperated with Federal and local agencies in its development and desire the benefits of such Federal assistance as the laws provide. But California has a plan based on California's conception of California's future.

The great State of Texas is, I understand, developing a long-range plan which, too, will be Texas' own plan as Texans see their destiny.

I believe you in this Rivers and Harbors Congress agree in wanting the best plan, not the next best. The recommendations of the President's Advisory Committee on Water Resources Policy, submitted to the Congress of the United States in January 1956, contained policies and principles with attendant organizations to make our water-resources-development programs the best.

They mark out a coordinated course of action whose sole objective is to attain the best.

Our water policies, to a degree, have, like Topsy, "just growed" in a somewhat piecemeal fashion. This was only natural, since the Federal Government has at different historical periods responded to the most prominent pressure of need of the people of that period. Emphasis on functional development through programs of specific agencies with specific duties was natural. But as the country has become more and more closely knit together, and its needs have grown in

diversity, complexity, and size, these functions have overlapped and impinged on each other in many regions.

Some years ago a friend of mine told me of the expansion of his company in the food line. It absorbed many smaller food businesses, some of which in turn had several lines which competed with those of other divisions of the mother company. This overlapping took place not only in type of product but soon in the regions served geographically. The law of diminishing returns came into play and earnings fell. Management then had to reexamine their resources and objectives and do some pruning. No major divisions were eliminated but collaboration was secured through establishment of definite policies and a rearrangement of the organization to assure their carrying out.

The need for coordination of our water resource development through adoption of a broad national policy with effective organization to follow up is greater today than ever. We need some more definite charts and guides to follow as programs and projects multiply.

I would like to recall for your consideration a point made by your able President, the Honorable Congressman OVERTON BROOKS, in his statement before the House Public Works Committee several years ago. It is even more applicable today. He stated that the matter of providing a sound policy for the conservation and development of our country's water resources is of broad national interest involving the Federal Government, the States, the political subdivisions, corporate entities, and individuals.

The National Rivers and Harbors Congress has been traditionally a leader in the water resources development of our country. We can take comfort in the knowledge that your organization will continue to advance the common effort for better balanced, more economic, coordinated public construction in which all citizens can participate and from which all will benefit.

## SENATE

THURSDAY, JUNE 19, 1958

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

God of all mercy, bowing at this noon-tide altar of Thy grace, may we be vividly conscious that we need not turn back to bygone centuries to hear Thy voice, as if Thou dost no longer speak to men.

Above the noise of crashing systems, yea, in and through the change and confusion of our day, give us to see that Thou art searching out the souls of men before Thy judgment seat.

Through the want and woe of Thy world, and of Thy children, our brothers, Thy voice to us is sounding.

So, hearing and heeding the divine summons, may our compassion, wide as human need, help to heal the open sores of the world as we serve the present age, our calling to fulfill.

In the dear 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 Wednesday, June 18, 1958, was dispensed with.

## MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House insisted upon its amendment to the bill (S. 3910) authorizing the construction, repair, and preservation of certain public works on rivers and harbors for navigation, flood control, and for other purposes; asked a conference with the Senate on the disagreeing votes of the two House thereon, and that Mr. DAVIS of Tennessee, Mr. BLATNIK, Mr. JONES of Alabama, Mr. McGREGOR, and Mr. MACK of Washington were appointed managers on the part of the House at the conference.

The message also announced that the House had passed a 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 for the fiscal year ending June 30, 1959, and for other purposes, in which it requested the concurrence of the Senate.

## ENROLLED BILLS SIGNED

The message further announced that the Speaker had affixed his signature to the following enrolled bills, and they

were signed by the President pro tempore:

S. 846. An act for the establishment of a National Outdoor Recreation Resources Review Commission to study the outdoor recreation resources of the public lands and other land and water areas of the United States, and for other purposes;

S. 1248. An act for the relief of Fred G. Clark;

S. 2064. An act for the relief of Marie Ethel Pavlovitch and her daughter, Dolly Hester Pavlovitch;

S. 2087. An act for the relief of Eva Lichtenfuss;

S. 2099. An act for the relief of Irene B. Moss;

S. 2147. An act for the relief of Chong Sook Rhee;

S. 2196. An act for the relief of Annadore E. D. Haubold and Cynthia Edna Haubold;

S. 2245. An act for the relief of Moy Tong Poy;

S. 2256. An act for the relief of Luz Poblete and Robert Poblete Broaddus, Jr.;

S. 2301. An act for the relief of Genevieve M. Scott Bell;

S. 2346. An act for the relief of Lucy Hedwig Schultz;

S. 2499. An act for the relief of Ilona Agnes Romay;

S. 2503. An act for the relief of Maria H. Aguas and Buena M. Castro;

S. 2538. An act for the relief of Florica Bogdan;

S. 2613. An act for the relief of Cedomilj Mihailo Ristic;

S. 2650. An act for the relief of Tokiyo Nakajima and her child, Megumi (Kathy) Nakajima;