

VIRGINIA

Lucille B. Lakes, Cloverdale.
James M. Rodgers, Shipman.

WASHINGTON

Cloyce G. Johnson, Dayton.
E. Beth Williams, Hadlock.
Gordon W. Rux, Lake Stevens.
Elma M. Sarchet, Lamont.

WEST VIRGINIA

Ernest M. Townsend, Madison.

WISCONSIN

James M. Rumpf, Cambridge.
Elmer E. Lidicker, Jefferson.

U.S. ARMY

The following-named officer, 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:

To be lieutenant general

Maj. Gen. Lionel Charles McGarr, **XXXX**,
U.S. Army.

U.S. NAVY

Adm. Herbert G. Hopwood, U.S. Navy, to have the grade of admiral on the retired list pursuant to title 10, United States Code, section 5233.

Vice Adm. Ralph E. Wilson, U.S. Navy, to have the grade of vice admiral on the retired list pursuant to title 10, United States Code, section 5223.

Vice Adm. William L. Rees, U.S. Navy, to have the grade of vice admiral on the retired list pursuant to title 10, United States Code, section 5233.

Having designated, under the provisions of title 10, United States Code, section 5231, the following-named officers for commands and other duties determined by the President to be within the contemplation of said section, I nominate them for appointment to the grade indicated while so serving:

To be admiral

Vice Adm. John H. Sides, U.S. Navy.

To be vice admirals

Rear Adm. Frank O'Bierne, U.S. Navy.
Rear Adm. Laurence H. Frost, U.S. Navy.
Rear Adm. Howard A. Yeager, U.S. Navy.

APPOINTMENTS IN THE REGULAR ARMY

The following-named officers for appointment in the Regular Army of the United States to the grades indicated, under the provisions of title 10, United States Code, sections 3284, 3306, and 3307.

To be major generals

Maj. Gen. Edwin Hugh John Carns **XXXXXX**,
Army of the United States (brigadier general, U.S. Army).

Maj. Gen. John Elliot Thelmer **XXXXXX**,
Army of the United States (brigadier general, U.S. Army).

Lt. Gen. Paul Lamar Freeman, Jr., **XXXXXX**,
Army of the United States (brigadier general, U.S. Army).

Maj. Gen. David Haytor Buchanan **XXXXXX**,
Army of the United States (brigadier general, U.S. Army).

Maj. Gen. Robert William Porter, Jr., **XXXXXX**,
Army of the United States (brigadier general, U.S. Army).

Maj. Gen. Andrew Pick O'Meara **XXXXXX**,
Army of the United States (brigadier general, U.S. Army).

Maj. Gen. Alva Revista Fitch **XXXXXX**, Army of the United States (brigadier general, U.S. Army).

Maj. Gen. Sidney Clay Wooten **XXXXXX**, Army of the United States (brigadier general, U.S. Army).

Maj. Gen. Ned Dalton Moore **XXXXXX**, Army of the United States (brigadier general, U.S. Army).

Maj. Gen. Thomas Alphonsus Lane **XXXXXX**, Army of the United States (brigadier general, U.S. Army).

Maj. Gen. Lyle Edward Seeman **XXXXXX**, Army of the United States (brigadier general, U.S. Army).

Maj. Gen. Nelson Marquis Lynde, Jr., **XXXXXX**, Army of the United States (brigadier general, U.S. Army).

Maj. Gen. William Arnold Carter **XXXXXX**, Army of the United States (brigadier general, U.S. Army).

Maj. Gen. Philip Campbell Wehle **XXXXXX**, Army of the United States (brigadier general, U.S. Army).

Maj. Gen. John Knight Waters **XXXXXX**, Army of the United States (brigadier general, U.S. Army).

Maj. Gen. Edwin John Messinger **XXXXXX**, Army of the United States (brigadier general, U.S. Army).

To be brigadier generals

Maj. Gen. Roy Tripp Evans, Jr., **XXXXXX**, Army of the United States (colonel, U.S. Army).

Maj. Gen. Harold Keith Johnson **XXXXXX**, Army of the United States (colonel, U.S. Army).

Brig. Gen. Jean Evans Engler **XXXXXX**, Army of the United States (colonel, U.S. Army).

Maj. Gen. Frederick William Gibb **XXXXXX**, Army of the United States (colonel, U.S. Army).

Maj. Gen. Ben Harrell **XXXXXX**, Army of the United States (colonel, U.S. Army).

Maj. Gen. William Wilson Quinn **XXXXXX**, Army of the United States (colonel, U.S. Army).

To be brigadier general, Medical Corps

Brig. Gen. Joseph Hamilton McNinch **XXXXXX**, Medical Corps (colonel, Medical Corps, U.S. Army).

IN THE REGULAR ARMY

The nominations of Lester W. Abrams et al. for promotion in the Regular Army, said nominations having been received on May 27, 1960.

IN THE REGULAR ARMY

The nomination of Sarah Evelyn Perkins for promotion in the Regular Army, said nomination having been received on June 6, 1960.

IN THE REGULAR AIR FORCE

The nominations of Johnny M. Barton et al. for promotion in the Regular Air Force, said nomination having been received on June 3, 1960.

HOUSE OF REPRESENTATIVES

TUESDAY, JUNE 21, 1960

The House met at 12 o'clock noon.

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

Luke 18: 8: When the Son of Man cometh, shall He find faith on the earth?

Eternal and ever-blessed God who art always drawing us to Thyself and seeking to show us what life really means, when touched by the wonder and glory of Thy presence, may there be no reluctance in our response and obedience to Thy divine love.

Inspire us daily to manifest the strength and blessedness of our faith to all who are sorely troubled and wistfully searching for the right and satisfying answer to mankind's many problems with their tragic social, racial, and economic setting.

Grant that in a time when men and nations are being brought so near to one

another, as neighbors, by the findings of science and invention, we may all be more docile and determined to learn the fine art of living together in a neighborly and brotherly spirit.

Hear us in the name of the Prince of Peace. Amen.

THE JOURNAL

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 the following resolution:

SENATE RESOLUTION 339

Resolved, That the Senate has heard with profound sorrow the announcement of the death of Hon. Douglas H. Elliott, late a Representative from the State of Pennsylvania.

Resolved, That a committee of two Senators be appointed by the Presiding Officer to join the committee appointed on the part of the House of Representatives to attend the funeral of the deceased Representative.

Resolved, That the Secretary communicate these resolutions to the House of Representatives and transmit a copy thereof to the family of the deceased.

Resolved, That, as a further mark of respect to the memory of the deceased, the Senate do now adjourn.

The message also announced that the Senate had passed, with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H.R. 12232. An act making appropriations for the legislative branch for the fiscal year ending June 30, 1961, and for other purposes.

The message also announced that the Senate insists on its amendments to the foregoing bill, requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. STENNIS, Mr. CHAVEZ, Mr. HAYDEN, Mr. JOHNSON of Texas, Mr. BRIDGES, Mr. SALTONSTALL, and Mr. ALLOTT to be the conferees on the part of the Senate.

The message also announced that the Senate had passed, with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H.R. 12381. An act to increase for one-year period the public debt limit set forth in section 21 of the Second Liberty Bond Act and to extend for one year the existing corporate normal tax rate and certain excise-tax rates.

The message also announced that the Senate insists on its amendments to the foregoing bill, requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. BYRD of Virginia, Mr. KERR, Mr. FREAR, Mr. LONG of Louisiana, Mr. WILLIAMS of Delaware, and Mr. CARLSON to be the conferees on the part of the Senate.

DEPARTMENT OF LABOR SUPPLEMENTAL APPROPRIATION BILL

Mr. THOMAS. Mr. Speaker, I ask unanimous consent for the immediate consideration of the joint resolution (H.J. Res. 765) making a supplemental ap-

appropriation for the Department of Labor for the fiscal year ending June 30, 1960, and for other purposes.

The Clerk read the title of the bill.

Mr. THOMAS. Mr. Speaker, there is no objection to this resolution on either side. It simply authorizes an appropriation of \$6 million deficiency for the remainder of the year to take care of unemployed veterans and Federal workers.

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

There was no objection.

The Clerk read the joint resolution, as follows:

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the following sum is appropriated, out of any money in the Treasury not otherwise appropriated, for the Department of Labor for the fiscal year ending June 30, 1960, namely:

DEPARTMENT OF LABOR

Bureau of Employment Security

Unemployment Compensation for Veterans and Federal Employees

For an additional amount for "Unemployment compensation for veterans and Federal employees", \$6,000,000.

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

A MOST APPROPRIATE AND TIMELY APPOINTMENT

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

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

There was no objection.

Mr. PORTER. Mr. Speaker, last Thursday the White House announced the appointment of my widely known and very active fellow townsman, the senior Senator from Oregon, WAYNE MORSE, as a member of the American delegation to the General Assembly of the United Nations.

This is a most appropriate and timely appointment. It is appropriate because the senior Senator from Oregon has long been a vigorous supporter of the United Nations and because his outstanding forensic and legal abilities will now be put directly to use in the interests of world peace in this most vital of all assemblies.

It is a timely appointment because, in this day of incredibly powerful weapons and in the wake of the abortive summit meeting and our disappointments in Japan, the United Nations increasingly is recognized by men of good will in every nation as the institution on which our survival depends.

Senator MORSE has often stated that he agreed with the late Senator Arthur Vandenberg, of Michigan, that the only hope of permanent peace in the world depends upon all nations of the world setting up a system of international justice through law for the settlement of any dispute that threatens the peace.

The reputation of the senior Senator from Oregon as a fighting and resourceful liberal is known around the world. His colleagues in the General Assembly this fall in New York will greet him with interest and respect.

CONTRACT AWARD TO FOOD MACHINERY & CHEMICAL CORP.

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

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

There was no objection.

Mr. GUBSER. Mr. Speaker, several days ago the gentleman from Ohio [Mr. VANIK] charged on this floor that the bidding procedure for the procurement of the M-113 armored personnel carrier was rigged so as to insure that this award went to the Food Machinery & Chemical Corp., in San Jose. We argued this point for several hours on this floor. This morning the award was made to Food Machinery & Chemical Corp. About 15 minutes ago I called Assistant Secretary of the Army, Courtney Johnson, who authorized me to quote him as follows:

If all applicable evaluation factors had been applied against the Food Machinery & Chemical bid and none had been applied against the lowest bidder in the Cleveland Arsenal, Food Machinery's bid would still have been low.

In other words, if no charge or Government-owned facilities were assessed against a bidder using the Cleveland Arsenal, if they used the facilities absolutely free of charge, and if Food Machinery had been forced to pay these charges then they still would have had the lowest bid.

Thus Mr. VANIK's charges and his request for an investigation by the Hébert subcommittee have been knocked into a cocked hat.

RELIEF OF CERTAIN ALIENS

Mr. WALTER. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the joint resolution (H.J. Res. 688) for the relief of certain aliens, with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the joint resolution.

The Clerk read the Senate amendments, as follows:

Page 3, after line 24, insert:
"Sec. 13. For the purposes of sections 101(a)(27)(A) and 205 of the Immigration and Nationality Act, Ernest Lee (Lee Ming-Sing) shall be held and considered to be the minor natural-born alien child of Watson G. Thoms, a citizen of the United States."

Page 3, line 25, strike out "13" and insert "14".

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

There was no objection.

The Senate amendments were concurred in.

A motion to reconsider was laid on the table.

PUBLIC WORKS AUTHORIZATION BILL

Mr. DAVIS of Tennessee. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 7634) authorizing the construction, repair, and preservation of certain public works on rivers and harbors for navigation, flood control, and for other purposes, with Senate amendments thereto, disagree to the Senate amendments, and agree to the conference asked by the Senate.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee? [After a pause.] The Chair hears none, and appoints the following conferees: Messrs. DAVIS of Tennessee, BLATNIK, JONES of Alabama, BALDWIN, and CRAMER.

PRIVATE CALENDAR

The SPEAKER. This is Private Calendar day. The Clerk will call the first bill on the Private Calendar.

F. P. TOWER AND OTHERS

The Clerk called the bill (H.R. 1526) for the relief of F. P. Tower, Lillie B. Lewis, Manuel Branco, John Santos Carinhas, Joaquin Gomez Carinhas, and Manuel Jesus Carinhas.

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

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to F. P. Tower, Port Isabel, Texas, the sum of \$3,180.10; Lillie B. Lewis, Brunswick, Georgia, the sum of \$3,691.24; Manuel Branco, Port Isabel, Texas, the sum of \$4,958.53; John Santos Carinhas, Patterson, Louisiana, the sum of \$5,168.06; and Joaquin Gomez Carinhas and Manuel Jesus Carinhas, doing business as Independent Fish Company, Brownsville, Texas, the sum of \$3,992.93. The payment of such sums shall be in full settlement of all claims against the United States for the failure of the Government of the United States to recover from the Government of the United Mexican States compensation for seizing outside the territorial waters of the United Mexican States, as recognized by the United States, five American shrimp trawlers owned by F. P. Tower, Lillie B. Lewis, Manuel Branco, John Santos Carinhas, Joaquin Gomez Carinhas, and Manuel Jesus Carinhas, detaining such trawlers, fining such owners, and confiscating the cargoes, and for loss of probable catches because of such seizure and detention: *Provided*, That no part of the amount appropriated in this Act for the payment of any one claim in excess of 10 per centum thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with such claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provision of this Act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.*

With the following committee amendments:

Page 1, line 6, strike "\$3,180.10" and insert "\$578.35".

Page 1, line 7, strike "\$3,691.24;" and insert "\$578.35; the Estate of".

Page 1, line 8, strike "\$4,958.53" and insert "\$578.35".

Page 2, line 1, strike "\$5,168.06" and insert "\$578.35".

Page 2, lines 3 and 4, strike "\$3,992.93. The payment of such sums shall be" and insert "\$578.35".

Page 2, line 7, strike "seizing" and insert "fines imposed on the individuals and the decedent named in this Act by the Government of the United Mexican States and paid by them as the owners of five American shrimp trawlers seized by Mexican authorities."

Page 2, lines 9 through 14, strike ", five American shrimp trawlers owned by F. P. Tower, Lillie B. Lewis, Manuel Branco, John Santos Carinhas, Joaquin Gomez Carinhas, and Manuel Jesus Carinhas, detaining such trawlers, fining such owners, and confiscating the cargoes, and for loss of probable catches because of such seizure and detention."

The committee amendments were agreed to.

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

The title was amended so as to read: "A bill for the relief of F. P. Tower, Lillie B. Lewis, the Estate of Manuel Branco, John Santos Carinhas, Joaquin Gomez Carinhas, and Manuel Jesus Carinhas."

A motion to reconsider was laid on the table.

HEDWIG DORA

The Clerk called the bill (H.R. 6338) for the relief of Miss Hedwig Dora.

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

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Alien Property Custodian be, and is hereby, authorized and directed to return all funds vested by the Office of Alien Property through order numbered 9325, July 8, 1947, belonging to Miss Hedwig Dora, who suffered grievously at the hands of the enemy while she was supporting the cause of the United States: Provided, That no part of the amount appropriated in this Act in excess of 10 per centum thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this Act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

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

TOMMY TADAYOSHI SHUTO (TADAYOSHI TAKEDA)

The Clerk called the bill (S. 2384) for the relief of Tommy Tadayoshi Shuto (Tadayoshi Takeda).

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

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act, Tommy Tadayoshi Shuto (Tadayoshi Takeda) shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the

enactment of this Act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this Act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available: Provided, That the natural father of Tommy Tadayoshi Shuto (Tadayoshi Takeda), by virtue of such parentage, shall not be accorded any right, privilege, or status under the Immigration and Nationality Act.

With the following committee amendment:

Strike out all after the enacting clause in set the following: "That, the Attorney General is authorized and directed to cancel any outstanding orders and warrants of deportation, warrants of arrest, and bond, which may have been issued in the case of Tommy Tadayoshi Shuto (Tadayoshi Takeda). From and after the date of the enactment of this Act, the said Tommy Tadayoshi Shuto (Tadayoshi Takeda) shall not again be subject to deportation by reason of the same facts upon which such deportation proceedings were commenced or any such warrants and orders have issued."

The committee amendment was agreed to.

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

ALESSANDRO MARAESSA

The Clerk called the bill (H.R. 1422) for the relief of Alessandro Maraessa.

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

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, notwithstanding the provision of section 212(a) (9) of the Immigration and Nationality Act, Alessandro Maraessa may be issued a visa and admitted to the United States for permanent residence if he is found to be otherwise admissible under the provisions of that Act: Provided, That this exemption shall apply only to a ground for exclusion of which the Department of State or the Department of Justice had knowledge prior to the enactment of this Act.

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

FRANCESCO CAROZZA

The Clerk called the bill (H.R. 1643) for the relief of Francesco Carozza.

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

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, notwithstanding the provision of section 212(a) (9) of the Immigration and Nationality Act, Francesco Carozza may be issued a visa and admitted to the United States for permanent residence if he is found to be otherwise admissible under the provisions of that Act: Provided, That this exemption shall apply only to a ground for exclusion of which the Department of State or the Department of Justice had knowledge prior to the enactment of this Act.

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

HUBERT O. BECKLES

The Clerk called the bill (H.R. 7551) for the relief of Hubert O. Beckles.

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

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act, Hubert O. Beckles shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this Act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this Act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

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

STATUS OF CERTAIN ALIENS

The Clerk called the concurrent resolution (H. Con. Res. 660) relating to the status of certain aliens.

There being no objection, the Clerk read the concurrent resolution, as follows:

Resolved by the House of Representatives (the Senate concurring), That the Congress favors 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 4 of the Displaced Persons Act of 1948, as amended (62 Stat. 101; 64 Stat. 219):

XXXXXXXX Sciana, Alberto, also known as Alberto Vita Sciana.

XXXXXXXX Wei, Edith Hou.

SEC. 2. 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):

XXXXXXXX Assing, Carlton also known as Yin Ket Wong.

XXXXXXXX Chang, Chin also known as Chang, Gene.

XXXXXXXX Cheng, Chan also known as Quan Hong.

XXXXXXXX Kuldkepp, Oscar.

XXXXXXXX Lee, Fou Yuch.

XXXXXXXX Lee, Irving Tack-Shing or Tack

Shing Lee.

XXXXXXXX Lee, Vivien Wei-Ning or Wei-Ning Lee.

XXXXXXXX Linker, Jonas Beno.

XXXXXXXX Linker, Estera Idesa.

XXXX Podlaski, Jozef.

XXXXXXXX Wing, Koon.

With the following committee amendment:

On page 1, after line 10, add four new lines to read as follows:

XXXXXXXX Charia, Steven J.

XXXXXXXX Charia, Nevenka.

XXXXXXXX Charia, Tania Mira.

XXXXXXXX Charia, Igor Ivan."

The committee amendment was agreed to.

The concurrent resolution was agreed to.

A motion to reconsider was laid on the table.

MILTON S. KOBLITZ

The Clerk called the bill (H.R. 4835) for the relief of Milton S. Koblitiz.

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

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Milton S. Koblitiz, Los Angeles, California, the sum of \$500. The payment of such sum shall be in full settlement of all claims of Milton S. Koblitiz against the United States for refund of the amount a departure bond deposited by him on behalf of the alien Molsha Alzara. Such bond was declared breached, and the amount thereof forfeited, because of the failure of the alien Molsha Alzara to depart from the United States on December 1, 1955: *Provided,* That no part of the amount appropriated in this Act in excess of 10 per centum thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this Act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

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

VLADISLAV FOTICH

The Clerk called the bill (H.R. 7877) for the relief of Vladislav Fotich.

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

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, notwithstanding the limitations of time contained in section 33 of the Trading With the Enemy Act with respect to the filing of claims and the institution of suits for the return of property or interests therein pursuant to that section, Vladislav Fotich, a citizen of Yugoslavia who was precluded by illness and absence from the United States from making timely assertion of claim, may, within six months after the date of enactment of this Act, file a claim or institute suit for the return, pursuant to section 32 of such Act, of (a) twelve shares of securities of the International Nickel Company of Canada, Limited (certificate numbered MB 289246, registered in the name of Egger and Company) which in 1951 were vested in the Alien Property Custodian for the benefit of the United States by vesting order numbered 17940, or (in the event of their liquidation) the proceeds thereof, and (b) all revenue received by the Attorney General from such securities. Any claim filed or suit instituted pursuant to this Act shall be received, considered and determined as if such claim or suit had been filed within the time prescribed in section 33 of such Act. Any return made pursuant to authority conferred by this Act shall be subject to the provisions of section 20 of the Trading With the Enemy Act.

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

RALPH W. ANDERSON

The Clerk called the bill (H.R. 8989) for the relief of Ralph W. Anderson.

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

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That Ralph W. Anderson, lieutenant colonel, United States Army, is hereby relieved of all liability for repayment to the United States of the sum of \$1,550.25, representing overpayments of longevity pay paid to him as the result of his claiming membership in the Enlisted Reserve Corps of the Army for the period July 16, 1938, to August 1, 1940, which period was disallowed by the Army after the said Ralph W. Anderson had been paid on the basis of such period for over fifteen years, the said Ralph W. Anderson having believed such period was a matter of record in the official files of the United States Army.

SEC. 2. The Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the said Ralph W. Anderson, the sum of any amount received or withheld from him on account of the overpayment referred to in the first section of this Act.

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

MAJ. EDMUND T. COPPINGER

The Clerk called the bill (H.R. 9432) for the relief of Maj. Edmund T. Coppinger.

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

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the provisions of the Act entitled "An Act providing for the barring of claims against the United States", approved October 9, 1940 (31 U.S.C. 71a), are hereby waived in favor of Major Edmund T. Coppinger, of Harrisburg, Pennsylvania, with respect to his claim for lump sum payment under section 2 of the Act of June 16, 1936, as amended (10 U.S.C., 1952 edition, sec. 300a), if such claim is filed with the General Accounting Office within the one-year period which begins on the date of enactment of this Act.

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

BROOKLYN STEEL WAREHOUSE CO.

The Clerk called the bill (H.R. 9958) for the relief of Brooklyn Steel Warehouse Co.

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

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of \$3,458.19 to the Brooklyn Steel Warehouse Company of Brooklyn, New York, in full settlement of all claims against the United States. Such sum represents storage charges on certain equipment owned by the United States and leased to the Premier Textile Machinery Company of Brooklyn, New York, in July 1952: *Provided,* That no part of the amount appropriated in this Act in excess of 10 per centum thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this

claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this Act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

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

ISAMI NOZUKA

The Clerk called the bill (H.R. 10431) for the relief of Isami Nozuka (also known as Isami Notsuka).

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

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, notwithstanding the limitations of time contained in section 33 of the Trading With the Enemy Act, as amended, with respect to the filing of claims and the institution of suits for the return of property or any interest therein pursuant to section 9 or section 32 of such Act, Isami Nozuka (also known as Isami Notsuka), a citizen of the United States, may file a claim or institute a suit for the return of his property vested by the Attorney General under Vesting Order Numbered 16184, dated December 5, 1950, which order described such property as follows:

"That certain debt or other obligation of Bank of America National Trust and Savings Association, 300 Montgomery Street, San Francisco, California, arising out of a savings account, account numbered 2199, entitled 'Isami Nozuka', maintained at the branch office of the aforesaid bank located at 147 North Wilson Way, Stockton, California, and any and all rights to demand, enforce, and collect the same".

Any such claim or suit for the return of such property shall be received, considered, and determined as if such claim or suit had been filed within the time limitations prescribed in section 33 of such Act, if such claim or suit is filed within the six-month period beginning on the date of enactment of this Act: *Provided,* That any return made under authority of this Act shall be subject to the provisions of section 20 of the Trading With the Enemy Act.

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

RAY C. THOMPSON

The Clerk called the bill (H.R. 10793) for the relief of Ray C. Thompson.

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

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Ray C. Thompson, Greensboro, North Carolina, the sum of \$1,139.75. Payment of such sum shall be in reimbursement to the said Ray C. Thompson for the payment by him of an equal amount to one Edward L. Gardner in connection with the compromise settlement of the claim of the said Edward L. Gardner for personal injuries sustained as a result of being hit by a mail truck operated by the said Ray C. Thompson in the course of his duties as a parcel post mail carrier in the postal field service on December 17, 1955, at Greensboro, North Carolina. The said Edward L. Gardner was unable to recover

damages from the Government of the United States under the tort claims procedure of title 28 of the United States Code by reason of lapse of time under the applicable time limitations provisions of such title. The said Edward L. Gardner subsequently filed suit on such claim against the said Ray C. Thompson personally and settlement was made in the above-specified amount. No part of the amount appropriated in this Act in excess of 10 per centum thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this Act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

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

CLARK L. SIMPSON

The Clerk called the bill (H.R. 10801) for the relief of Clark L. Simpson.

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

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That Clark L. Simpson, of College Park, Maryland, is hereby relieved of liability to the United States in the amount of \$912.55, the amount by which he was overpaid during the period from December 5, 1954, through October 3, 1959, as a result of an administrative error in the determination of his longevity step increases. In the audit and settlement of the accounts of any certifying or disbursing officer of the United States, credit shall be given for any amount for which liability is relieved by this Act.

With the following committee amendments:

Page 1, lines 4 and 5, strike "in the amount of \$912.55, the amount by which he was overpaid during the" and insert "for excess salary payments received by him, covering the".

Page 1, line 6, strike "from".

The committee amendments were agreed to.

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

EDWARD S. ANDERSON

The Clerk called the bill (H.R. 11188) for the relief of Edward S. Anderson.

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

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the law firm of Power, Griffith, and Jones, of Columbus, Ohio, on behalf of the Lake Shore Insurance Exchange, the sum of \$154.70. The payment of such sum (1) shall be in full settlement of all claims of said firm and exchange against the United States and against Edward S. Anderson, a post office carrier of Columbus, Ohio, arising out of a collision on October 27, 1956, between a private vehicle and postal vehicle numbered 52737, driven by the said Edward S. Anderson while acting in the scope of his em-

ployment, and (2) shall be made only upon satisfactory assurances being furnished to the Secretary of the Treasury that there will be refunded by said firm or exchange to the said Edward S. Anderson the difference between (A) all amounts paid by the said Edward S. Anderson to the said firm pursuant to a compromise settlement between the said Edward S. Anderson and the said firm, dated November 13, 1959, and (B) interest at the rate of 6 per centum per annum on the unpaid amounts due under such settlement from November 13, 1959.

Suit on such claim may not be instituted under the tort claims procedure as provided under title 28, United States Code.

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

ANNUITY FUND OF THE ELECTRICAL SWITCHBOARD AND PANELBOARD MANUFACTURING INDUSTRY OF NEW YORK CITY

The Clerk called the bill (H.R. 7854) to provide tax relief to the annuity fund of the electrical switchboard and panelboard manufacturing industry of New York City and the contributors thereto.

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

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the annuity fund of the electrical switchboard and panelboard manufacturing industry of New York City, created May 23, 1957, as a result of an agreement between Local Union Numbered 3, International Brotherhood of Electrical Workers, American Federation of Labor and Congress of Industrial Organizations, and the Electrical Manufacturers of New York, Inc., which fund has never been operated in a manner which would jeopardize the interests of its beneficiaries, shall be deemed to have met the requirements of section 401(a) of the Internal Revenue Code of 1954 and shall be deemed to be exempt from tax under section 501(a) of the Internal Revenue Code of 1954 and section 165(a) of the Internal Revenue Code of 1939 for the period beginning April 1, 1956, and ending May 29, 1957.

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

MRS. ELIZABETH FOWLER

The Clerk called the bill (H.R. 9648) for the relief of Mrs. Elizabeth Fowler.

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

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That sections 15 to 20, inclusive, of the Act entitled "An Act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes", approved September 7, 1916, as amended (5 U.S.C. 765-770), are hereby waived in favor of Mrs. Elizabeth Fowler so as to enable her to file a claim for compensation based upon the death of her late husband, Thomas John Fowler, which was alleged to have resulted from an injury which he incurred while on active duty at Wendover Field, Utah, as an Army Reservist, on January 31, 1946, and her claim is authorized and directed to be considered and acted upon under the remaining provisions of such Act, as amended, if she files such claim with

the Department of Labor (Bureau of Employees' Compensation) not later than six months after the date of enactment of this Act. No benefits shall accrue by reason of the enactment of this Act for any period prior to the date of its enactment.

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

SENDING BILL (H.R. 4426) ENTITLED "A BILL FOR RELIEF OF CHARLES G. G. GROUP," WITH ACCOMPANYING PAPERS, TO COURT OF CLAIMS

The Clerk called the resolution (H. Res. 538) providing for sending the bill H.R. 4426, with accompanying papers, to the Court of Claims.

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

Resolved, That the bill (H.R. 4426) entitled "A bill for the relief of Charles G. G. Group", together with all accompanying papers, is hereby referred to the Court of Claims pursuant to sections 1492 and 2509 of title 28, United States Code; and the court shall proceed expeditiously with the same and report to the House, at the earliest practicable date, such findings of fact, including facts relating to delay or laches, facts bearing upon the question whether the bar of any statute of limitation should be removed, or facts claimed to excuse the claimant for not having resorted to any established legal remedy, and conclusions based on such facts as shall be sufficient to inform Congress whether the demand is a legal or equitable claim or a gratuity, and the amount, if any, legally or equitably due from the United States to the claimant.

The resolution was agreed to.

A motion to reconsider was laid on the table.

GUADALUPE VILLARREAL

The Clerk called the bill (H.R. 3536) for the relief of Guadalupe Villarreal, Sr. (in behalf of his minor son, Guadalupe Villarreal, Jr.).

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

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated to Guadalupe Villarreal, Senior, Elgin, Texas, in behalf of his minor son Guadalupe Villarreal, Junior, the sum of \$50,000. The payment of such sum shall be in full settlement of all claims of the said Guadalupe Villarreal, Senior, and his said minor son, Guadalupe Villarreal, Junior, against the United States, arising out of the personal injuries sustained by the said Guadalupe Villarreal, Junior, on July 20, 1955, at the Elgin Butler Brickyard, Elgin, Texas, as a result of the explosion of a 37 millimeter high explosive shell. This claim is not cognizable under the Federal Tort Claims Act: *Provided,* That no part of the amount appropriated in this Act in excess of 10 per centum thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this Act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

With the following committee amendments:

Page 1, lines 5 and 6, strike "to Guadalupe Villarreal, Senior, Elgin, Texas, in behalf of his minor son," and insert "the sum of \$10,000 to the legal guardian of."

Page 1, line 7, strike "sum of \$50,000. The payment of such sum shall be" and insert "minor son of Guadalupe Villarreal, Senior, of Elgin, Texas."

Page 1, lines 8 and 9, strike "Guadalupe Villarreal, Senior, and his said minor son,".

The committee amendments were agreed to.

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

The title was amended so as to read: "A bill for the relief of Guadalupe Villarreal, Jr."

A motion to reconsider was laid on the table.

WILLIAM EDGAR WEAVER

The Clerk called the bill (H.R. 8054) for the relief of William Edgar Weaver. There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, notwithstanding the expiration of the period prescribed by Public Law 744, Eighty-third Congress, approved August 31, 1954 (68 Stat. 1934), for the filing of claims under section 16 of the War Claims Act of 1948, as amended (62 Stat. 1240), the Foreign Claims Settlement Commission of the United States is directed to determine the validity and amount, in accordance with the provisions of that Act and the Commission's regulations previously in force with respect to claims under that section, of a claim for civilian detention benefits filed within ninety days after the enactment of this Act by or in behalf of William Edgar Weaver. The Commission shall certify to the Secretary of the Treasury for payment out of the War Claims Fund any award made by the Commission in accordance with applicable provisions of the War Claims Act of 1948, as amended, in favor of William Edward Weaver.

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

JOHN CALVIN TAYLOR

The Clerk called the bill (H.R. 8882) for the relief of John Calvin Taylor.

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

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Navy is authorized and directed to settle and pay in accordance with the Armed Forces Leave Act of 1946, the claim of John Calvin Taylor, of Salisbury, Maryland, for unused leave accrued incident to his service in the United States Navy from April 2, 1943, to November 17, 1945, notwithstanding the time limitation of June 30, 1951, for applications for such payments contained in section 5 of such Act of 1946, if an application for such settlement and payment is made by John Calvin Taylor not later than six months after the date of enactment of this Act. No part of the amount appropriated in this Act in excess of 10 per centum thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this

claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this Act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

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

LT. MATTHEW A. WOJDAK, U.S. NAVY (RETIRED)

The Clerk called the bill (H.R. 9913) for the relief of Lt. Matthew A. Wojdak, U.S. Navy (retired).

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

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That Lieutenant Matthew A. Wojdak, United States Navy (retired) is hereby relieved of liability to the United States in the amount of \$13,014.24, the gross amount of civilian compensation paid him in the period from August 3, 1956, through March 18, 1959, for the services he rendered in a civilian capacity at the United States Naval Air Station, North Island, San Diego, California, which payments were ruled to have been made in violation of the provisions of the Act of July 31, 1894 (5 U.S.C. 62), but without knowledge on his part of any violation of law. In the audit and settlement of the accounts of any certifying or disbursing officer to the United States, credit shall be given for any amount for which liability is relieved by this Act.

Sec. 2. The Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Lieutenant Matthew A. Wojdak, United States Navy (retired) an amount equal to the aggregate of the amounts paid by him, or withheld from sums otherwise due him and applied in satisfaction of the liability to the United States referred to in section 1 of this Act: *Provided*, That no part of the amount appropriated in this Act shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this Act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

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

ROBERT J. REEVES

The Clerk called the bill (H.R. 11165) for the relief of Robert J. Reeves.

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

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That Robert J. Reeves is hereby relieved of all liability to the United States to refund the amount of \$868.16 resulting from an overpayment of compensation he received, through administrative error, as an employee of Wright Air Development Division, Wright-Patterson Air Force Base, Ohio, in the period between August 24, 1958, and January 23, 1960.

With the following committee amendment:

Page 1, line 4: Strike "\$868.16" and insert "\$935.20, but not in excess thereof."

The committee amendment was agreed to.

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

MARION JOHN NAGURSKI

The Clerk called the bill (H.R. 12350) for the relief of Marion John Nagurski.

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

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Marion John Nagurski (serial number 9610124), International Falls, Minnesota, the sum of \$182.84. The payment of such sum shall be in full settlement of all claims of Marion John Nagurski against the United States for amounts due him as payment for unused leave accrued by him as an enlisted member of the United States Navy during the period beginning May 2, 1944, and ending January 10, 1946, both dates inclusive: *Provided*, That no part of the amount appropriated in this Act in excess of 10 per centum thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this Act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.*

With the following committee amendment:

Page 2, line 3, strike "in excess of 10 per centum thereof".

The committee amendment was agreed to.

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

MRS. MAUD A. PROVOOST

The Clerk called the bill (H.R. 3800) for the relief of Mrs. Maud A. Provoost.

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

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, in lieu of any annuity which she is receiving under any other law, Mrs. Maud A. Provoost, Port Chester, New York, shall be entitled to receive an annuity payable, from and after March 1, 1948, out of the civil service retirement and disability fund, as the surviving widow of William B. Provoost, late an employee in the United States post office, Port Chester, New York, as if the death of the said William B. Provoost had occurred on February 29, 1948.

With the following committee amendments:

Line 5, after the word "annuity" insert "authorized by the Civil Service Commission."

Line 6, strike out "March 1, 1948," and insert "the date of enactment of this legislation".

The committee amendments were agreed to.

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

COL. JOSEPH A. NICHOLS

The Clerk called the bill (H.R. 11322) for the relief of Col. Joseph A. Nichols. There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 212 of the Act of June 30, 1932 (5 U.S.C. 59a), is waived for the period beginning January 1, 1951, and ending November 30, 1953, both dates inclusive, insofar as it applied to Colonel Joseph A. Nichols, retired (Army serial number XXXXX), and he is relieved of liability to repay to the United States the sum of \$13,590.65, which was erroneously paid to him as civilian salary during such period while he was employed by the officers' open mess, Fort Benning, Georgia. In the audit and settlement of the accounts of any certifying or disbursing officer of the United States, full credit shall be given for all amounts for which liability is relieved by this Act.

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

GOURGEN H. ASSATURIAN

The Clerk called the bill (H.R. 2584) for the relief of Gourgen H. Assaturian.

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

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purpose of the Immigration and Nationality Act, Gourgen H. Assaturian shall be held and considered to have been lawfully admitted to the United States for permanent residence as of September 21, 1948, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this Act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

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

AUTHORIZING THE AWARD POSTHUMOUSLY OF APPROPRIATE MEDALS AND CERTIFICATES TO CHAPLAIN GEORGE L. FOX, ET AL.

The Clerk called the bill (S. 2969) to authorize the award posthumously of appropriate medals to Chaplain George L. Fox, Chaplain Alexander D. Goode, Chaplain Clark V. Poling, and Chaplain John P. Washington.

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

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the President is authorized to award posthumously appropriate medals and certificates to Chaplain George L. Fox of Cambridge, Vermont; Chaplain Alexander D. Goode of Washington, District of Columbia; Chaplain Clark V. Poling of Schenectady, New York; and

Chaplain John P. Washington of Arlington, New Jersey, in recognition of the extraordinary heroism displayed by them when they sacrificed their lives in the sinking of the troop transport *Dorchester* in the North Atlantic in 1943 by giving up their life preservers to other men aboard such transport.

SEC. 2. The medals and certificates authorized by this Act shall be in such form and of such design as shall be prescribed by the President, and shall be awarded to such representatives of the aforementioned chaplains as the President may designate.

SEC. 3. There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this Act.

With the following committee amendment:

On page 1, line 5, strike "Cambridge" and insert "Gilman".

The committee amendment was agreed to.

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

MR. RODINO. 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 Jersey?

There was no objection.

MR. RODINO. Mr. Speaker, the passage today of S. 2969, to award appropriate medals to the four chaplains, marks the culmination of several years of effort to grant proper recognition to four of the greatest men in American history.

Over 17 years have passed since February 3, 1943, when the troopship *Dorchester* was torpedoed off the coast of Greenland. The *Dorchester*, en route to Europe, carried on board four chaplains: Rev. George L. Fox, of Gilman, Vt.; Rabbi Alexander Goode, of Washington, D.C.; Rev. Clark V. Poling, of Schenectady, N.Y.; and Father John P. Washington, of Arlington, N.J. As the ship sank the four chaplains, having given away their lifejackets so that four others might live, linked arms in prayer and slowly went down to their death. Two Protestants, a Jew, and a Catholic went valiantly to their deaths under circumstances of the highest human drama, leaving behind them an object lesson in self-sacrifice and tolerance for all mankind.

In order that this eternal message of the unity and brotherhood of man and his identity with God be memorialized, I called upon the 84th Congress to dedicate a special day for this purpose. In due course my resolution was adopted, and February 3, 1957, was officially dedicated as *Dorchester Day*.

Since that time, I have determined to press for personal recognition for the courage of these four chaplains. It was my feeling, and that of several other Congressmen, that the valor exhibited by these men merited nothing less than the award of the Congressional Medal of Honor.

I therefore introduced a bill for this purpose in the 85th and again in this Congress. Unfortunately, technical objections against the award of the Con-

gressional Medal of Honor prevented the adoption of this bill.

The substitution of what is now before us as S. 2969, to award the four chaplains a special medal to be designed by the Department of Defense, is, in my opinion, a proper alternative and a fitting tribute to heroic service far above and beyond the call of duty.

A slight change added to the bill which passed the House today will require S. 2969 to go back to the Senate for approval. I am confident, however, that this approval will be speedily given and that the President's signature will promptly enact this most meritorious measure into law.

I should like to add that one of these great men whom we have honored today, Chaplain John P. Washington, was born in Newark, N.J., and was one of my constituents. Father Washington served in Kearny, N.J., before enlisting in the Army at the outbreak of the war. At a recent memorial mass in his honor, Msgr. Vincent Corbin, of St. Bridget's Church, said of him:

Many things have been written about him, and many things have been said about him. Some think of him, not as a hero, but as a martyr. But that is not for us to judge. That's for someone greater than ourselves. We know Father Washington as a good boy from a good family who became a good priest. What more can one ask of a man?

HANS E. T. HANSEN

The Clerk called the bill (H.R. 1671) for the relief of Hans E. T. Hansen.

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

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That notwithstanding the provision of section 212(a) (9) of the Immigration and Nationality Act, Hans E. T. Hansen may be issued a visa and admitted to the United States for permanent residence if he is found to be otherwise admissible under the provisions of that Act: Provided, That this exemption shall apply only to a ground for exclusion of which the Department of State or the Department of Justice had knowledge prior to the enactment of this Act.

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

IRENEO D. BRODIT AND ANTONIO D. BRODIT

The Clerk called the bill (H.R. 2117) for the relief of Ireneo D. Brodit and Antonio D. Brodit.

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

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of section 101(a) (27) (A) and 205 of the Immigration and Nationality Act, Ireneo D. Brodit and Antonio D. Brodit shall be held and considered to be the natural-born minor alien children of Vicente Brodit, a citizen of the United States.

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

**MRS. TERUKO TERI MIYAMOTO
(NEE IKEDA)**

The Clerk called the bill (H.R. 2124) for the relief of Mrs. Teruko Teri Miyamoto (nee Ikeda).

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

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act, Mrs. Teruko Teri Miyamoto (nee Ikeda) shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of enactment of this Act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this Act, the Secretary of State shall instruct the proper quota control officer to deduct one number from the appropriate quota for the first year that such quota is available.

With the following committee amendment:

Page 1, line 8, after the word "fee," strike out the remainder of the bill.

The committee amendment was agreed to.

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

BERNARDO PATERNOSTRO

The Clerk called the bill (H.R. 2705) for the relief of Bernardo Paternostro.

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

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, notwithstanding the provision of section 212 (a) (6) of the Immigration and Nationality Act, Bernardo Paternostro may be issued a visa and admitted to the United States for permanent residence if he is found to be otherwise admissible under the provisions of said Act, under such conditions and controls which the Attorney General, after consultation with the Surgeon General of the United States Public Health Service, Department of Health, Education, and Welfare, may deem necessary to impose: Provided, That a suitable and proper bond or undertaking, approved by the Attorney General, be deposited as prescribed by section 213 of the said Act: Provided further, That this exemption shall apply only to a ground for exclusion of which the Department of State or the Department of Justice had knowledge prior to the enactment of this Act.

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

MISS ELISABETH HOLLANDER

The Clerk called the bill (H.R. 2716) for the relief of Miss Elisabeth Hollander.

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

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act, Miss Elisabeth Hollander shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this Act, upon payment of the required visa

fee. Upon the granting of permanent residence to such alien as provided for in this Act, the Secretary of State shall instruct the proper quota control officer to deduct one number from the appropriate quota for the first year that such quota is available.

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

LUCIANO DI FRANCO

The Clerk called the bill (H.R. 2944) for the relief of Luciano Di Franco.

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

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, notwithstanding the provision of section 212 (a) (9) of the Immigration and Nationality Act, Luciano Di Franco may be issued a visa and admitted to the United States for permanent residence if he is found to be otherwise admissible under the provisions of that Act: Provided, That this exemption shall apply only to a ground for exclusion of which the Department of State or the Department of Justice had knowledge prior to the enactment of this Act.

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

EPIFANIO TRUPIANO

The Clerk called the bill (H.R. 3534) for the relief of Epifanio Trupiano.

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

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, notwithstanding the provision of section 212(a) (3) of the Immigration and Nationality Act, Epifanio Trupiano may be issued a visa and admitted to the United States for permanent residence if he is found to be otherwise admissible under the provisions of that Act: Provided, That a suitable and proper bond or undertaking, approved by the Attorney General, be deposited as prescribed by section 213 of the said Act: Provided further, That this exemption shall apply only to a ground for exclusion of which the Department of State or the Department of Justice had knowledge prior to the enactment of this Act.

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

ROSOLINA CIUFERRI

The Clerk called the bill (H.R. 3804) for the relief of Rosolina Ciuferrri.

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

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That Rosolina Ciuferrri, who lost United States citizenship under the provisions of section 401(c) of the Nationality Act of 1940, as amended, may be naturalized by taking, prior to one year after the effective date of this Act, before any court referred to in subsection (a) of section 310 of the Immigration and Nationality Act or before any diplomatic or consular officer of the United States abroad, the oaths prescribed by section 337 of the

said Act. From and after naturalization under this Act, the said Rosolina Ciuferrri shall have the same citizenship status as that which existed immediately prior to its loss.

With the following committee amendment:

Page 1, line 4, after the word "of" strike out "section 401(c)" and insert "section 401(e)".

The committee amendment was agreed to.

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

MAH QUOCK

The Clerk called the bill (H.R. 4236) for the relief of Woo Bow Land.

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

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act, Woo Bow Land shall be deemed to be a nonquota immigrant.

With the following committee amendment:

Strike out all after the enacting clause and insert in lieu thereof the following: "That, for the purposes of the Immigration and Nationality Act, Mah Quock shall be held and considered to have been lawfully admitted to the United States for permanent residence as of July 8, 1935."

The committee amendment was agreed to.

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

The title was amended so as to read: "A bill for the relief of Mah Quock."

A motion to reconsider was laid on the table.

ANATOLIJS JANITIS

The Clerk called the bill (H.R. 4555) for the relief of Anatolijs Janitis.

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

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, notwithstanding the provision of section 212(a) (6) of the Immigration and Nationality Act, Anatolijs Janitis may be issued a visa and admitted to the United States for permanent residence if he is found to be otherwise admissible under the provisions of such Act, under such conditions and controls which the Attorney General, after consultation with the Surgeon General of the United States Public Health Service, Department of Health, Education, and Welfare, may deem necessary to impose: Provided, That unless the beneficiary is entitled to care under the Dependents' Medical Care Act (70 Stat. 250), a suitable and proper bond or undertaking, approved by the Attorney General, be deposited as prescribed by section 213 of the Immigration and Nationality Act: Provided, further, That this exemption shall apply only to a ground for exclusion of which the Department of State or the Department of Justice had knowledge prior to the enactment of this Act.

With the following committee amendment:

Page 2, line 1, after the word "under" strike out "the Dependents' Medical Care Act (70

Stat. 250)" and insert "chapter 55, title 10, United States Code."

The committee amendment was agreed to.

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

HARALAMBOS GROUTAS

The Clerk called the bill (H.R. 4970) for the relief of Haralambos Groutas.

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

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act, Haralambos Groutas shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this Act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this Act, the Secretary of State shall instruct the proper quota control officer to deduct one number from the appropriate quota for the first year that such quota is available.

With the following committee amendment:

On page 1, line 5, after the words "have been" strike out the remainder of the bill and substitute in lieu thereof the following: "born in Great Britain."

The committee amendment was agreed to.

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

WONG GEE SING

The Clerk called the bill (H.R. 5647) for the relief of Wong Gee Sing.

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

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of sections 101(a)(27)(A) and 205 of the Immigration and Nationality Act, Wong Gee Sing shall be held and considered to be the minor alien child of Wong Len Chong, citizen of the United States.

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

MARY ELIZABETH TIGHE CRESPO

The Clerk called the bill (H.R. 6804) for the relief of Mary Elizabeth Tighe Crespo.

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

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, notwithstanding the provision of section 212(a)(4) of the Immigration and Nationality Act, Mary Elizabeth Tighe Crespo may be issued a visa and admitted to the United States for permanent residence if she is found to be otherwise admissible under the provisions of the Act: Provided, That this exemption shall apply only to a ground for exclusion of which

the Department of State or the Department of Justice had knowledge prior to the enactment of this Act.

With the following committee amendment:

On page 1, line 11, after the word "Act" strike out the period and add the following: "Provided further, That, unless the beneficiary is entitled to care under chapter 55, title 10, United States Code, a suitable and proper bond or undertaking, approved by the Attorney General, be deposited as prescribed by section 213 of the Immigration and Nationality Act."

The committee amendment was agreed to.

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

MRS. HUMIKO ROSS

The Clerk called the bill (H.R. 7425) for the relief of Mrs. Humiko Ross.

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

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That Mrs. Humiko Ross, the widow of a United States citizen, shall be deemed to be within the purview of section 101(a)(27)(A) of the Immigration and Nationality Act, and the provisions of section 205 of that Act shall not be applicable in this case.

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

PIERRE R. DEBROUX

The Clerk called the bill (H.R. 8253) for the relief of Pierre R. DeBroux.

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

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the provisions of section 316(a) of the Immigration and Nationality Act as they relate to residence and physical presence requirements for naturalization, shall be inapplicable in the case of Pierre R. DeBroux.

With the following committee amendment:

Page 1, line 6, after "DeBroux" insert "Provided, That nothing in this Act shall be held to waive the six-month residence requirement within the State in which the petition for naturalization is filed."

The committee amendment was agreed to.

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

OTTO SMALL

The Clerk called the bill (H.R. 8384) for the relief of Otto Small.

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

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That Otto Small, who lost United States citizenship under the provisions of section 352(a)(2) of the Immigration and Nationality Act, may

be naturalized by taking prior to one year after the effective date of this Act, before any court referred to in subsection (a) of section 310 of the Immigration and Nationality Act or before any diplomatic or consular officer of the United States abroad, the oaths prescribed by section 337 of the said Act. From and after naturalization under this Act, the said Otto Small shall have the same citizenship status as that which existed immediately prior to its loss.

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

SISTER FRANCES CABRINI (VIRGINIA BILBAO)

The Clerk called the bill (H.R. 9610) for the relief of Sister Frances Cabrini (Virginia Bilbao).

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

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the immigration and naturalization laws, Sister Frances Cabrini (Virginia Bilbao) shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this Act, upon payment of the required visa fee. Upon the granting of permanent residence as provided in this Act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

With the following committee amendment:

Strike out all after the enacting clause and insert in lieu thereof the following: "That the Attorney General is authorized and directed to cancel any outstanding orders and warrants of deportation, warrants of arrest, and bond, which may have issued in the case of Sister Frances Cabrini (Virginia Bilbao). From and after the date of the enactment of this Act, the said Sister Frances Cabrini (Virginia Bilbao) shall not again be subject to deportation by reason of the same facts upon which such deportation proceedings were commenced or any such warrants and orders have issued."

The committee amendment was agreed to.

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

IDA EXLE (NEE IDA STERIO)

The Clerk called the bill (H.R. 10002) for the relief of Ida Exle (nee Ida Sterio).

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

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of sections 203(a)(2) and 205 of the Immigration and Nationality Act, Ida Exle (nee Ida Sterio) shall be held and considered to be the natural mother of Charles Klippel, a citizen of the United States.

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

DOCUMENTATION AS A VESSEL OF THE UNITED STATES WITH LIMITED COASTWISE PRIVILEGES OF THE VESSEL "EDITH Q."

The Clerk called the bill (S. 1765) to authorize and direct 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.

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

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, notwithstanding the provisions of section 4132 of the Revised Statutes of the United States, as amended (46 U.S.C. 11), and section 27 of the Merchant Marine Act, 1920, as amended (46 U.S.C. 883), the Secretary of the Treasury is authorized and directed to cause that certain vessel now known as the Edith Q., (formerly the Miss Paul), built in 1950 in Nova Scotia, and now owned by James O. Quinn, of Sunset, Maine, to be documented as a vessel of the United States with full coastwise privileges, upon compliance with the usual requirements, so long as the vessel is owned and shall continue to be owned by a citizen of the United States.

With the following committee amendment:

Strike out all after the enacting clause and insert in lieu thereof the following: "That, notwithstanding the provisions of section 4132 of the Revised Statutes of the United States, as amended (46 U.S.C. 11), the Secretary of the Treasury is authorized and directed to cause that certain vessel now known as the Edith Q. (formerly the Miss Paul), built in 1950 in Nova Scotia, and now owned by James O. Quinn, of Sunset, Maine, to be documented as a vessel of the United States, upon compliance with the usual requirements, with the privilege of engaging in the coastwise trade to the extent necessary to permit the carriage of passengers and merchandise, whether for hire or otherwise, between Camden, Great Spruce Head Island, and other points in Maine, located on the Penobscot River and Penobscot Bay, and the tributaries and approaches thereto, during the period from May 15 through September 15 annually, so long as the vessel shall continue to be owned by a citizen of the United States."

The amendment was agreed to.

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

The title of the bill was amended to read: "An act to authorize and direct 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 limited coastwise privileges."

A motion to reconsider was laid on the table.

MANUEL ALVES DE CARVALHO

The Clerk called the bill (S. 762) for the relief of Manuel Alves de Carvalho.

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

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act, Manuel Alves de Carvalho shall be held and considered to have been lawfully admitted to the United States for permanent residence as of March 13, 1957.

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

HENRY K. LEE (HYUN KUI)

The Clerk called the bill (S. 2089) for the relief of Henry K. Lee (Hyun Kui).

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

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act, Henry K. Lee (Hyun Kui) shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this Act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this Act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

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

EMIKO NAGAMINE

The Clerk called the bill (S. 2106) for the relief of Emiko Nagamine.

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

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act, Emiko Nagamine shall be deemed to be within the purview of section 101(a)(27)(B) of that Act.

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

JOHN LIPSET

The Clerk called the bill (S. 2528) for the relief of John Lipset.

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

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act, John Lipset shall be deemed to have retained the status conferred upon him under Private Law 844 of the Eighty-fourth Congress, and the provisions of section 205 of the Immigration and Nationality Act shall not be applicable in this case.

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

MO TONG LUI

The Clerk called the bill (S. 2639) for the relief of Mo Tong Lui.

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

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of section 101(a)(27)(A) of the Immigration and Nationality Act, Mo

Tong Lui shall be held and considered to be under 21 years of age: *Provided, That a petition is filed in his behalf under section 205 of the said Act within one year from the date of enactment of this Act.*

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

LLOYD C. KIMM

The Clerk called the bill (S. 2646) for the relief of Lloyd C. Kimm.

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

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act, Lloyd C. Kimm shall be held and considered to have been lawfully admitted to the United States for permanent residence as of July 21, 1925.

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

YI YOUNG AN

The Clerk called the bill (S. 2681) for the relief of Yi Young An.

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

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of sections 101(a)(27)(A) and 205 of the Immigration and Nationality Act, the minor child, Yi Young An, shall be held and considered to be the natural-born alien child of Staff Sergeant and Mrs. John L. Brown, citizens of the United States: *Provided, That the natural parents of the said Yi Young An shall not, by virtue of such parentage, be accorded any right, privilege, or status under the Immigration and Nationality Act.**

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

FREDERICK T. C. YU AND HIS WIFE ALICE SIAO-FEN CHEN YU

The Clerk called the bill (S. 2768) for the relief of Frederick T. C. Yu and his wife, Alice Siao-Fen Chen Yu.

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

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That Frederick T. C. Yu and his wife, Alice Siao-Fen Chen Yu, may be naturalized upon compliance with all of the requirements of title III of the Immigration and Nationality Act, except that—

(a) no period of residence or physical presence within the United States or any State shall be required in addition to their residence and physical presence within the United States since October 31, 1947; and

(b) their petitions for naturalization may be filed with any court having naturalization jurisdiction.

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

NIKOLIJA LAZIC

The Clerk called the bill (S. 2886) for the relief of Nikolija Lazic.

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

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of section 4 of the Act entitled "An Act to provide for the entry of certain relatives of United States citizens and lawfully resident aliens", approved September 22 1959 (73 Stat. 644), Nikolija Lazic shall be held and considered to be eligible for a quota immigrant status under the provisions of section 203(a) (4) of the Immigration and Nationality Act on the basis of a petition approved by the Attorney General prior to January 1, 1959.

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

BORIS PRIESTLEY

The Clerk called the bill (S. 2918) for the relief of Boris Priestley.

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

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act, Boris Priestley shall be deemed to have been born in Great Britain.

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

EUGENE STORME

The Clerk called the bill (S. 2942) for the relief of Eugene Storme.

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

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of section 101(a) (27) (A) and 205 of the Immigration and Nationality Act, the minor child, Eugene Storme, shall be held and considered to be the natural-born alien child of Stanley Storme and Adele Storme, citizens of the United States: Provided, That the natural parents of the said Eugene Storme shall not, by virtue of such parentage, be accorded any right, privilege, or status under the Immigration and Nationality Act.

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

KANG SUN OK

The Clerk called the bill (S. 2964) for the relief of Kang Sun Ok.

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

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, in the administration of the Immigration and Nationality Act, Kang Sun Ok, the fiancé of Sergeant Norman W. Lade, a citizen of the United States, shall be eligible for a visa as a nonimmigrant temporary visitor for a period of three months, if the administrative authorities find (1) that the said Kang Sun Ok is coming to the United States with a

bona fide intention of being married to the said Sergeant Norman W. Lade and (2) that she is otherwise admissible under the Immigration and Nationality Act. In the event the marriage between the above-named persons does not occur within three months after the entry of the said Kang Sun Ok, she shall be required to depart from the United States and upon failure to do so shall be deported in accordance with the provisions of sections 242 and 243 of the Immigration and Nationality Act. In the event that the marriage between the above-named persons shall occur within three months after the entry of the said Kang Sun Ok, the Attorney General is authorized and directed to record the lawful admission for permanent residence of the said Kang Sun Ok as of the date of the payment by her of the required visa fee.

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

AH SEE LEE CHIN

The Clerk called the bill (S. 2991) for the relief of Ah See Lee Chin.

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

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, in the administration of the Immigration and Nationality Act, Ah See Lee Chin shall be held and considered to be within the purview of the first proviso to section 312 (1) of that Act and may be naturalized upon compliance with all of the other requirements of title III of that Act.

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

JULIUS F. STEINHOFF

The Clerk called the bill (H.R. 1588) for the relief of Julius F. Steinhoff.

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

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of section 101(a) (27) (c) of the Immigration and Nationality Act, Julius F. Steinhoff shall be held and considered to be a native of Canada.

With the following committee amendment:

Strike out all after the enacting clause and insert in lieu thereof the following: "That, for the purposes of the Immigration and Nationality Act, Julius F. Steinhoff shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this Act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this Act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available."

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

MAURICE DEVLIN

The Clerk called the bill (H.R. 1681) for the relief of Maurice Devlin.

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

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, notwithstanding the provision of section 212(a) (9) and (17) of the Immigration and Nationality Act, Maurice Devlin, may be admitted to the United States for permanent residence if he is found to be otherwise admissible under the provisions of that Act: Provided, That this exemption shall apply only to a ground, for exclusion of which the Department of State or the Department of Justice had knowledge prior to the enactment of this Act.

With the following committee amendment.

On page 1, line 3, after "section 212(a) (9)" insert a comma.

On page 1, strike out all of lines 4, 5, 6, 7, and the language "apply only to a ground" on line 8, and substitute the following: "(17) and (19) of the Immigration and Nationality Act, Maurice Devlin, may be issued a visa and admitted to the United States for permanent residence if he is found to be otherwise admissible under the provisions of that act: Provided, That these exemptions shall apply only to grounds".

The amendment was agreed to.

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

WALTER F. BEECROFT

The Clerk called the bill (S. 3016) for the relief of Walter F. Beecroft.

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

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That Walter F. Beecroft may be naturalized upon compliance with all of the requirements of title III of the Immigration and Nationality Act, except that—

(a) no period of residence or physical presence within the United States or any State shall be required in addition to his residence and physical presence within the United States since July 31, 1952; and

(b) the petition for naturalization may be filed with any court having naturalization jurisdiction.

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

JUNG HI PAK

The Clerk called the bill (S. 3038) for the relief of Jung Hi Pak.

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

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of sections 101(a) (27) (A) and 205 of the Immigration and Nationality Act, the minor child, Jung Hi Pak, shall be held and considered to be the natural-born alien child of Captain and Mrs. William S. Herington, citizens of the United States: Provided, That no natural parent of Jung Hi Pak, by virtue of such parentage, shall be accorded any right, privilege, or status under the Immigration and Nationality Act.

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

OH CHUN SOON

The Clerk called the bill (S. 3049) for the relief of Oh Chun Soon.

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

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of sections 101(a)(27)(A) and 205 of the Immigration and Nationality Act, the minor child, Oh Chun Soon, shall be held and considered to be the natural-born alien child of Mr. and Mrs. Alvin L. May, citizens of the United States: Provided, That the natural parents of the said Oh Chun Soon shall not, by virtue of such parentage, be accorded any right, privilege, or status under the Immigration and Nationality Act.

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

PASQUALE MIRA

The Clerk called the bill (S. 3091) for the relief of Pasquale Mira.

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

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, notwithstanding the provision of section 212(a)(9) of the Immigration and Nationality Act, Pasquale Mira may be issued a visa and be admitted to the United States for permanent residence if otherwise admissible under the provisions of that Act: Provided, That this exemption shall apply only to a ground for exclusion of which the Department of State or the Department of Justice has knowledge prior to the enactment of this Act.

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

ANNE-MARIE STEHLIN

The Clerk called the bill (S. 3130) for the relief of Anne-Marie Stehlin.

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

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, in the administration of the Immigration and Nationality Act, Anne-Marie Stehlin, a naturalized citizen of the United States, shall be permitted to reside in France until May 31, 1964, without losing her United States citizenship under section 352(a) of such Act.

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

CECILIA RUBIO

The Clerk called the bill (S. 3235) for the relief of Cecilia Rubio.

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

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act, Cecilia Rubio shall be deemed to have been born in Spain, and the provisions of

sections 201(a), 202(a)(5) and 202(b)(2) of that Act shall not be applicable in this case.

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

JULIA SUKKAR

The Clerk called the bill (S. 2740) for the relief of Julia Sukkar.

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

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act, Julia Sukkar shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this Act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this Act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

With the following committee amendment:

Strike out all after the enacting clause and insert in lieu thereof the following: "That the Attorney General is authorized and directed to cancel any outstanding orders and warrants of deportation, warrants of arrest, and bond, which may have been issued in the case of Julia Sukkar. From and after the date of the enactment of this Act, the said Julia Sukkar shall not again be subject to deportation by reason of the same facts upon which such deportation proceedings were commenced or any such warrants and orders have issued."

The amendment was agreed to.

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

MING-CHEN HSU

The Clerk called the bill (S. 2941) for the relief of Mrs. Ming-Chen Hsu (nee Nai-Fu Mo).

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

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of section 6 of the Act entitled "An Act to provide for the entry of certain relatives of United States citizens and lawfully resident aliens", approved September 22, 1959 (73 Stat. 644), Mrs. Ming-Chen Hsu (nee Nai-Fu Mo) shall be held and considered to be the beneficiary of a visa petition approved by the Attorney General pursuant to section 203(a)(3) and section 205 of the Immigration and Nationality Act prior to January 1, 1959.

With the following committee amendment:

Strike out all after the enacting clause and insert in lieu thereof the following: "That, for the purposes of the Immigration and Nationality Act, Ming-Chen Hsu shall be held and considered to have been lawfully admitted to the United States for permanent residence as of September 12, 1948."

The amendment was agreed to.

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

The title of the bill was amended so as to read: "A bill for the relief of Ming-Chen Hsu."

A motion to reconsider was laid on the table.

HUAN-PIN TSO

The Clerk called the bill (S. 2967) for the relief of Huan-pin Tso.

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

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of sections 203(a)(3) and 205 of the Immigration and Nationality Act, Huan-pin Tso shall be held and considered to be the natural-born son of Mr. and Mrs. Ting Hsien Wang, aliens lawfully admitted to the United States for permanent residence: Provided, That the natural parents of the said Huan-pin Tso shall not, by virtue of such parentage, be accorded any right, privilege, or status under the Immigration and Nationality Act.

With the following committee amendments:

On page 1, line 3, strike out "sections 203(a)(3) and 205" and substitute in lieu thereof "sections 101(a)(27)(A) and 205".

On page 1, lines 6 and 7, strike out the language "aliens lawfully admitted to the United States for permanent residence" and substitute "citizens of the United States".

The committee amendments were agreed to.

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

WILLIAM RADKOVICH CO., INC.

The Clerk called the bill (H.R. 9079) for the relief of William Radkovich Co., Inc.

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

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That jurisdiction be, and the same is hereby, conferred upon the United States Court of Claims to hear, determine, and render judgment upon the claims of William Radkovich Company, Incorporated, arising under contracts with the United States for the construction of various structures, said contracts being numbered W-04-353-eng-2036 and W-04-353-eng-2050, against the United States for the difference between the reasonable value of said structures as of the time of the completion of such contracts and the amount paid to said company for such structures, said recovery to be permitted only in the event that it shall be established that the actual cost of the said William Radkovich Company, Incorporated, of erecting such structures exceeded the reasonable value of such structures, such judgment to be entered notwithstanding any limitations imposed by law upon Government representatives whose responsibility it was to let the aforementioned contracts and notwithstanding the technical provisions of said contracts with respect to payment thereunder: Provided, That the suit herein authorized shall be instituted within six months from the date of the approval of this Act.

With the following committee amendment:

Strike out all after the enacting clause and insert: "That jurisdiction is hereby conferred upon the United States Court of

Claims to hear, determine, and render judgment upon the claims of William Radkovich Company, Incorporated, arising out of contracts numbered W-04-353-eng-2036 and W-04-353-eng-2050, against the United States for the reasonable value, computed as of the time when made, of any reasonable and necessary changes and increases beyond the terms of said contracts made at the direction of the contracting officer, for which the said William Radkovich Company, Incorporated, was not compensated because of the provisions of section 12 of the Military Appropriation Act, 1947 (60 Stat. 565), which precluded payment of more than \$7,500 per unit for the construction of temporary family quarters: *Provided*, That the suit herein authorized shall be instituted within six months from the date of the approval of this Act."

The committee amendment was agreed to.

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

RICHARD J. POWER

The Clerk called the bill (H.R. 11486) for the relief of Richard J. Power

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

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That Richard J. Power is hereby relieved of all liability to the United States to refund the amount of \$660.80, resulting from an overpayment of compensation he received, through administrative error, as an employee of Air Materiel Command, Wright-Patterson Air Force Base, Ohio, in the period between June 25, 1958, to June 6, 1959.

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

MINA AND HENEK SZNAIDER

The Clerk called the bill (H.R. 4981) for the relief of Mina and Henek Sznaider.

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

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, notwithstanding the provision of section 212(a) (19) of the Immigration and Nationality Act, Mina and Henek Sznaider may be issued a visa and admitted to the United States for permanent residence if they are found to be otherwise admissible under the provisions of that Act: *Provided*, That this exemption shall apply only to a ground for exclusion of which the Department of State or the Department of Justice had knowledge prior to the enactment of this Act.

With the following committee amendments:

On page 1, line 3, strike out "provision of section 212(a) (19)" and substitute in lieu thereof "provisions of section 212(a) (9) and (19)".

On page 1, line 5, strike out the words "a visa" and substitute "visas".

On page 1, line 8, strike out the words "this exemption" and substitute "these exemptions".

On page 1, line 8, strike out the words "a ground" and substitute "grounds".

The committee amendments were agreed to.

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

DR. TZE I. CHIANG

The Clerk called the bill (H.R. 9960) for the relief of Dr. Tze I. Chiang.

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

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act, Doctor Tze I. Chiang shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of January 9, 1954.

With the following committee amendment:

Page 1, line 6, after "1954," insert the following: "upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this Act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available."

The committee amendment was agreed to.

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

ADOLF B. JOCHNICK

The Clerk called the bill (H.R. 10376) for the relief of Adolf B. Jochnick.

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

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That for the purposes of the Immigration and Nationality Act, Adolf B. Jochnick shall be held and considered to have been lawfully admitted to the United States for permanent residence as of August 1, 1953.

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

SUSPENSION OF DEPORTATION IN THE CASES OF CERTAIN ALIENS

The Clerk called Senate Concurrent Resolution 103.

There being no objection, the Clerk read the Senate concurrent resolution, as follows:

Resolved by the Senate (the House of Representatives concurring), That the Congress favors the suspension of deportation in the case of each alien hereinafter named, in which case the Attorney General has suspended deportation for more than six months:

XXXXXXXX	Apsis, Crysostome Alexander.
XXXXXXXX	Apsis, Diane Helen.
XXXX	Donze, Peter.
XXXXXXXX	Farfan, Domingo.
XXXX	Fatovic, Sime.
XXXXXXXX	Rodriguez-Guzman, Guillermo.
XXXXXXXX	Santos, Manuel.
XXXXXXXX	Tsakiridis, Anastassios.
XXXXXXXX	Young, Richard Kai.

XXXXXX	Gomez, Salvador.
XXXXXXXXXX	Lyrras, Sozon.
XXXXXXXXXX	Ojeda, Miguel Carrizales.
XXXXXXXXXX	Ojeda, Simona Hernandez.
XXXX	Schoendfeldt, Rudolph Herman.
XXXXXXXXXX	Yew, Lai Wo.
XXXXXXXXXX	Sirakof, Mehmedale Ibrahim.
XXXX	Ying, Shih Tseng.
XXXX	Ying, Agnes S.
XXXXXXXXXX	Hochstaedt, Amalie.
XXXX	Hochstaedt, Samuel.
XXXX	Wong, How Tung.
XXXX	Wai Young.
XXXXXXXXXX	Cooper, Morris.

With the following committee amendments:

On page 1, strike out lines 6, 7, and 9.

On page 2, strike out lines 4, 8, 10, 11, 14, 15, and 16.

The committee amendments were agreed to.

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

ANNA SEMECHOLE MARCOLINA

The Clerk called the bill (H.R. 9042) for the relief of Anna Semechnole Marcolina.

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

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, Anna Semechnole Marcolina, who lost United States citizenship under the provisions of section 401(e) of the Nationality Act of 1940, may be naturalized by taking, prior to one year after the date of the enactment of this Act, before any court referred to in subsection (a) of section 310 of the Immigration and Nationality Act or before any diplomatic or consular officer of the United States abroad, an oath as prescribed by section 337 of such Act. From and after naturalization under this Act, the said Anna Semechnole Marcolina shall have the same citizenship status as that which existed immediately prior to its loss.

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

LOW WING QUEY (KWAI)

The Clerk called the bill (S. 2822) for the relief of Low Wing Quey (Kwai).

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

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of sections 101(a) (27) (A) and 205 of the Immigration and Nationality Act, Low Wing Quey (Kwai) shall be held and considered to be the natural-born minor alien child of Low Shiu Hong, a citizen of the United States.

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

Mr. ROBERTS. Mr. Speaker, I ask unanimous consent that further call of bills on the Private Calendar be dispensed with.

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

There was no objection.

M. SGT. EMERY C. JONES

Mr. LANE. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H.R. 6081) for the relief of M. Sgt. Emery C. Jones, with Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Page 1, line 6, strike out "\$1,421.43" and insert "\$1,436.40".

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

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

MRS. ETHEL B. MORGAN

Mr. LANE. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H.R. 9443) for the relief of Mrs. Ethel B. Morgan, with Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Strike out line 6 and insert "have been the wife and subsequently the widow (as those terms are defined in section 216 of that Act)".

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

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

INCREASING FOR 1 YEAR THE PUBLIC DEBT LIMIT SET FORTH IN SECTION 21 OF THE SECOND LIBERTY BOND ACT

Mr. MILLS. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 12381) to increase for 1-year period the public debt limit set forth in section 21 of the Second Liberty Bond Act and to extend for 1 year the existing corporate normal-tax rate and certain excise-tax rates, with Senate amendments thereto, disagree to the Senate amendments, and agree to the conference requested by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas? [After a pause.] The Chair hears none and appoints the following conferees: Messrs. MILLS, FORAND, KING of California, O'BRIEN of Illinois, MASON, BYRNES of Wisconsin and BAKER.

FARM SURPLUS REDUCTION ACT OF 1960

Mr. THORNBERRY. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 564 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 12261) to amend the Agricultural Adjustment Act of 1938, as amended, and the Agricultural Act of 1949, as amended, with respect to market adjustment and price support programs for wheat and feed grains, to provide a high-protein food distribution program, and for other purposes. After general debate, which shall be confined to the bill, and shall continue not to exceed two hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Agriculture, the bill shall be read for amendment under the five-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

CALL OF THE HOUSE

Mr. ANDERSEN of Minnesota. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. ALBERT. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 139]

Alford	Diggs	May
Anfuso	Donohue	Meador
Auchincloss	Dooley	Michel
Baker	Durham	Miller, N.Y.
Barden	Evins	Mitchell
Barr	Fisher	Moorhead
Blitch	Frazier	Morris, Okla.
Boykin	Gallagher	Norrell
Brademas	Hardy	Philbin
Brooks, La.	Hogan	Powell
Brooks, Tex.	Jackson	Roush
Buckley	Kasem	Sheiley
Burdick	Kastenmeier	Steed
Cahill	Kilday	Taylor
Carnahan	McCormack	Teller
Celler	McSweeney	Wampler
Coffin	Macdonald	Wharton
Curtis, Mo.	Madden	Willis
Denton	Magnuson	

The SPEAKER pro tempore (Mr. ALBERT). On this rollcall 374 Members have answered to their names, a quorum is present.

By unanimous consent, further proceedings under the call were dispensed with.

NATIONAL DEFENSE

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

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

There was no objection.

AMERICA'S RECESSIONAL

Mr. CANNON. Mr. Speaker, the release of Kipling's "Recessional" at England's greatest hour struck the world

with the heaviest immediate impact of any epode ever published.

It was received with tolerance. No one accepted it at face value. England was mistress of the seas. Britannia ruled the waves. Her morning drumbeat encircled the globe. The Ambassador from the Court of St. James was accorded pre-eminence in every chancellery in the world. British statesmen had maintained world peace for a hundred years.

But overnight her empire crumbled. Her armies shrank. Her navies rotted. One by one her colonial possessions were abandoned. She withdrew her troops from strategic outposts. Briefly and inexorably her overlordship vanished.

The United States took over the burden. American troops supplanted British regulars in Greece. American might policed the world's trouble spots. And American philanthropy established a new international policy which refused to accept colonial dependencies and spent billions of dollars in fostering independent democracies in the Philippines and Cuba and in the rehabilitation of defeated enemies.

At the conclusion of the Second World War we stood alone—the greatest military power the world had ever seen. We had the greatest army, more planes, more tanks, more ships than any other nation, and in our teeming cities more wealth and a greater productive capacity than all the rest of the world combined.

And once more—overnight—the wheel turns and we are a second-rate power. Our position in the world is dramatically weaker. We have given billions of dollars, and in every quarter of the globe we are the most hated nation. Our representatives cannot leave the borders of our country—north, south, east, or west—without being subjected to the most degrading and insulting personal abuse and actual physical violence.

We are bound to the enlightened nations of the world by treaties of mutual assistance. In the days of our military supremacy they were glad to join us in nonaggression compacts of mutual defense and to accord us military bases for our Strategic Air Command. But recently the Icelandic Althing has insisted on the removal of our base, France has notified us that she will no longer permit us to maintain nuclear weapons or warheads on French soil and England has insisted that we enter into negotiations with Russia at summit meetings.

Why this sudden change? Why this remarkable reversal in attitude of our allies? It is very simple. Here in the House we have blindly followed the admirals and wasted our time, money, and resources on useless carriers while the Russians have concentrated on missiles and submarines. They have never been foolish enough to build a carrier but they are 2 to 4 years ahead of us in missiles and submarines—and to that extent they are in control of the world situation. They are taking full advantage of it and their leaders daily insult and abuse and deride us until the attitude of the world is one of pity and contempt instead of the esteem and regard in which we were held a short decade ago.

The administration and our congressional leaders tell us that we are still supreme and able to lick any nation in the world with one hand tied behind. What else could they say? But it is well known on the most competent authority that we are in vital respects as much as 3 or 4 years behind Russia in modern military armament, and that the Russian lead is increasing instead of diminishing.

The responsibility is right here on this floor where we have failed to take the initiative and keep abreast of the times. If we had expended on submarines and missiles the emphasis we have wasted on carriers we would not today find ourselves in this humiliating and dangerous situation.

We have ignored the history of undersea warfare. But Russia and Red China have been alert to its significance.

This is why today Russia is operating a submarine fleet three times the size of our own, why Russia years ago abandoned large surface naval vessels and instead embarked on the construction of 100 submarines a year, and why Russia today is concentrating on the development and construction of nuclear submarines. This is also why the Chinese Communist navy now has a fleet of about 20 submarines, why Red China is currently constructing more attack submarines per year on the average than is the United States, and why Premier Chou En-Lai recently stated that Red China will have nuclear submarines within 5 years.

Submarine warfare came close to bringing the Western Allies to their knees, and to possible defeat, by World War I and World War II. The German Navy failed only because Germany, ironically, failed to provide the German Navy with a sufficient number of submarines. This was particularly ironic for the reason that, historically, Germany had been the foremost exponent of submarine warfare. The United States today must understand this mistake of Germany in two world wars, and benefit from the lesson by providing our own Navy with the number of nuclear submarines needed to cope with present defense requirements.

In August 1914 Germany had 28 submarines of which only 10 were fit for use beyond her own harbors and only 2 were really seagoing boats. Notwithstanding, German submarines, during World War I, sank 5,708 merchant ships with a combined gross tonnage of 11,018,865 tons, and practically paralyzed the supply lanes from the United States to Western Europe. Our convoys were repeatedly decimated with terrible loss of life. Final victory over the U-boats came only because the blockade of attrition mounted and maintained against Germany made it impossible for Germany to replace the U-boats lost in action. The submarine warfare of World War I was a bitter pill for the Allies.

In the span of 21 years between the end of World War I in 1918, and the outbreak of World War II in 1939, neither Germany on the one hand, nor the Allied nations, on the other, profited

from the brutal lesson taught by the U-boats. During the pre-World War II era, the Germany Naval High Command moved rapidly to rebuild the German Navy. However, submarines were not given sufficient priority and, as a result, at the outbreak of World War II, Germany had only 57 submarines of which but 22 were oceangoing. In this Germany made a serious mistake. During the same time period, the Allied Nations gave grossly inadequate attention to the problems of undersea warfare.

The horrors of the grim, deadly Battle of the Atlantic are still recent enough to be remembered, and the United States must profit from its lesson. The German submarines blockaded our Atlantic seaboard. Oil tankers were sunk with sickening regularity. Oil supplies to our industrial complexes in the East and Northeast dwindled to a trickle. Troopships and supply ships were under constant attack. The convoy system was only partially successful against the German submarine wolfpacks. Their effectiveness is strikingly demonstrated—they sank 14,547,463 tons of Allied shipping, more than half of the total tonnage sunk—24,246,489—by submarines, aircraft, surface craft, mines, collisions, and other enemy action.

If the German Naval High Command had only had the foresight to provide a larger submarine fleet, the Allies' losses would have been much more crippling. And, on the other hand, if the Allied navies had devoted themselves in the 1930's to the perfection of antisubmarine warfare weapons and tactics, World War II would have unquestionably been shortened and victory won sooner with less losses and suffering.

The World War II story in the Pacific, from the Allied standpoint, was exactly the reverse of the story in the Atlantic. In the Atlantic the German submarines had the initiative and the Allies were constantly on the defensive, down to the bitter end of the war. In the Pacific, however, our small submarine fleet of 51 took the initiative and wrought havoc on the Japanese Navy and Japanese supply and troop ships. Before Pearl Harbor, the popular concept was that submarines would play a minor role in war, acting principally as scouting and attack agents for the surface fleet. This explains the name "fleet boats" given to our World War II type submarines. But our submarines proved to be much more devastating and effective than was foreseen.

The following extracts from "United States Submarine Operations in World War II," by Theodore Roscoe, illustrates the far-reaching effects of American submarine depredations against the Japanese—effects which were in fact decisive:

The part played by U.S. submarines in Japan's maritime demise is depicted with reasonable accuracy in the figures compiled after the war by the Joint Army-Navy Assessment Committee.

U.S. submarines scored as below:
Number of merchant ships sunk, 1,178.
Merchant tonnage sunk, 5,053,491 tons.
Number of Japanese naval vessels sunk, 214.
Japanese naval tonnage sunk, 577,626 tons.

About 55 percent of all Japanese shipping (merchant and naval) downed in World War II was sunk by U.S. submarines—an achievement accomplished by a force that consisted of less than 2 percent of the U.S. Navy's personnel.

A more or less impartial observer, German Vice Admiral Weneker, who was stationed in Japan during the war, when asked what he considered the cause for Japan's loss of the war, stated that, in his opinion, Japanese overconfidence, underestimation of the enemy and overextended supply lines which could not be protected were basic causes. He further stated:

After that I would say the reasons for their disaster could be classed about as follows in order of importance: First, and by far the worst, were the attacks of the highly efficient American submarine.

In retrospect, submarine warfare played a decisive role in the Atlantic in both World Wars and in the Pacific in World War II, even though the submarines in both these wars were not true submarines, but in effect surface vessels which could submerge for limited periods of time during which their speed and mobility were sharply restricted. The nuclear submarine has proven itself to be a real submarine, capable of operating for more than 2 months fully submerged, completely divorced from the earth's atmosphere. It constitutes a revolutionary third dimension to warfare, made possible by atomic energy. And the application of atomic energy has drastically changed still another concept of naval warfare and supply. The convoy system of the two World Wars is as outmoded and archaic as a Roman chariot on a superhighway. The nuclear warhead in today's missile or torpedo packs such a devastating punch that a single megaton detonation anywhere near a convoy will wipe out every ship in the convoy. With convoy operation no longer a protection but a trap, troop and supply vessels will once more have to travel alone and be picked off by submarines one by one like ducks in a barrel.

Soviet Russia has read history well. Just as Russia has concentrated on the development of missiles to the subordination of manned aircraft, Russia has applied its resources intensively to the buildup of a large submarine fleet at the total expense of large surface naval vessels. The latest edition of "Jane's Fighting Ships"—1959-60—reports on Russian submarine strength and plans as follows:

One atomic powered submarine is nearing completion, another is in an advanced stage of construction, and a third is being assembled. * * * There are now about 500 submarines. Over half are of the large or intermediate oceangoing type. Another large type is reported to be armed with guided missiles. * * * Some 50 submarines are under construction in Soviet dockyards. These include five different types:

1. Large nuclear-powered type with a very long range.
2. Large guided missile type with a high speed.
3. Oceangoing patrol type with a long range.
4. Minelaying type with a high speed.

5. Antisubmarine patrol type with a long range.

The Russian potential in the matter of building a large fleet of nuclear submarines was considered in the Report of the Undersea Warfare Advisory Panel to the Subcommittee on Military Applications of the Joint Committee on Atomic Energy which stated in August 1958:

We regard it as likely that the Soviets can soon have the capability of building many more nuclear submarines than we now plan to construct. The record of Soviet performance, both in building conventional submarines and in other military-scientific-industrial endeavors, leaves little room for doubt on this score. In fact, assuming a continuation of our present and planned construction program, we regard it as probable that the Soviets will have it within their capability to build a larger nuclear submarine fleet than our own by the mid-1960's.

Today Russia has a fleet of conventionally powered submarines nearly 10 times as large as was the German submarine force at the outbreak of World War II, and will be adding nuclear submarines in substantial numbers just as soon as they reach a degree of development approaching the *Nautilus* and her sister ships. Why is Russia concentrating on undersea warfare? The answer is elementary.

Today there are about 2,000 ships under way at sea in the Atlantic Ocean alone. Over 99 percent of all goods in the world market is transported at sea. All of our alliances are dependent on keeping open the sea lanes. If these arteries of trade were to be cut, the collapse of the West would soon follow. The control and use of the sea are the keystones of free world power. The most serious threat to the ability of our Navy to control the seas is the large Soviet submarine fleet already in being.

On this past May 26, Adm. Arleigh A. Burke, Chief of Naval Operations, in a speech said:

God has been most generous to this country. In addition to all other resources, He has given us two-ocean geography. These two oceans provided the road for America's development, and long served as barriers to foreign aggression. Now again, they can contribute to our Nation's security. All we must do is exploit them.

Exploit them we have; and exploit them we will. The seas have never been more important, or more militarily useful to this country, than they are today, as we move into the ballistic missile era.

For a century and a half, until the outbreak of World War II, the two vast oceans were a bulwark of defense for this country. World War II and subsequent history has proven that this bulwark can be for this country a Maginot line, unless these oceans are exploited in their third dimension—undersea warfare. They provide almost unlimited concealment to our nuclear submarine fleet, but they will do as much for the enemy.

The Russian submarine fleet is designed to cut off sea communications between the United States and its allies. The Red Chinese submarine fleet is designed for the same purpose. It is in this area that the thousands of miles of width of the two oceans become for

this country a serious handicap. The Russian submarines on patrol for the purpose of raiding shipping have to do no more than leave the North Sea and lurk off the coast of western Europe. American submarines, in order to engage in antisubmarine warfare against the Russian raiding submarines will have to travel more than 2,000 miles from home port. The situation is even more acute in Asia where Red Chinese submarines need not venture more than 500 miles from home ports, and our American submarines will have to travel thousands of miles to defend our shipping against the Red Chinese raiders.

The combat strength of our American submarines, contrary to popular misconception, is far less than the number of submarines we have in commission. Actually, experience has shown that only one-third of the submarines of our Navy can be on patrol and that one-third must be at base being refitted. The vast distances from our home ports to patrol station, across the Atlantic and across the Pacific, tie up the final one-third of our submarines en route to and from patrol stations. Nuclear-powered submarines, due to their greater endurance and higher speeds, can increase the ratio of time spent on patrol, particularly when two crews are used for each ship. It is doubtful, however, that we could count on keeping more than an average of 50 to 60 percent of our nuclear submarines on patrol.

Just as the United States was forced into carrying out sea warfare against German submarines for many months prior to entering World War II, it is entirely conceivable that Russia and Red China might, during a period of missile or deterrent gap, attempt to destroy us the humane way by opening up a wholesale submarine war at sea. Our cities would not be attacked. We would not attack the cities of Russia or Red China. But the victory that the Communists could win, if we are not prepared to cope with their submarines, would be just as much the death of our way of life as leveling American cities and towns to rubble.

The Spanish Civil War brings memories of mystery submarines constantly reported in the Mediterranean and the Atlantic coast of Spain. If there should develop a period of international tensions, mystery submarines in the far Pacific off the Asiatic coast and in the farflung island archipelagos would unquestionably cause great concern to our Asiatic friends.

Just as the vast widths of the two oceans constitute a real liability to our undersea fleet in reaching the area of operation off the coasts of West Europe and Asia, the degree of concealment afforded to Russian submarines operating off the Atlantic coast of the United States constitutes an equal liability. Russia has at least 200 submarines capable of laying mines in U.S. coastal waters. This is a force adequate to bottle up, at least temporarily, almost every commercial seaport and coastal naval base in the United States. On a single skillfully executed mission, the Russians could in a few hours leave close

to 8,000 mines in the sea approaches to our harbors.

Again, a few of these Soviet submarines equipped to fire missiles can place our cities in danger of being destroyed in the event of war. The Russians are clearly capable of effecting their own unique marriage of the IRBM to the nuclear-powered submarine, as we are doing with the Polaris-type submarine. They are advanced in the missile field; they are known to be building nuclear-powered submarines; and they have long pointed out the vulnerability of the United States to such attacks.

What is our defense against the Russian submarine threat to our homeland? Is it our highly touted ASW—antisubmarine warfare—force? The public has been deluged with the dramatic stories and photographs of the ASW force in action, but has not been told how relatively ineffective the ASW force is against the enemy submarine threat. In ASW maneuvers a nuclear submarine of our Navy is sent out to sea as the target, or enemy, submarine. Because the nuclear submarine is practically impossible to locate, or even detect, the submarine commander is severely restricted. He is told to operate in a fixed area, at limited speed, within certain prescribed depths, and to restrict his maneuvering. This makes the hunt a sporting proposition for the surface naval forces. It gives the ASW personnel the opportunity to practice with sonar and radar, and eventually find the submarine, only after 2 to 5 days of intensive searching. The maneuver would be a frustrating failure for all concerned, except the submarine crew, if the submarine were not eventually tracked down and destroyed.

Several years ago one of our nuclear submarines participated in NATO maneuvers off the western coast of Europe. The submarine crew had a fine time. The submarine planted itself directly under the flagship of the combined NATO fleet and there remained in a perfect position to pick off the surface naval vessels, one by one, until the commanding admiral radioed London to get the blighter out from under him.

Not long thereafter, maneuvers were held in the Pacific off the western coast of Canada. A terrible storm came up and the entire surface fleet had to bat down the hatches and heave to to ride out the elements. One of our submarines radioed to the flagship of the surface fleet that everything was warm and comfortable down below, and please advise when the game would resume.

Fortunately we have in our arsenal a weapon, if produced in sufficient numbers, that can defeat the large Russian submarine fleet. This weapon is the nuclear-powered attack submarine. The majority of scientists and tacticians agree that the best way to hunt down and kill a submarine is with another submarine. When dealing with the threat of Soviet submarines with nuclear power, this naval fact becomes intensely significant. An atomic submarine is an extremely durable, elusive craft and is immune to many of the search and attack techniques effective against conventional submarines.

The nuclear submarine is an ideal offensive and defensive weapon because it (a) can operate near Russian bases where other ASW forces cannot; (b) has the inherent advantages of concealment and surprise; (c) gives the best possible mobile sonar platform for detecting submarines—this because nuclear submarines can carry their sonar to the most effective search depth; (d) has exceptional mobility—this due to the ability to steam at high speeds almost indefinitely without refueling and without being impeded by bad weather; (e) can operation on station for periods of 60 days or longer without logistic support; and (f) can remain in action in the face of strong opposition except when matched against better nuclear-powered submarines.

Let us now turn our attention to the condition of our submarine fleet, in terms of the present and of the future. Most of our present submarine fleet was built during World War II. Ordinarily these submarines would be expected to have a maximum useful life of about 14 years, later extended by the Navy by administrative fiat to 17 years. This is due to two factors:

(a) Hull deterioration becomes so pronounced that the ships become unsafe to operate. At this point hull repairs are so expensive as to be prohibitive.

(b) Space and arrangement limitations make it impossible to install the later types of equipment needed to keep the submarine militarily effective.

The Navy now talks of extending the effective life of a World War II submarine, once more by administrative fiat, to 20 years. I wonder whether the Navy has taken into account the increased risks to our American sailors who will be called to take these submarines into the ocean depths after 14 years, and after 17 years, in patched-up hulls to confirm the administrative objectives of the Navy in stretching the useful submarine lifespan to 20 years. The Navy conceals the true status of our submarine fleet by continuing to invest the taxpayers' dollars in these old ships. A new aircraft carrier will cost, according to present estimates, \$293 million, and this same figure will build six modern nuclear attack submarines. So long as the submarine fleet is kept at least six nuclear attack submarines below present day requirements, on the basis of six "oldgoat" World War II patched-up hulls, the Navy can scrounge around and find the \$293 million for a supercarrier, this year and next year, and the year after.

The era of the battleships was tragically ended the day after Pearl Harbor in 1941 when the Japanese bombers obliterated Britain's proudest battleship off the Malayan coast in less than 2 hours, and they took with them to death at the bottom of the sea 5,000 brave and courageous sailors.

Today in America the decisive years are at hand and already passing. We are faced with a submarine gap, no less serious than the missile gap about which the American public has been told.

The Navy has put out a lot of propaganda on the effectiveness of our surface antisubmarine forces. However, it is

evident that the only ASW weapon that we can count on is the nuclear-powered submarine. Unfortunately we only have a handful of these ships. How can we expect less than a dozen nuclear submarines to protect us in both oceans against the overwhelming number of several hundred modern Soviet submarines?

The average rate of production in this country of nuclear submarines since the *Nautilus* first went to sea in January 1955 has been two per year. At the present rate of authorization and appropriation by the Congress, this country will have a nuclear submarine fleet in ensuing years, as shown in the following table:

ATTACK TYPE LESS THAN 20 YEARS OLD

	Now	Late 1960	1961	1962	1963	1964	1965	1966
Nuclear.....	7	13	16	23	27	30	33	36
Conventional...	87	87	87	87	84	59	23	19
Total.....	94	100	103	110	111	89	56	55

MISSILE TYPES LESS THAN 20 YEARS OLD

	2	5	7	9	12	15	18	21
Nuclear, Polaris.....	2	5	7	9	12	15	18	21
Nuclear, Regulus.....	1	1	1	1	1	1	1	1
Conventional, Regulus.....	4	4	4	4	4	3	2	2
Total.....	7	10	12	14	17	19	21	24

At this point the Polaris-firing nuclear submarine should be reevaluated. It is supposedly invulnerable to detection, discovery, and destruction. But this is gaged solely on the theory that a potential enemy will not look for our Polaris subs with nuclear attack submarines. A time will inevitably come when the undersea is an open book, just as the sea surface is today. With the imminent advent of this day, the Polaris submarine will need protection and shielding, in the exact same sense that was true of the obsolete battleship and the more recently decadent aircraft carrier. Just as armies require pickets and scouts, and aircraft carriers require a ring of protective destroyers and cruisers, the Polaris submarines, as the new capital ships of our Navy, require undersea scouts to control the undersea areas in which the Polaris submarines must operate. The picket and scout ships of the Polaris submarines are attack submarines—hunter-killer submarines—and we have hesitated to provide enough of them. The ratio of support attack nuclear submarines to nuclear Polaris submarines must be maintained at an approximate ratio of 2 to 1. We must have a minimum of 100 attack nuclear submarines by 1967 to support a minimum of 45 Polaris nuclear submarines, in no less than the following program:

	Previously authorized	Fiscal year							Total
		1961	1962	1963	1964	1965	1966	1967	
Attack....	28	6	10	10	10	12	12	12	100
Polaris....	9	6	6	6	6	4	4	4	45

This program from fiscal year 1961 through fiscal year 1967 will cost an average of a little over \$1 billion a year. This approximates the overall cost of the

super carrier which the Navy insists upon in the present bill. But it is not just this year about which we must focus our concern. The Navy high command seems determined to force upon the country a new superaircraft carrier not just this year, but next year, and the year after, to the detriment of an adequate nuclear submarine program.

During the past 5 years we have constructed an average of only two nuclear submarines a year. Our current construction rate is increasing, but is still utilizing only about 50 percent of the existing submarine building facilities. This is most appalling when we consider the magnitude of the submarine threat facing us.

Although we have constructed an average of only two nuclear submarines a year during the past 5 years, our current construction is at the rate of eight nuclear subs, utilizing about 50 percent of the existing submarine building facilities, with the advantage to the taxpayers of practically 100 percent competitive bid. There is a most appalling factor in this whole picture. The United States, the most industrialized and mechanized Nation in the world today, is permitting the dispersal of qualified personnel from the shipyards that can build nuclear submarines. Our largest submarine shipyard has laid off 800 people since the first of this year, and the present lack of a firm long-range program of nuclear submarine construction disrupts both shipyard planning and employment. Our submarine shipyard production potential is vital to our defense. It is essential that we establish now an orderly build-up of our nuclear submarine fleet and avoid the exorbitant waste of inadequate planning.

Aircraft carriers have had their day. They have won their proper place in history. However, we are only starting to exploit the nuclear submarine. It has given our Navy undreamed-of potential. The Soviets see this clearly—why not we? It is our only hope to maintain freedom of the seas and protect our shores from hordes of missile-firing enemy submarines.

History unfortunately teaches us that the military have seldom recognized the potentialities of new weapons. The countless examples of this blindness are too well known to need enumeration here.

But too often their fallacies go unanswered. For example, Senator ENGLE recently asked a number of pertinent questions relative to the effectiveness of the submarine.

Here are some of the answers:

1. Question. Have we as yet solved the technical problems involved in accurately firing a submerged missile? I understand that gravity information is required concerning the land mass from which a missile is fired and that this gravity information must be coordinated with information as to where the missile is going. I have not been able to figure out how we will get this information with reference to particular points under the sea when the Polaris submarine is traveling from place to place.

Answer. In the design of the Polaris weapon system, we have considered all possible errors which would affect missile accuracy at the target. These errors include naviga-

tional, fire control, guidance, ballistics (free flight), and reentry. Allowances have been made for these errors in arriving at the overall system circular error, probable (CEP). One of the objectives of the test and development program has been to evaluate the various subsystem errors and determine whether or not they fall within allowed tolerances. In each case the errors have been demonstrated to be less than or equal to that needed to achieve the required CEP.

Errors which could result from gravity anomalies have been analyzed in detail. At ranges up to 2,500 nautical miles, errors which could be caused by gravity are insignificantly small—in the order of a few hundred feet. The total weapon system error is determined by taking the square root of the sum of the squares of all contributing errors. The contribution, therefore, of a few hundred feet clearly is small. With longer range, land-based missiles, gravity induced errors will be of greater concern because of the longer time of flight and the fact that they could be cited on a gravity anomaly.

2. Question. Have we been able to solve navigational problems which will make it possible for a submarine traveling under water to know precisely where it is at all times? For instance, what happens to the navigational problems where there are underwater currents exceeding 5 knots? I have been informed that in launching a missile the launch platform must be on the same datum plane as that of the target. Have we solved these problems?

Answer. The SINS (ships inertial navigation system) contained in the fleet ballistic missile (FBM) submarines, in this instance a precision device, continually measures and records the submarine's geographical coordinates with respect to the earth's surface. Thus all movements of the submarine over the earth's surface, whether due to waves, currents, tides, or other influence, are sensed and recorded by SINS. Periodic checks on the performance of the SINS can be made using the navigation methods referred to in the answer to question 5, below.

In order to align a ballistic missile, the launch position must be directly and accurately related to the same geodetic datum as the one by which the target's position on earth is identified. In calculating the missile trajectory, the datum plane need not be the same as that of the target, at least in the Polaris system, because altitude differences between the launch platform and the target are compensated through the fire control system.

3. Question. Am I correct in the information I have that a gyrocompass navigational system degrades substantially when the submarine is deployed in areas above 70° latitude? If this is true, the North Atlantic does not constitute an ideal launching area not only because of ice but because of guidance problems.

Answer. The performance of any and all inertial navigation and guidance systems is degraded somewhat when operated in the polar areas. This applies to inertially guided missiles launched from, or in powered flight in, polar areas as well as to inertial navigation systems operated in the vicinity of the poles. The sea areas above 70° north latitude are the Arctic Ocean and the Greenland and Barents Seas. The North Atlantic Ocean and the Norwegian Sea are excellent areas for launching Polaris.

In the Polaris navigation system, the degradation in performance of inertial components at the poles is compensated for by a combination of methods. These include altering the mode of operations of the SINS and placing greater reliance on other means of navigation.

4. Question. If these questions have not all been solved, or if they have been solved and have not been tested under operational

conditions, do you believe it is wise to build a great number of these submarines until those problems are solved and their solutions tested under operational conditions?

Answer. There has never been any question of whether the technical problems in the FBM system development could be solved. The only question outstanding over 2 years ago, when sputnik was launched, was when could they be solved. At that time, this calculated risk was accepted and the system development was accelerated. Exhaustive test results over 2 years' intensive development give full confidence of meeting the goal of achieving an operational capability this fall, and justifying the decision of 2 years ago. With the technical status in such good shape today, there can be no question as to the technical validity of authorizing construction of ships which would become operational 3 years hence.

The recent underwater launch and ignition of the missile and two successful tests of the fully integrated weapon system in an "at sea" environment from the test ship U.S.S. *Observation Island* are further evidence of the continuing progress of the Polaris program under operational conditions. The decision as to the ultimate number of Polaris submarines, or other missile weapon systems currently being developed, has not been made. The final force levels will depend on many factors. The factor of survivability will be one of great importance. Weapon systems which are characterized by unfettered mobility and concealment will be receiving more emphasis in the development of our future weapon systems.

5. Question. If the Polaris submarine must utilize a fixed predesignated, presurveyed underwater point as a part of its initial positioning process, will it not be possible for the Soviets to locate those underwater positions and destroy our submarines either by mining the locations or by using anti-submarine submarines?

Answer. The SSB(N) is not constrained to use a fixed, predesignated underwater point for ascertaining its position. They will be continuously on the move in the vast operating area mentioned above. Moving quietly at low speed, in random fashion, at depths and in areas unfavorable for sonar search, their operations, coordinated with other naval forces by men with years of experience in operating ships, SSB(N)'s will present to a potential enemy a dynamic situation wherein a surprise attack by any means on the great majority of these forces is virtually impossible.

As mentioned above, the precise position of a Polaris submarine is provided by the ships inertial navigation system (SINS). In addition, accurate navigational fixes can be obtained by optical observation of celestial bodies, by radio observation of sun and moon, by electromagnetic navigation systems and, ultimately, by navigational satellites. As the oceanographic community develops charts of the ocean floor, SSB(N)'s will use such information in the same fashion as all ships have used fathometers for many years as a tool to assist the navigator.

In answer to the question that the Polaris operating areas might be mined by the Soviets, there is little reason for concern since the depths of water in these areas make mining infeasible.

6. Question. If we assume that the Soviets have the same technical competence in underwater detection that we have, will it not be possible for the Soviets to locate our Polaris submarines and destroy them?

Answer. In order to give you an appreciation of the ASW problem with which the Soviets will be faced, all one need do is select a target situated in the Moscow, Riga, or Leningrad area and swing a 1,500-mile arc. It will then be seen that, in the Norwegian Sea alone, the submarines have a vast three dimensional area of over 300,000 square miles in which to operate.

There are good indications that the Soviet ASW capability is far less than our own. Therefore, comparisons made on the basis of an equal capability are misleading. In any case, such a comparison would have to include the facts of geography. The Soviets lack a friendly coastline contiguous to the SSB(N) operating areas. This denies them access to shore controlled devices and severely degrades their capability to mount an effective air search without over-flying neutral territory. They would therefore be forced to rely upon surface ships or submarines. The surface ship, with active sonar, searching the extent of a vast ocean area is easily avoided by an SSB(N) who can hear from the active sonar many times farther than its effective range. The SSB(N) proceeding quietly at depths and in areas unfavorable for sonar search, is nearly an impossible target for other submarines to find.

7. Question. Inasmuch as the Polaris is programed for a range of 1,500 miles, does not that limit the areas from which our submarines can launch a useful attack against the Soviet mainland to the Norwegian and Mediterranean areas?

My concern here is that during peacetime the Soviets can isolate the areas from which the Polaris can effectively operate, can thoroughly explore those areas for the purpose of determining our possible launch points, and keep those areas under complete surveillance with every type of detection system with which our own scientists are familiar. The present size of the Soviet underwater fleet suggests that the Soviets could practically saturate the limited areas from which the Polaris can operate with antisubmarine submarines and with the attendant detection systems on the sea, under the sea, and in the air. This is what leads me to raise the question as to whether or not the Polaris has the invulnerable characteristic which has been credited to it in information given to the general public. This also raises the question of what will be our response if some of our subs are destroyed and whether it is prudent to expose ourselves in this manner.

Apparently my concern about Soviet tactics in destroying our submarines one by one during so-called peacetime is shared by Admiral Burke because he recently indicated in the Holifield Subcommittee on Military Operations that the Soviet ASW capability could force him to withdraw his submarines to more friendly waters. What bothers me here is that by doing so, they would be deprived of timely response of our strategic systems.

Answer. An SSB(N) armed with a 1,500-mile missile can launch a useful attack on targets in the Soviet mainland anywhere from more than three-fourths million square miles of the North Atlantic (including the Norwegian and other seas), and from virtually anywhere in the Mediterranean. In addition many hundreds of thousands of square miles in the Indian Ocean and Pacific sea areas can also be used to launch attacks against Soviet targets. The destruction of quiet SSB(N)'s in such vast ocean expanses with other submarines is a nearly impossible task. To maintain the well recognized clear lead the United States has in the area of submarine-launched missiles, and to maintain the inherent survivability advantages of this system in the face of any threat, the Navy plans to have by 1965 a Polaris missile, usable in the submarines now under construction, whose maximum range will be about 2,500 nautical miles. So equipped, our Polaris submarines will be able to attack, if required, all known Soviet targets from almost anywhere in some 60 percent of the sea areas of the Northern Hemisphere.

A review of the verbatim testimony before the Holifield committee on March 31, 1960, reveals that the concern which you have expressed over the so-called peacetime operations of the Polaris submarine is not shared

by Admiral Burke. Admiral Burke's statements on possible methods of SSB(N) operation that could be undertaken were in answer to Congressman Kneoz's question which was directed to limited war rather than peacetime operations. Admiral Burke was merely indicating the range of choices available to the operational commander because of the mobility of the Polaris submarines. In a limited war, the overall international situation, the geographical area involved, the general strategic and operational situations would dictate the deployment of all of our forces, including Polaris submarines. It is safe to say, however, that in a limited war the potential threat of deployed Polaris submarines is one factor which is likely to keep the war from becoming general.

In addition to the foregoing enumerated questions you requested information with regard to the comparative costs of Polaris and Minuteman. In comparing the costs of Polaris and Minuteman, it must be borne in mind that the Minuteman missile is roughly a Polaris with a third stage added and with certain additional refinements to enable it to travel a greater distance. From an overall system point of view, a meaningful cost comparison is valid only when the total amortized life of the system is considered in relation to the changing threat over the expected life of the system. Additionally, in computing cost it must be remembered that in systems with high survivability rates the total number of missiles required in our national inventory is less than with more vulnerable systems in order to insure that the requisite number survive.

However, in order to make valid direct cost comparisons between these two systems, detailed total weapon system costs for Polaris and both the fixed and movable Minuteman applications are required. This information is presently being compiled in response to a request from Congressman HOLIFIELD for the use of himself and his committee in comparing the costs of the two systems.

FARM SURPLUS REDUCTION ACT OF 1960

The SPEAKER pro tempore. The Chair recognizes the gentleman from Texas [Mr. THORNBERRY].

Mr. THORNBERRY. Mr. Speaker, I yield myself such time as I may consume, after which I will yield 30 minutes to the gentlemen from Illinois [Mr. ALLEN].

Mr. Speaker, as a reading of House Resolution 564 has shown, it provides for consideration of H.R. 12261, a bill to amend the Agricultural Adjustment Act of 1938, as amended, and the Agricultural Act of 1949, as amended, with respect to market adjustment and price-support programs for wheat and feed grains, to provide a high-protein food distribution program, and for other purposes.

The resolution provides for an open rule, with 2 hours general debate. I think it fair to say to the Members of the House that the bill is a controversial one and one which should be considered by the Committee of the Whole very carefully, if the rule is granted.

The bill consists of three titles. The first deals exclusively with wheat and will offer wheat producers a choice between two entirely different wheat programs. Program A entails tight production controls, a reduction of 25 percent in wheat acreage, price supports at 85

percent of parity, and payment in kind for retired cropland.

This bill is similar to a bill which was passed in the House and in the other body and which was vetoed by the President.

Program B involves unrestricted wheat production with price supports at approximately the feed grain level, and a 3-year extension of the soil bank conservation reserve. This is the program presented by the American Farm Bureau.

Title II deals solely with feed grain. This title is enabling legislation which will authorize and provide the machinery and the guideposts for feed grain producers to work out their own production and price stabilization program and present it for ratification by the Congress.

Title III is designed to increase substantially the quantity of dairy, poultry, and meat products distributed to the needy, to institutions, and through the school lunch program. It would be carried out under the direction of the Secretary of Health, Education, and Welfare through the facilities of the Commodity Credit Corporation and in such manner as to assist the price support and stabilization programs authorized in the first two titles of the bill.

The cost of administration would be charged to the Department of Health, Education, and Welfare rather than to the Department of Agriculture.

As I stated at the outset, wheat legislation is always controversial. There will be those who will say that no bill at all should be passed. There will be others who will say that they would prefer some other program. What I feel the people of the country are insisting on is that the Congress act in time to reduce the tremendous cost for the storage of wheat, to somehow or other reduce this great surplus we have. The only way I know for the House to act in time is to adopt the rule, to consider whatever amendments are offered to the bill in the hope that we can bring out a fair and satisfactory program for the support of wheat and the other commodities which are contained in this bill, and which will afford the farmers of America their fair share of the economy with a minimum of restrictions and without imposing a burden on the taxpayers of the Nation.

Mr. Chairman, I reserve the balance of my time.

The CHAIRMAN. The gentleman from Texas has consumed 4 minutes.

The gentleman from Illinois is recognized.

Mr. ALLEN. Mr. Speaker, I yield myself such time as I may require.

Mr. ALLEN. Mr. Speaker, the other body has passed a wheat bill. This legislation being called up under an open rule, permits the Senate bill to be offered as an amendment in lieu of this bill. As far as I have been able to understand, the Senate bill follows the general guidelines suggested by the President of the United States. Why under these conditions and circumstances we should be considering this most complicated and controversial bill at this time when we are so near adjournment instead of accepting the Senate bill I really cannot understand.

The Senate bill takes care of the little wheat farmer where this bill is designed and intended to take care of those who raise hundreds and hundreds of acres of wheat. I hope therefore that when the Senate bill is offered as a substitute for the House bill it will receive the approval of this body.

Mr. Speaker, I cannot understand who is for this bill that is before us. The American Farm Bureau, the greatest, the largest farm organization in the United States, wrote me the following letter:

WASHINGTON, D.C., June 20, 1960.

HON. LEO E. ALLEN,
U.S. House of Representatives,
Washington, D.C.

DEAR CONGRESSMAN ALLEN: We recognize that you are very busy during these closing days of the 86th Congress; however, we hope you will take time to read the attached statement regarding the Poage bill, H.R. 12261.

There can be little question about the need for corrective legislation to deal effectively with the wheat problem. However, the Poage bill moves in a direction that will further aggravate the situation.

The provisions of this legislation are unsound. It not only fails to solve the wheat problem but also threatens to create new problems for the producers of feed grains, livestock, dairy, and poultry products.

We urge (1) that you vote against the rule for consideration of this measure; (2) should the House vote to consider this bill, we recommend the elimination of all provisions except subtitle B. (See last paragraph of attached memorandum.)

No plan will solve the basic problem or serve the long-run interests of farmers, including wheat and feed grain farmers, unless it encourages market expansion, reduces incentives for the production of unneeded supplies, minimizes economic hardships on wheat growers, and avoids shifting the burden of adjustment to other farmers.

Sincerely yours,

CHARLES B. SHUMAN,
President.

There is no question as to the need for constructive action to deal with the wheat surplus problem. Instead of providing a long overdue solution to this problem, H.R. 12261 is the sort of "political poulitice" to which President Eisenhower made reference in his farm message to the Congress earlier this year.

No more revealing point can be made in this regard than the metamorphosis of this bill itself. At first it was titled the "Family Farm Income Act of 1960." In the first major revision of it the word "Income" significantly was deleted. In the second major revision the phrase "Family Farm" was dropped from the title and it now is known as the "Farm Surplus Reduction Act of 1960." First the "Income" was dropped out of it and then the "Family Farm" was dropped out.

If what remains would in fact reduce farm surpluses in a workable manner, it would be worthy of consideration by this body; however, it does not even do that.

This bill would not deal effectively with the wheat surplus problem. It is a political dodge of the first order. Instead of dealing responsibly with the problem it provides for a loaded referendum. I say "loaded" because an effort is made to bribe producers into choosing the high support and control

program by means of a 55-percent payment-in-kind provision.

Furthermore, so far as the proposed referendum is concerned, most of the wheat growers would be disenfranchised. The Revolutionary War was fought over the question of taxation without representation. It is difficult to comprehend how a voting procedure that disenfranchises 60 percent of the wheat growers can be defended.

This bill would allow the whole future of the conservation reserve program which affects all farmers—and non-farmers as well—to be decided by a minority of the producers of one commodity.

The proposed payment-in-kind rates are at least twice as high as the rates paid under the conservation reserve program to farmers throughout the country. It is difficult to comprehend how this kind of discrimination among farmers can be defended. I would not want to try to defend it in my district.

The increase in support level provided under alternative A is unsound. On the basis of the present parity price an increase in the support level from 75 percent to 85 percent of parity would increase export program costs 24 cents for every bushel exported. With exports currently running around 475 million bushels per year, this would mean an increase of \$114 million in the cost of export programs.

Alternative B in title I has some real merit; however, as the bill is drafted it is doubtful if it could become operative.

Not only does H.R. 12261 not solve the wheat problem, it creates new problems for producers of other commodities.

The authorization provided in title II is sort of a hybrid between the infamous Brannan plan and the old Blue Eagle—NRA.

The prohibition against use of commodity loans and the express authorization to use alternative income stabilization methods means to me they are trying to grease the skids for a Brannan plan type program.

You will recall what the Supreme Court said about this sort of delegation of congressional authority. The Court held as follows:

Congress cannot constitutionally delegate its legislative authority to trade or industrial associations or groups so as to empower them to enact laws they deem to be wise and beneficial for the rehabilitation and expansion of their trade or industries, and such delegation cannot be validated by a legislative preface of generalities as to permissible aims. (*A. L. A. Schechter Poultry Corporation v. U.S.* (N.Y. 1935, 55 S. Ct. 837, 295 U.S. 495, 79 L. ed. 1570, 97 A. L. R. 947).)

Legislation authorizing marketing quotas for corn was in effect from 1938 to 1958. In this 20-year period five different Secretaries of Agriculture consistently avoided proclaiming marketing quotas for corn even though this occasionally required the use of a sharp pencil in figuring supplies and disappearances.

Also the food distribution plan provided by title III is unnecessary and unsound.

H.R. 12261 does not provide a satisfactory basis for House consideration of wheat legislation. As that old, old story goes, "You can't get there from here."

What is needed is for the House Agriculture Committee to come up with a constructive solution to the wheat problem—one which is designed to find an economic solution to this problem—one that has a chance of being enacted into law.

This bill should be opposed because:

First. It calls for a system of doles and controls.

Second. It is even more costly than the present program.

Third. It destroys the influence of the family farm in American agriculture.

Fourth. No hearings were held on the bill. It is substantially different from two previous versions which failed to get committee support.

Fifth. It provides for unsound and unnecessary alterations in the present successful surplus food distribution plan for needy people.

The bill consists of three titles—"Wheat," "Feed Grains," and "Food Distribution."

TITLE I—WHEAT

The wheat title is unacceptable because:

First. It does not let the small wheat grower vote in the first referendum.

Second. It would increase the already high cost of the wheat program by \$100 million or more a year.

Third. It goes contrary to the President's recommendations by both increasing export subsidy and the financial incentive to maximize yields per acre.

Fourth. Diverted acres tend to increase production of nonsupported crops and cause new problems to growers of vegetables and many other crops.

Fifth. Relatively few wheat farmers would determine the fate of the conservation reserve program for all farmers. The payments for the conservation reserve are excessive.

TITLE II—FEED GRAINS

The feed grain provisions of this bill are unsound because:

First. Congress would abdicate its responsibility to a nongovernmental committee which would have authority to impose controls and withdraw from the U.S. Treasury up to \$600 million for a feed grain program. In the absence of congressional disapproval within 30 days, such a program would become law.

Second. This unprecedented scheme of lawmaking might encourage Treasury-raiding opportunities for other groups in and out of agriculture.

Third. The costly referendum plan would discriminate against the small farmer by limiting the voting to growers of \$500 or more annually.

Fourth. Provision is made to adopt the discredited direct payment Brannan plan.

Fifth. Funds for this plan would not be subject to the regular appropriation process. No limitation is placed on the amount any one individual could receive.

Sixth. The high price of the grain would cause export problems, increase export subsidies, and undermine current efforts to liberalize trade.

TITLE III—FOOD DISTRIBUTION

The section pertaining to the distribution of protein food is unworkable because:

First. It would put HEW in the agriculture business for which it has no experience, and would duplicate and complicate the functions of USDA.

Second. Having made it difficult for low-income people to buy food, the Government would then donate these foods free to the needy.

Third. It takes responsibility for caring for the needy from local and State authorities where it belongs and recklessly expands welfare assistance in the hands of Federal authorities.

In conclusion, Mr. Speaker, may I say that personally I am not going to fight the rule or ask for a rollcall. There are Members who know more about agriculture than I do, and they should be heard. After you hear them I am convinced that the majority of you will vote to substitute the Senate bill. While that bill is far from being a sound and practical bill it is far superior to the one being considered today.

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

Mr. ALLEN. I yield to the gentleman from Illinois.

Mr. CHIPERFIELD. Mr. Speaker, farm production has been running from 4 to 8 percent above the volume that can be moved into domestic consumption and export under existing programs.

The resulting accumulation of surplus stocks has depressed market prices for current production and imposed a heavy cost on the public Treasury.

This situation must be corrected if farmers are to have the opportunity to earn and get high per family net incomes.

The fundamental thing that must be done to bring farm production into balance with market needs, is to stop supporting prices at levels that encourage unneeded production. Enactment of the Agricultural Act of 1958 was a significant step toward more realistic price support levels for cotton, rice, corn, and other coarse grains.

Experience with past programs clearly indicates the difficulty of controlling production by taking acreage out of production in the face of price guarantees that provide an incentive for increased production. The chief lesson to be learned from past experience with acreage retirement and control programs, is that the provisions of all programs affecting production must be consistent with our production objectives—if such objectives are to be achieved.

A properly administered conservation reserve, of adequate size, could greatly facilitate the adjustments that are needed to bring production into balance with market needs—but only if the effects of withdrawing land from production are not offset by price support levels that provide an incentive for increased production.

As a temporary measure to help farmers in adjusting production to current needs, I favor a properly designed and

administered conservation reserve program which, first, retires land that otherwise would be devoted to crops; second, keeps land out of production for a long term of years; third, prohibits harvesting or grazing of land under the program; fourth, encourages farmers to put entire farms in the reserve; and fifth, secures sufficient participation to reduce production substantially, bringing total agricultural production into balance with domestic and foreign market demand.

Land is only one of several factors that affect agricultural production, but it is a very important factor.

The 1954 Census of Agriculture indicates that we have a total of 459.6 million acres of cropland. In 1959, 22.4 million acres, or 4.9 percent of our total cropland, were held out of production under the conservation reserve program. The 1960 conservation reserve program will withhold 28 million acres, or 6.1 percent of total cropland. Because of the relatively low rental rates paid under the conservation reserve program, much of the land currently in the reserve is marginal land with a low level of productivity. As better land is retired through the progressive expansion of the program, the effects on production will be materially increased.

I recommend extension of the USDA's authority to enter into new conservation reserve contracts for 3 years with adequate funds to increase the reserve acreage at a rate of 5 million acres per year to a total of 43 million acres in 1963.

I estimate that these recommendations for expansion of the regular conservation reserve would require that the appropriation for rental payments be increased at a rate of \$65 million per year for 3 years—that is, from \$335 million for 1960 to \$400 million for 1961, \$465 million for 1962, and \$530 million for 1963.

In addition, as an integral part of the legislation for wheat, subtitle B of title I would raise the total amount of land in the conservation reserve from the 43 million acres proposed above to 60 million acres at the end of 3 years. At least half of this proposed additional authorization of 17 million acres signed up the first year to cushion the adjustment to the proposed new wheat program.

The net effect of these recommendations on the size of the conservation reserve program would be about as follows:

[In millions]			
Year	Proposed acres in regular program	Additional acres under wheat bill	Total acres in reserve
1960.....	28	-----	28
1961.....	33	9	42
1962.....	38	13	51
1963.....	43	17	60

By dividing the recommendations for expansion of the conservation reserve, I recognize that, first, the present conservation reserve is performing a valuable function in helping individuals make needed adjustments—particularly where whole farms are being placed in the reserve, and where marginal land is being

diverted from crops to grass or trees; and second, the conservation reserve cannot make a maximum contribution to the solution of the wheat problem unless accompanied by a major overhaul of the existing wheat program.

Mr. THORNBERRY. Mr. Speaker, I yield 5 minutes to the gentleman from Missouri [Mr. JONES].

Mr. JONES of Missouri. Mr. Speaker, I was happy to learn that the minority member of the Rules Committee did not advocate defeating this rule. We have heard some rumors this morning that there was a move on to defeat the rule. I am not going to speak about the bill itself today but I am going to address myself to the adoption of the rule to consider a farm bill which many of us feel would make a great contribution toward solving the farm problem.

Those who might want to evade their responsibility and take the easy way out would probably vote against adopting this rule in an effort to try to wash their hands of any responsibility for dealing with what is unquestionably the greatest domestic problem we have today, one that is affecting our economy the most.

In my opinion, it would be impossible for our committee or any group consisting of even three people to sit down and agree on a farm bill that met every objective they would like to see met. We had considerable difficulty in our committee but I will say that during the almost 10 years I have been a member of the Committee on Agriculture I have never seen a more dedicated effort to try to arrive at a solution of this problem than was exerted by the members of the committee in reference to this bill.

Again I am not going to tell you that this is the perfect answer to the farm problem. It is not. It does attack some of the problems.

I do want to mention one thing, however. The gentleman from Illinois spoke about the Senate bill and suggested that it be adopted as it pertains to wheat.

Now, Mr. Speaker, that is one of the very reasons why I think this rule should be adopted. Only by adopting the rule here today do we have any assurance that the Senate bill, which deals with wheat, can even be considered here in the House. I think that I know something of the ideas and the opinions and the feelings of the members of the House Committee on Agriculture, and I think I am correct in saying that the Senate bill, if it is considered by our committee, will not be reported out. So, if you want to act on this Senate bill, you should adopt this rule here today.

Now, the gentleman from Illinois made another statement that I do not agree with. He mentioned the fact that all three of the large farm organizations were opposed to the bill. I do not agree with that, and I do not think the record will bear it out. The Farm Bureau is against the bill. Our committee—at least the majority of us—has found that they have been opposed to any of the solutions which the majority party has advocated. I think everyone understands that. Furthermore, I think some of the people on my left do not agree with the Farm Bureau's stand. When

the gentleman mentioned that the Grange was opposed to this bill, I would question that. My information is that the Grange has said that they have taken a neutral attitude. As regards the Farmers Union, I think I can state correctly that the authorized representatives of that great organization have told the members of our committee that they favored this bill as it is written.

But, again, what I am trying to bring to the attention of the Members here today, my friends, is this: If you are interested in doing something for the farm problem, you will vote for this rule. It is an open rule. It will give an opportunity for you to strike from the bill anything that you do not like. It will give an opportunity for the gentleman from Minnesota, the gentleman from Kansas, or Representatives from every other area of the country an opportunity to offer any solutions that they have, and let the House work its will. The thing I want to impress upon you today, especially those who might be inclined to vote against this rule, is this: It is the only chance that you are going to have before the Congress adjourns to do something for the farmer, and if you vote against this rule, you are going to say in effect that you do not want to do anything for the farmer.

Mr. ALLEN. Mr. Speaker, I yield such time as he may desire to the gentleman from Ohio [Mr. BROWN].

Mr. BROWN of Ohio. Mr. Speaker, when this bill was originally before the Committee on Rules, I was very much in hopes that we might be able to report some other measure relating to the national farm problem that would be more satisfactory to the House, to the Congress, and to the administration. But, now we have only this particular bill before us.

As has been said by the previous speakers, there is no question but that we do have a great and real farm problem confronting us here in the United States. We have great farm surpluses, primarily in wheat.

This bill, of course, was presented to the Committee on Rules with the agreement by its proponents that it was a solution for our present farm problem, and especially so, as far as the great wheat surplus we have with us here in this country.

Mr. Speaker, as I studied this bill in the Committee on Rules and heard the arguments for and against it, I became convinced in my own mind this piece of legislation, as it will be presented under this rule, is not the answer to the agricultural or farm problems which confront us. I realize fully we have to do something; that we should do something here and now to meet the costly and great wheat surplus that is plaguing the Nation, and has plagued the American people for so many years. However, this may be the only opportunity we will have to consider amendments and changes in the present farm laws. In my opinion, this bill does not, in itself, solve any of the problems or answer any of the questions which trouble the Nation. It will not reduce costs to the Government.

It will not reduce, in any substantial degree, the production of wheat. Instead it will work to the benefit of the large wheat farmer, and to the detriment of the small family-owned farm, and the little wheat producer of the country.

I am especially interested in the fact that this bill will do nothing for the Midwest producer of wheat, except injure him, and especially so as to farmers in the States east of the Mississippi where we produce only soft winter wheat which is not in surplus, never has been in surplus, and should not come under any Government controls.

I feel also that the small grain section of this bill would be of great detriment to the farmer on the family-sized farm of the Midwest. After all, if you look at this bill carefully, I feel you will agree with me that we must amend it greatly if we are going to have any kind of workable farm legislation come out of this Congress.

In my opinion, while it is not perfect by any means, the farm bill passed recently by the Senate would be less costly, more workable, and a better measure than the one that was presented to us here by the House Committee on Agriculture.

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

Mr. BROWN of Ohio. I yield to the gentleman.

Mr. AVERY. In view of the gentleman's long experience as a member of the Committee on Rules, I wonder if he can enlighten us on this point. The gentleman from Missouri [Mr. Jones] who preceded the gentleman from Ohio [Mr. Brown] made the statement, I believe, that this would be the last chance the House would have to work its will on farm legislation during this session. That does not necessarily follow, does it?

Mr. BROWN of Ohio. No. I cannot speak for other members of the Committee on Rules, but my judgment of the membership of that committee is this; that the committee would quickly report to the floor of the House any legislation the committee believes would be of any help in solving these important farm problems.

Mr. AVERY. Mr. Speaker, will the gentleman yield further?

Mr. BROWN of Ohio. I yield.

Mr. AVERY. It is my recollection that in 1958 we had a labor bill that came over from the other body, lay on the Speaker's desk, and was taken up under suspension of the rules. Would it not be possible for this Senate bill to which the gentleman referred to be taken up later on under that procedure?

Mr. BROWN of Ohio. Certainly; it could be called up at any time under that procedure.

Mr. Speaker, in conclusion let me say this. If you will study the pending bill, which this rule makes in order, you will find about 70 percent of the small wheat producers of this country will have nothing whatsoever to say as to what sort of program or plan they will come under. Instead, the control of wheat planting will rest with the large wheat producers of the country. A great many

Members of this House come from States, like my own State of Ohio, where wheat is grown not as a money crop, but primarily as a rotation crop, or as a cover crop, and where our soft winter wheat is not in surplus supply. Instead of permitting these little farmers to do as they have been doing, even under a bad law, they will be crucified, under this bill, by the big wheat operator of the far West, and the small grain producers of the same areas.

Mr. Speaker, I certainly hope this bill will be considered carefully, and that the much needed amendments that will be offered to it will be given every proper consideration.

Mr. THORNBERRY. Mr. Speaker, I yield such time as he may desire to the gentleman from Nebraska [Mr. McGinley].

Mr. MCGINLEY. Mr. Speaker, I rise in support of adopting the rule on H.R. 12261.

I am privileged to represent a district which includes some of the finest wheatlands in America. Despite the ingenuity of our applied science in attaining such a high degree of efficiency in farm production—and, ironically because of the impact of such advances—the American farmer, and particularly the wheat farmer of the Western Plains States is faced with a very dismal economic picture, both presently and in the future.

H.R. 12261, very likely, has some defects, and there are parts of it that are not completely favored by me. However, I think that it must be passed in order to indicate our sense of responsibility to the farmers of the Nation. At best, however, it should be considered as only a temporary measure, to try to maintain the income of the farmer at the present level—which is admittedly low—for at least 1 year, or possibly a little longer until we can formulate more comprehensive legislation for the long term ahead. The 85-25-55 combination in the House committee bill would do just about that—to maintain the present level on prices. But on this portion of the measure there is no room for compromise. It is the limit to which we can fairly ask the farmer to go in cutting production and price.

It is important, too, in the fact that it presents to the wheat farmers of the country a clear choice of alternatives in a type of program for them to live under for the next few years. It presents a much clearer and more meaningful choice, both in effects and in principle, than was available in the corn referendum 2 years ago. They will have a choice of a higher support and more strictly controlled program, with the purpose of eliminating our huge surplus stores—and a program offering wide-open production and lower and lower price supports, with no hope of cutting down the damaging surplus effectively for the relief of the taxpayer, who is now rightfully screaming about the high cost of our farm programs with the large storage costs that are being carried.

Although it is within the province of Congress to legislate a definite program, without a referendum, I recognize that in such a controversial subject where the

farm groups themselves are not united completely in a single approach, it is difficult for Congress to pass a definite farm program. Therefore, since it is unlikely that the matter can quickly be decided by the politicians—and I use the term respectfully—I think we should offer some determination to the farmers themselves.

May I say that I do not believe that H.R. 12261 represents the best proposal that has been submitted to Congress. I still look for the day when the proposal embodied in H.R. 11018 which I have introduced along with many other of my colleagues from both political parties, will be accepted. It is a refinement of the so-called domestic parity plan which has been presented to Congress before. In fact, it has sound roots in principle back to the 1920's in the McNary-Haugen bill that was presented then, offering a two-price system, one level for domestic purposes, and another level for foreign export trade in the world market. It also offers the benefit of a marketing quota of bushels of wheat as the method of allotting a share of marketable wheat to the farmer. This system would be in lieu of the present system of trying to control production by means of acreage allotments. Everyone must admit that with the advances of science and improvements in fertilizing and cultivating methods, that the acreage-allotment control system has not effectively controlled our production. The result is that the present farm program has been marked as the "cause" of the agricultural crisis we now have with us.

H.R. 11018 and companion bills would allow the farmer the freedom to plant all the wheat he wanted to raise and to use it in any manner he wanted and sell it as he wanted—except that portion of his bushel allotment which would go for primary use. Yankus could come home.

This bill, sponsored by the National Wheatgrowers Association, The National Farmers Union, and the National Grange was listened to with interest in the Committee on Agriculture. The proponents were praised for their industry in presenting a fair measure. I understand, however, that it was not considered by the committee as a vehicle for current floor consideration, first because the essentials of it have previously been approved by the Congress and subsequently vetoed by the President, and secondly because some said it was too complicated.

The latter I disagree with. I express my regrets that this measure has not been reported to us as the Wheat Act of 1960.

Having said that, and having the highest respect for the members of the Committee on Agriculture and understanding somewhat their problems in this field of lawmaking, I am ready to accept the House committee bill.

Next it is most important that we do not give our approval to any amendments to the committee bill which would substitute the unfortunate Senate bill, embodying a 75-20-50 formula. This would be ruinous to the income potential of our wheat farmers, and an adequate reduction of surplus would still not be

accomplished. I urge my colleagues to vote for the rule and to support the committee bill as the best offering that can be presented to the American public in the last days of the 86th session of Congress, and one that will mark a substantial advance in our overall agricultural situation.

Mr. THORNBERRY. Mr. Speaker, I yield 5 minutes to the gentleman from Colorado [Mr. JOHNSON].

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

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

There was no objection.

Mr. JOHNSON of Colorado. Mr. Speaker, I rise in support of H.R. 12261. I would like to take this time to reduce the issues involved in the debate over wheat policy to terms which can be understood immediately by every citizen, and especially by every housewife. When we talk in terms of parity and dollars and cents per bushel we are talking of what are essentially abstract sums.

I hold in my hand a plastic bag containing the amount of wheat needed to make the flour that goes into a loaf of bread. This sack contains 14.3 ounces of wheat. The farmer who grew this wheat—which, incidentally, was contributed by the National Association of Wheat Growers, and is prize-winning Nebraska wheat—got 2.3 cents for the flour value of this wheat. Yet this loaf of bread which I purchased at a nearby store sells typically for 20 or 21 cents. The wheat flour is the major component of the loaf of bread.

There was a time, in 1947, when the farmer would have gotten 2.7 cents for this wheat flour, and you could have bought a loaf of bread for 14 cents, in any store. While the price of wheat has gone down, the price of bread has gone up. If H.R. 12261 is enacted, the farmer next year might hope, depending on which option the farmers choose, to receive 2.6 cents, or an additional 3 mills for the flour that goes into a loaf of bread.

He also gets an extra 3 mills from the mill feed value left, after the flour is extracted from the wheat, and contained in the bran and wheat germ. It is obvious that the housewife is paying enough for food to give the farmer a fair price for it. What is not so obvious is that this price is not fair.

I placed in the CONGRESSIONAL RECORD on March 19 last year an analysis showing that a competent Colorado wheat farmer, with an investment of \$175,000, is lucky to make a modest wage for his labor, and he gets nothing from his investment. Or if you could assume that his labor is for free, he is getting only 3 percent on his investment. The farmer is entitled to a fair return on both his labor and on his capital just as is any other worker or businessman, and the farmer is both. It is also alleged that if we would simply cut support prices the farmer would stop producing surpluses. This ignores the practical fact

of the farmer's life. He has high fixed costs in taxes and insurance, for support for himself and his family, for seed, fuel, and maintenance of his equipment, all of which must be met regardless of the price. Every time the price per unit is reduced the farmer is driven to increase his output so as to try to maintain his gross income and keep from bankruptcy.

It is also argued that there are too many farmers and too many acres in production, and the theory seems to be that if the Nation would force farmers out of farming this would reduce surpluses. But the wheat is produced on acres, and as farm sales occur—and the number of farm sales is rising—this acreage is taken over by other farmers seeking to use their equipment more efficiently and to increase their wheat base acreage, and the result is that the land is farmed at least as efficiently by the next operator as by the present one. Reducing the number of farmers will do nothing to take acreage out of production.

Fortunately the passage of H.R. 12261 will greatly cut into the surpluses because it will reduce acreage by 25 percent. Reducing acreage does not reduce the farmer's costs proportionately. His fixed costs continue. He has only a modest saving on feed and fuel. Consequently it is essential if our wheat farmers are not to be driven into bankruptcy to raise the parity support level, as H.R. 12261 proposes to do, so that the farmer maintains the same gross income. This will still be a saving to the taxpayers because the 25-percent cut in acreage will have an almost proportional cut in output. It will bring next year's crop below our current utilization, and then draw down the surplus.

I am sending every Member of the House a detailed analysis of a typical wheat farm investment, income, and expense sheet, and an explanation of the relationship between urban and rural economics, together with an explanation of the bill. Before we vote on this bill tomorrow I urge every Member to review these materials. I include them at this point in the RECORD:

COST AND PROFIT ANALYSIS FOR A TYPICAL COLORADO DRYLAND WHEAT FARMER

Here is an example of actual income and actual costs. It is based upon experience of a farm, consisting of 960 acres of good farmland, in the hard-wheat section of northeastern Colorado. This is an owner operated unit, using modern equipment.

The operator is in compliance with the ASC program, planting his allotted acres to wheat and his excess acres to barley.

The operator combines all of his grain, but hires barley windrowed. He hires extra trucks during harvest. He does all of his own work, except that he hires one extra man during harvest.

He does nearly all of his own repair work and utilizes some work of children during summer. He does his own tax and accounting work.

Of the 960 acres, 480 acres are in summer fallow, and 480 acres are in cropland. He has a 300 acre wheat allotment and has 180 acres in barley. He is currently earning 75 percent of parity (or some \$1.60 per bushel—farm stored). He is getting 20 bushels to the acre.

On his 300-acre allotment, at 20 bushels per acre, he is producing 6,000 bushels of

wheat a year. At \$1.60 a bushel, his gross sales in wheat amount to \$9,600.

The farmer also has 180 acres available for other crops. He is getting 30 bushels of barley per acre. He is producing 5,400 bushels and selling them at 80 cents per bushel, so his barley earnings amount to \$4,320.

Total gross earnings, \$13,920.

As with any businessman, this farmer has a heavy investment and is faced with operating costs.

INVESTMENT IN REAL ESTATE AND EQUIPMENT	
960 acres land at \$150 per acre..	\$144,000.00
Tractor.....	5,300.00
Combine.....	8,300.00
One-way.....	1,000.00
2 rod weedeers.....	600.00
1 chisel.....	1,000.00
2 grain drills.....	1,600.00
1 truck with hoist.....	4,000.00
1 pickup truck (used).....	1,000.00
Shop equipment.....	1,000.00
Shop and storage building.....	9,000.00
One-half of automobile (\$3,000).....	1,500.00
Total investment.....	178,300.00

(6 percent interest on investment, \$10,698.)

OPERATING EXPENSES	
Taxes.....	1,518.00
Labor.....	200.00
Seed.....	700.00
Supplies purchased.....	200.00
Repairs and maintenance.....	750.00
Gas, diesel fuel, oil and grease.....	1,212.80
Insurance.....	159.85
Electricity and telephone.....	150.00
Trucking.....	456.00
Automobile upkeep (farm share).....	100.00
Repairs to wells and buildings.....	50.00
Miscellaneous.....	25.00
Total operating expense.....	5,521.65

DEPRECIATION	
Farm equipment, \$25,300 at 10-year life.....	2,530.00
Shop and storage building \$9,000, 30 years.....	300.00
Total depreciation.....	2,830.00
Total operating expense.....	5,521.65
Total operating expense and depreciation.....	8,351.65
Total gross income.....	13,920.00
Total operating expense and depreciation.....	8,351.65

Net operating income... 5,568.35

NOTE.—This is the amount the operator has for his management and labor, for his living for himself and family, to pay income tax, personal tax, car expense, etc., and for interest on his investment.

If you allow nothing for his labor, and the costs of subsistence, his return is only 3.12 percent on his investment, \$5,568.35, divided by his investment of \$178,300, equals 3.12 percent.

Assuming the labor of the owner is worth \$5,500 to manage and operate the farm, he has no return on his investment. (For the detailed analysis, see the CONGRESSIONAL RECORD for Mar. 19, 1959.)

WE NEED EACH OTHER

The welfare of the urbanite is intimately linked with the welfare of the farmer—we need each other. The farmer produces 65 percent of the raw materials used in industry in addition to producing the Nation's food and fiber. It is obvious that urbanites as well as farmers have a vital interest in the outcome of proposed farm legislation.

Herein is a quick review of how the farmer affects his city brother, a look at the current farm situation, and a short analysis of H.R. 12261.

FARMERS AS CONSUMERS

There are twice as many jobs in industry serving farmers as there are farmers. These farmers are yearly buying \$14 billion worth of farm supplies. For example, each year farmers buy $6\frac{1}{2}$ tons of steel, consume $17\frac{1}{2}$ billion gallons of crude petroleum, and use 285 billion pounds of raw rubber. It takes \$6 billion worth of containers and packing materials alone to pack the food that U.S. farmers raise in 1 year. And farmers are steadily purchasing more products from non-farmers—between 1951 and 1960 farm purchases of motor supplies and vehicles were up 40 percent and purchases of building materials were up 7 percent. In short, 16 million Americans in manufacturing, processing, and distribution are dependent upon the farmer for their jobs.

FARMERS AS PRODUCERS

American farmers make up less than 1 percent of the world's population, but they provide 20 percent of the world's meat, 30 percent of the milk, and 40 percent of the corn; one farmer feeds himself and some 20 others in this Nation alone. A farmer's output (per man-hour) is up 65 percent since 1950—this must be regarded as a blessing, not a curse, for the United States will never lose power due to a food shortage.

FOOD COSTS

Farmers are now receiving only 38 cents of the housewife's food dollar. If the wheat farmer in Colorado gave away his wheat, you'd still pay 18 cents for a 20-cent loaf of bread. In the 10-year period 1948 to 1956, the annual food costs for the average American family rose by \$260—marketers and processors received \$253 more, food importers got \$15 more, and farmers received \$8 less.

FARM SITUATION

In 1958, total farm production was 29 percent higher than in 1947, yet the net income of farmers (including Government payments) was down 25 percent. At the same time factory wage rates rose 33 percent, the cost of living increased 23 percent, and corporate profits rose 20 percent, farm income dropped 16 percent. These figures mean that the average farm income is around \$2,547 while the average nonfarm income is some \$6,470. They mean that there are 18 percent fewer farms since 1951 and that the toll of distress sales is rising throughout the Nation (the Wall Street Journal recently found a 50 percent increase in farm sales in 15 major farm States). They mean that the farmer's buying power is the lowest it has been in 20 years.

FARM SUBSIDIES

The total cost of farm price supports have really been only about 10 percent of the cost of financial aids to industry. From 1946 to 1956 mail subsidies amounting to \$6 billion were paid to newspapers and magazines, business reconversion payments amounted to \$43 billion, subsidies to maritime companies from 1938 through 1957 totaled \$3.5 billion, and subsidies to the airlines amounted to \$614 million during the same period. And furthermore, only about half of the \$6 billion farm subsidy figure actually went to farmers. The rest was used to provide services for the entire population. These services included scientific research and education, grading of food products, forest services, soil conservation, and food inspection. They provided school lunch programs and fed hungry people throughout the world. We should also not forget that a large part of the budget used for commodity loans and purchases is being paid back to the Government.

SIMPLE FARM ECONOMICS

A farmer receives his income from units of products marketed; these units may be represented by such measurements as bushels, bales, gallons or pounds. When the farmer receives a lower price per unit, he naturally increases his number of units to try and maintain a steady gross income. Lower prices per unit do not mean that the farmer will lower production and reduce his number of units (as is often the case in manufacturing), because the farmer must continue to meet the mortgage payments, to buy tractors and other equipment, and to take care of insurance payments and family living expenses. The farmer has high fixed costs and low variable costs. In the short run, prices only need to cover variable costs. For manufacturers, the low fixed cost and high variable cost means that a sharp drop in price will reduce output. Furthermore, you can shut down a factory, you can't really shut down a farm, or a cow.

Therefore, even depression prices do not substantially decrease production under the so-called sliding scale of parity. We must never forget that in the past, depressions have often been farm-led and farm-fed. This is one basic reason why the administration's policies of lowering prices to the farmer in an effort to lower production and reduce surpluses have not and cannot work. Adequate farm legislation is a must.

H.R. 12261

The House Agriculture Committee's farm bill, H.R. 12261—The Farm Surplus Reduction Act of 1960—differs from the Senate wheat bill in three major ways. The House bill uses a different formula for acreage allotments, contains a special provision for feed grain producers, and incorporates a provision for distribution of high protein foods to the needy.

TITLE I—WHEAT

The wheat farmers would have a choice by referendum between two different wheat plans. Plan A provides for a 25 percent reduction in wheat acreage and provides for 85 percent parity of allotted acres and calls for payments-in-kind from surplus stocks equal to 55 percent of the average yield on the acres taken out of production. Plan B provides for unrestricted wheat production with price supports at around 50 percent of parity. It also calls for a 3-year extension of the soil bank to establish a reserve of 60 million acres. In giving wheat producers a choice between Plan A and Plan B, the Congress would be following the President's message of last January in which he indicated he would pass a bill which allows "the farmers themselves to choose between realistic alternatives."

The Senate wheat bill provides for 75 percent parity with a reduction of 20 percent in acreage with payments-in-kind equal to 50 percent of the reduced acreage. The House bill will do a better job of cutting surpluses and maintaining a reasonable farm income—yet, it won't raise the price of bread.

TITLE II—FEED GRAIN PRODUCERS

This authorizes feed grain producers (corn, grain sorghum, barley, oats, and rye) to work out their own production and price stabilization program which would then be ratified by Congress. The program would then go into operation when approved by two-thirds of the feed grain producers.

TITLE III—DISTRIBUTION OF PROTEIN FOOD

The Secretary of Health, Education, and Welfare is authorized to distribute dairy, poultry, and meat products to needy persons, to eligible institutions, and through the school lunch program. The size of the program would be established by annual appropriations and surplus stocks would be utilized when available.

Mr. ALLEN. Mr. Speaker, I yield 3 minutes to the gentleman from Minnesota [Mr. ANDERSEN].

Mr. ANDERSEN of Minnesota. Mr. Speaker, I commend the Committee on Rules for its action in bringing a farm bill before us with an open rule in order that our farmers may have their full day in court. We have had a long wait and should make the most of this opportunity to do something constructive and worth while for agriculture.

If I spoke harshly of the committee in recent weeks regarding the delay in granting a rule, I beg the indulgence of the distinguished members of the Rules Committee and their understanding of my concern. The committee has rendered great service to the Congress and to the Nation and I would be the last person on earth to categorically condemn the Members for their caution and deliberation when it comes to granting rules.

But the rural business and agricultural communities of our Nation are in serious economic straits, and businessmen as well as farmers are entitled to full and fair consideration of their problems.

In my judgment, the farm problem is the number 1 domestic problem facing us today. The economic slump in the Midwest is not localized. It reaches into all corners of our land. The lack of purchasing power in rural areas has its impact upon the automobile plants in Detroit and the steel mills in Pittsburgh, and industrial interests all over the Nation are feeling the effects. If this decline in our rural economy is not promptly reversed, our entire Nation and probably the whole free world will suffer the consequences of a depressed American economy.

Some of our colleagues may argue in good conscience that we should reject this rule because we do not like all of the provisions of the bill, but let me remind you that few bills come before us that are entirely to our liking and that is why we have these open rules to give everyone an equal opportunity to stand or fall on the merits of his or her proposal.

We must have a vehicle before us if we are to do anything constructive about this number 1 domestic problem, and that is why I urge adoption of the rule with the clear understanding that I will at the proper time offer for consideration my own amendment to make the bill more to my liking. This, of course, will be the privilege of every Member concerned with the farm problem and all its implications.

Mr. THORNBERRY. Mr. Speaker, I yield to the gentleman from Kansas [Mr. BREEDING].

Mr. BREEDING. Mr. Speaker, I rise at this time to urge the House to adopt the rule on H.R. 12261.

It is my understanding that opponents of this legislation are serious in their intentions to defeat the rule and deny to the House an opportunity to debate new wheat legislation.

I plead with you not to kill all the hopes for wheat legislation at this session through such a back door parliamentary maneuver. If you do kill the rule, let me remind those of you who vote

against the rule that you will have to take the responsibility for continuing unchanged for another year the present program. And may I further remind you that this is the program denounced by President Eisenhower and the metropolitan press as being responsible for the present difficult situation in which wheat finds itself.

If you want to continue the present program—and I might say wheat farmers are not too unhappy with this law—vote against the rule. Kill the rule. Refuse to allow the House to debate this grave and serious national issue.

The House Committee on Agriculture reported H.R. 12261 after months of careful and painful deliberation. It is not a perfect bill. But I accept it in preference to any other measure offered at this time. H.R. 12261 does have the virtue of protecting the income of farmers while it reduces production and surplus stocks.

The bill is controversial. Some Members believe the two alternatives offered in the bill is not the right approach. Others may feel the plans are not the right answer.

But I plead with you to vote for a rule so the legislation can be debated. Permit the bill to go to the floor in the usual manner so the matter can be debated and the House will have an opportunity to work its will.

Let us debate for the next 2 hours the type of wheat legislation that is needed in the public interest. The House is capable of making its own decision once the debate is concluded.

Mr. THORNBERRY. Mr. Speaker, I yield 3 minutes to the gentleman from Iowa [Mr. WOLF].

Mr. WOLF. Mr. Speaker, I wish to congratulate the Committee on Rules for reporting out this rule. I regret that some other features were not included in the bill. But I intend to support the rule and I hope to be able to support the bill.

Mr. Speaker, I was amused to read in the morning press—Washington Post—that from the wheatfields of North Dakota comes the word that Mr. Nixon and the Republican administration favor the "creation of a United Nations unit to give surplus food to needy countries and that the United States should ask other surplus producing nations to join in the undertaking."

I am amused because this is a proposal for which I have consistently struggled for the past 18 months to get the Congress to accept and authorize. On April 27, 1959, I introduced a bill in the House—H.R. 6681—which was immediately cosponsored by 26 other Congressmen, and made several trips at my own expense to discuss the implementation of this proposal with United Nations officials.

Being unable to secure committee action on my bill, I offered it as an amendment to the Mutual Security Act both last year and this year. On two occasions, this belated national leader and his Republican colleagues had an opportunity to support this proposal, but we received only three Republican votes—only three Republican votes—in its behalf, and these were not of record.

Sincerity of purpose is hard to believe in the face of the above record. When work on this proposal was being done in the Congress last year and again this year, neither Mr. Nixon nor his party representatives were there. If they are serious about this proposal, they should have been on hand to support it when there was a chance for its enactment.

I am sorry that Mr. Nixon did not speak out for this proposal in the Halls of Congress when his support might have counted—instead of in the fields of North Dakota just before an election in an effort to bring another Bensonite to the Congress. His desire is apparently for progress at the ballot boxes, not for progress in filling empty stomachs and in economic returns to the struggling farmers of America.

Mr. Speaker, I submit that the Vice President is apparently engaging in mere election year rattlings to impress the farmers of the Nation.

This is reminiscent of the 1952 campaign and the pledges of early 1953. Mr. Benson was in Denver, Colo., in April 1953, at the Stock Pavilion, and he said it was his intention to move food out of storage and into stomachs. In 7½ years since then, we have moved food into storage and we have neglected the empty stomachs. But now it is time to pick a new administration, and once more we hear the old familiar pledge. What we need is deeds—not words.

To show that this is consistent Nixon strategy, I quote from an article by William M. Blair, which appeared in the Des Moines Register on September 24, 1956:

COLORADO SPRINGS, COLO.—Vice President RICHARD M. NIXON will recommend that the White House act to make sure that hog prices remain stable in the farm belt from now until the presidential election.

What action Nixon has in mind remains to be seen, but he has indicated to midwestern party leaders that he wanted to make certain that hog prices did not slip below \$15 a hundred pounds.

The food for peace program is still a good program, Mr. Speaker. I was convinced it was one very effective solution to our farm problem—as well as a step toward the solution of other world problems—when I made it. I am still convinced. Now that we have Republican support for it—now that they are on record in support of it—perhaps when we get a new administration next year, this very worthwhile proposal can be implemented.

I regret that I cannot offer my United Nations Food for Peace amendment on this bill, but I have been advised there is no way to make it germane, because I would like to know whether Mr. Nixon stands alone or whether this great Republican group would like to support his position now.

The SPEAKER. The time of the gentleman has expired.

Mr. ALLEN. Mr. Speaker, I yield 2 minutes to the gentleman from Pennsylvania [Mr. CORBETT].

Mr. CORBETT. Mr. Speaker, I am going to ignore the political tirade that just happened wherein the sincerity of one of the great leaders of America has been questioned, and return to the subject before us.

I had originally been opposed to this rule, but I have recognized from the remarks that have been made here that there is no opportunity whatsoever, or very little opportunity, to do anything to improve the surplus wheat and grain products situation unless this rule is adopted and unless amendments are agreed to.

Mr. Speaker, the Members of this House and the Members of the other body ought to know that the consumer-taxpayers of the United States are getting mighty sick of this farm program. They are getting mighty sick of the nonsense of surplus on top of surplus, enormous storage costs and the like. I think unless something is done in a reasonable time to correct this economic nonsense, the consumers and taxpayers of the United States are going to throw this whole program out of the window and they are going back to some normal solution through supply and demand.

Mr. Speaker, I hope this rule is adopted and I hope the House in its wisdom does something practical to help the taxpayers and consumers and farmers of America.

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

Mr. ALLEN. Mr. Speaker, I yield 2 minutes to the gentleman from Illinois [Mr. MICHEL].

Mr. MICHEL. Mr. Speaker, I intend to support the rule, but it by no means should be construed as an intention on my part to vote for the bill in its present form. It is a monstrosity and, since under the open rule we will have an opportunity to work our will, I intend to support the move to strike all but subtitle B when we read the bill under the 5-minute rule.

Mr. Speaker, H.R. 12261 should be opposed because:

First. It calls for a system of doles and controls.

Second. It is even more costly than the present program.

Third. It destroys the influence of the family farm in American agriculture.

Fourth. No hearings were held on the bill. It is substantially different from two previous versions which failed to get committee support.

Fifth. It provides for unsound and unnecessary alterations in the present successful surplus food distribution plan for needy people.

The bill consists of three titles—wheat, feed grains, and food distribution.

TITLE I—WHEAT

The wheat title is unacceptable because:

First. It does not let the small wheat-grower vote in the first referendum.

Second. It would increase the already high cost of the wheat program by \$100 million or more a year.

Third. It goes contrary to the President's recommendations by both increasing export subsidy and the financial incentive to maximize yields per acre.

Fourth. Diverted acres tend to increase production of non-supported crops and cause new problems to growers of vegetables and many other crops.

Fifth. Relatively few wheat farmers would determine the fate of the conser-

vation reserve program for all farmers. The payments for the conservation reserve are excessive.

TITLE II—FEED GRAINS

The feed grain provisions of this bill are unsound because:

First. Congress would abdicate its responsibility to a nongovernmental committee which would have authority to impose controls and withdraw from the U.S. Treasury up to \$600 million for a feed grain program. In the absence of congressional disapproval within 30 days, such a program would become law.

Second. This unprecedented scheme of lawmaking might encourage Treasury-raiding opportunities for other groups in and out of agriculture.

Third. The costly referendum plan would discriminate against the small farmer by limiting the voting to growers of \$500 or more annually.

Fourth. Provision is made to adopt the discredited direct payment Brannan plan.

Fifth. Funds for this plan would not be subject to the regular appropriation process. No limitation is placed on the amount any one individual could receive.

Sixth. The high price of the grain would cause export problems, increase export subsidies, and undermine current efforts to liberalize trade.

TITLE III—FOOD DISTRIBUTION

The section pertaining to the distribution of protein food is unworkable because:

First. It would put HEW in the agriculture business for which it has no experience, and would duplicate and complicate the functions of USDA.

Second. Having made it difficult for low-income people to buy food, the Government would then donate these foods free to the needy.

Third. It takes responsibility for caring for the needy from local and State authorities where it belongs and recklessly expands welfare assistance in the hands of Federal authorities.

Mr. ALLEN. Mr. Speaker, I yield the remainder of my time to the gentleman from Wyoming [Mr. THOMSON].

Mr. THOMSON of Wyoming. Mr. Speaker, I agree, and I think everyone in this House does, that the wheat situation, is one which demands attention.

As the gentleman from Pennsylvania, [Mr. CORBETT], who just preceded me, pointed out, unless something realistic is done to solve this problem in the reasonably near future, we must rightfully expect the taxpayers to insist upon discrediting the entire program. Therefore, I think that we are approaching a critical period with regard to finding a solution to the wheat problem.

I cannot support the bill, as reported by the committee for the reasons already pointed out and other reasons. I do not think it could ever become law. Therefore, at the proper time I expect to either support or to offer an amendment to strike out all of the bill except title B. The provisions of title B are almost identical to a bill which I introduced last February. It has the support of the American Farm Bureau Federation. It has the approval of the Department.

This does offer a sound solution based on sound economic principles. It will restore wheat production on the basis of sound economics to those parts of our country that are best able to produce it and are the historic producing areas. In addition to that, it will provide for the expansion of wheat markets and reduction of artificial production incentives. It would result in minimum economic hardships on growers. It provides protection against shifting the burden of adjustment to producers of other farm commodities. It would result in a reduction in costs to the taxpayers. The provisions of this bill are as follows:

It eliminates all acreage allotments and marketing quotas effective with the 1961 crop of wheat. This would permit each wheat grower to determine for himself the acreage of wheat on his farm which would make the most efficient use of his land, labor, and machinery.

It provides for a price support on wheat that is a realistic one and would be a floor instead of a ceiling. Beginning with the 1961 crop, the price support of wheat would be related to the support level of corn with a proper adjustment to reflect differences in wheat, in weight, nutritive value, and buyer preference. However, for the 1961 crop of wheat the price support would be not less than 120 percent of the price support for corn. This would make a minimum price support of \$1.27 a bushel.

This provides assurances to the producers of corn and other feed grains that prices of such commodities will not be demoralized by the entry of additional wheat into the feed market. It also assures wheat producers of a 1961 price support somewhat above the feeding value of wheat.

This price support policy would restore the pricing of wheat to supply and demand conditions as reflected in the marketplace. This does not mean that market prices of wheat would fall into the exact relationship indicated by differences in feeding value. The relative market values of corn and wheat are affected by domestic and foreign demand for milling wheat which normally price wheat higher than corn, and by the fact that a great deal of wheat is produced in areas where corn prices reflect substantial transportation costs. There is every reason to believe that good milling wheat would bring a substantial premium over its feed value.

It would greatly reduce the incentive for producers to increase yields through the heavy use of fertilizer and other yield-increasing practices in the humid areas.

It would permit growers in traditional wheat areas to return to production practices that offer possibilities of greater efficiency and thus lower production costs.

It would provide a basis for greatly reducing the cost of maintaining wheat exports and thereby strengthen the basis for a continued United States participation in world wheat markets.

It would reduce the basis for criticism of United States export policies by other countries which compete with the United States for world wheat markets.

The bill would provide adequate protection for all farmers from the competition of Commodity Corporation sales from accumulated wheat stocks.

It would provide for an extension of the conservation program in the soil bank to 60 million acres at the end of 3 years. The expansion of the conservation reserve would cushion the adjustments faced by two types of wheat-growers: The farmer who is farming marginal land in traditional wheat areas, and the grower who has become a wheat producer under the 15-acre exemption and who may choose not to grow wheat under the new program.

I point out, that the wheatgrower in the historic producing area has had his opportunity to produce taken away from him by Government action. As long as a program continues with an artificial stimulus and acreage controls there is no chance for him to get that market back. He is being put out of business at the taxpayers' expense. Give the wheatgrower in the historic producing area a chance to compete on a sound economic basis and his costs of production are sufficiently low that he can furnish the wheat and make a profit and gain back these extreme cuts in acreage that have been imposed upon him. He will be better off, the country will be better off, and the taxpayer will be better off. I think the wheatgrowers in the historic area have awakened to that fact.

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

Mr. THOMSON of Wyoming. I yield to the gentleman from California.

Mr. HAGEN. Is it not true that the major commodity problem right now is wheat, and that this body would be extremely derelict in its duty unless it passed a wheat bill exclusively which has a reasonable chance of becoming law? We cannot afford as taxpayers another year of delay in passing wheat legislation that will lift some of the burden off the taxpayers.

Mr. THOMSON of Wyoming. I agree with the gentleman, and that would be accomplished by the proposal I am suggesting. The provisions of title A, of the committee bill according to the minority committee report, would increase the cost of the program we now have, which is around \$600 million, by \$104 million a year. I am satisfied that the proposal I am suggesting taking into account the cost of the conservation reserve would reduce the expenditures under the wheat program by as much as \$300 million.

I urgently suggest that this should be supported in the best interest of the wheatgrower, in the best interest of agriculture generally, and in the best interest of the taxpayers of the Nation.

Mr. THORNBERRY. Mr. Speaker, I yield such time as he may desire to the gentleman from Pennsylvania [Mr. CLARK].

Mr. CLARK. Mr. Speaker, today the House of Representatives has before them the question of whether they will consider the so-called Farm Surplus Reduction Act of 1960. There is no question that the Congress has much work yet to be done before its adjournment.

I have studied closely H.R. 12261 and I strongly urge that the rule be rejected and that the House refer this matter back to the Committee on Agriculture with instructions to bring legislation to the floor that will provide a sound solution to some of our agricultural ills.

There is no question that the wheat situation is critical and without corrective legislation it will get worse. However, the proposal that has been reported by the committee is not a sound solution to the wheat problem. In fact, it not only fails to solve the critical wheat situation, but would pose new problems for other agricultural producers.

Earlier this year I, along with my colleague, the gentleman from California, HARLAN HAGEN, introduced wheat legislation that would provide a sound solution to this problem. My bill, H.R. 11699, would do four things:

First. Eliminate all Government controls by terminating wheat acreage allotments and marketing quotas effective with the 1961 crop.

Second. Base the price support for wheat on the support level for corn, but at not less than 120 percent of corn supports in 1961.

Third. Provide adequate protection for farmers from the competition of sales of wheat stocks acquired by the Federal Commodity Credit Corporation.

Fourth. Expand the soil bank conservation reserve program substantially to provide a cushion for the producers of wheat and feed grains against the effects of reducing the support level and eliminating controls on wheat production.

This is the kind of a wheat program that I believe must be enacted. I am greatly disappointed that the House Committee on Agriculture did not see fit to favorably report this particular proposal. I would hope that the rule on H.R. 12261 would be defeated and that the committee would report legislation as I have outlined. My proposed wheat legislation would be of benefit to farmers, but it would also benefit all taxpayers.

Some of my colleagues have suggested that in an election year the way to assure the farm vote for our party is to have a bill that provides higher price supports and greater subsidies to farmers. I would urge my colleagues who come from districts like my own that have more nonfarm people than farm people that they reexamine this conclusion. There is no question in my mind that the consumers of agricultural commodities are rapidly growing tired of the great public costs involved in our farm program.

As a matter of fact, the proposed legislation would provide for increased cost to the Government. Under this bill there is a payment-in-kind program. The payment rates in this program are about twice as high per acre as under the conservation reserve program. It is estimated that the average payment-in-kind would be worth approximately \$25 per acre. This compares with the national average rate of \$2.90 per acre under the conservation reserve program. There is no question that this

program will be more costly than an expanded conservation research approach might be.

The second and unsound provision involves an increase in the support level for wheat. The support level would be increased from 75 to 85 percent of parity. This would mean an increase of \$114 million in the cost of our wheat export products alone. The higher price would add to the problems of our domestic feed market and increase the cost to the Government of this program.

The bill also provides a third provision dealing with feed grains which is completely unnecessary. Under this particular section there would be additional costs to the Government as a result of the responsibility for storing larger quantities of our feed grain supplies. Currently the present feed grain situation is good and if left alone will prove more sound as time goes on.

As I have indicated there is no question that the provision of this legislation will increase the cost to the Government. This is not the road that I feel we should be traveling.

From my own point of view, it is important that we have a sound farm program that protects the commercial farmers, but at the same time greatly reduces some of the Government costs that are borne by all taxpayers. I believe that my wheat proposal is sound even in an election year because it meets this test.

I strongly urge that the rule be rejected for I feel that if this is done the House Committee on Agriculture will understand more clearly that this Congress is in no mood to spend its time trying to improve a completely unsound farm bill. We have neither the time nor is the floor of the House of Representatives the place to try to draft constructive agricultural legislation.

Mr. THORNBERRY. Mr. Speaker, I yield such time as he may desire to the gentleman from Ohio [Mr. LEVERING].

Mr. LEVERING. 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 Ohio?

There was no objection.

Mr. LEVERING. Mr. Speaker, I am sure that the Members of this body are aware of the fact that our agricultural economy is in serious trouble and that it is imperative upon this Congress to approve a sensible program in the interest of our farmers, consumers, and taxpayers alike. Leaders on both sides of the aisle recognize that the downward trend of farm prices is endangering the overall welfare of the Nation's economy and that the unworkable programs now in effect must be eliminated.

Mr. Speaker, in view of the situation which prevails in agriculture today, this House would be derelict in its duty to vote down the resolution we are now considering and thus deprive this body of the right to work its will on farm legislation in this session of Congress.

Mr. Speaker, I recognize that the bill, H.R. 12261, is not a perfect bill and I intend to offer a number of amendments, if this resolution is adopted, to improve

this legislation, particularly in the interests of family farmers. For one thing, I intend to offer an amendment which will give the family farmers of this Nation a real voice in determining the kind of a farm program to be adopted.

H.R. 12261 offers to the farmers of this country a choice between two alternative plans covering wheat, but would permit less than half of the producers who grew wheat for harvest in 1960 to vote in the referendum. This is undemocratic and un-American. Under the bill as now written producers of less than 15 acres could not vote on the question of which plan they prefer. My amendment would make them eligible to vote.

Mr. Speaker, in the democratic processes under which our Government operates, we deplore the idea of rule by a minority, and yet if the amendment which I propose to offer is not adopted, we will be putting our stamp of approval on just such a practice.

Mr. Speaker, I also propose to offer amendments in opposition to the reduction of the 15-acre exemption for wheat quotas, because any provision which impairs the 15-acre exemption will in my opinion affect adversely the interests of a great multitude of our smaller farmers, particularly those who grow Soft Red Winter wheat such as that which is produced in my State of Ohio. The reduction in small farm wheat acreage would be disastrous for the Soft Red wheat-growers in the eastern half of the United States where we have never had a surplus of this type of high quality wheat.

It would also endanger the cookie and biscuit industry which relies on soft wheat flour for the making of its products. Any restriction in the production of this type of wheat would work a severe hardship on this industry by imposing on them the necessity of changing their milling operations drastically. Of course, the farmers who traditionally produce this kind of wheat would ultimately suffer from a substantial loss of this cookie and biscuit market.

Mr. Speaker, these amendments which I propose to offer are designed to do what I believe the majority of this House thinks is proper to do, namely, protect the interests of the family farmer in America.

Mr. Speaker, it seems to me that any legislation that attempts to achieve this desired objective should at least permit the family farmer to participate in the formation of such a program.

Perhaps the most practical reason for maintaining the family farm, is that it is still the most efficient type of operation in the farming industry. I am referring to the kind of farm, regardless of the number of acres involved, where the family that lives on it furnishes the greater portion of the labor required to operate it.

The Voice of America, in regular broadcasts in many languages to other nations, emphasizes one central point which we in this country frequently seem to forget.

This is the fact that, dollar for dollar and item for item, the groceries we buy at the store are cheaper in the United States than in any other nation on

earth. When the Queen of England came to Washington 3 years ago, she commented on the variety of goods in a supermarket she visited. Even Russian leaders visiting our food stores gasped at the quality and the quantity of the food available to shoppers.

The average American worker has to work fewer hours each week to feed himself and his family, than the workers of any other country on earth. In 1958, 1 hour of factory work paid for 11 loaves of bread, 2.9 pounds of butter. In 1929, an hour of factory work bought only 6.4 loaves of bread and 1 pound of butter.

Mr. Speaker, as I indicated, the one big reason why American housewives are able to buy food cheaper than shoppers anywhere else in the world, is the efficiency of those who operate the family farms in this country. I feel dutybound to do everything I can to promote their welfare.

Mr. THORNBERRY. Mr. Speaker, I yield such time as he may desire to the gentleman from Texas [Mr. POAGE].

Mr. POAGE. Mr. Speaker, at this stage of the discussion the question is not whether you agree with this bill or whether you do not. The question presently before us is whether we should consider farm legislation this year or whether we should tell the people that we really did not mean it when we said that we wanted to revise an antiquated and discredited farm program—and both parties have said in effect that a revision of the existing program was of paramount importance. Now, the only way to get a revision is to vote for this rule. It is an open rule. I hope you will like the bill the committee has brought in, but if you do not like it, this rule gives you every opportunity to alter or strike out sections with which you disagree. The Agriculture Committee has tried hard to bring you a democratic measure. One on which you can work your will, and one which, if adopted, will in fact give to farmers that opportunity for self-expression which Vice President Nixon has so eloquently pleaded when he said last night that—

A method must be developed whereby the farmers themselves have a greater opportunity to choose the kind of farm program they want.

There is not a thing in this bill which forces any program on anybody until it has been approved by two-thirds of the producers of the commodity affected. On wheat, this bill gives a clear-cut choice between substantial supports and controls on the one hand and no controls and very low supports on the other hand. On feed grains it allows farmer selected committees to work out programs which must then be submitted first to this Congress and then to feed grain producers—and two-thirds of the producers must vote in the affirmative before any controls can be enforced. What could be more democratic?

One of the great farm organizations says they are for the bill as it is written. One says they neither support nor oppose. The third which sent you a letter on this subject last night says that they are opposed to everything in the bill except their own wheat plan which is pres-

ented word for word as option (b) in part 1. They suggest that rather than submit the choice to producers that this Congress decide the issue in favor of their proposal. But even so they recommend action on the bill. For fear that you did not follow the communication to its conclusion, let me read from page 5 of the statement.

In view of the foregoing, we recommend the adoption of the amendments necessary to strike out everything in H.R. 12261 except the enacting clause and subtitle B of title I, and that the amended bill be passed.

Of course, I would not agree with the desirability of such drastic surgery on the bill, but I cannot emphasize too strongly the fact that almost everyone agrees we need farm legislation and that the only practicable way to get any kind of farm legislation is to pass this rule.

Mr. METCALF. Mr. Speaker, I ask unanimous consent to extend my remarks at this point.

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

There was no objection.

Mr. METCALF. Mr. Speaker, as far as Montana's biggest cash farm crop, wheat, is concerned, this bill as reported is an improvement over the existing program and over the measure passed by the other body.

It is built upon the principle that any successful farm program must be equally fair to farmers and consumers alike. As a pattern for the future, it includes faith in the ability of farmers themselves to develop or select programs based on this principle.

As reported, the measure has three major parts, dealing with wheat, feed grains, and surplus food.

Title I would give farmers a choice between a program based on strict production controls—75 percent of present allotments—with price supports at 85 percent of parity—about \$2.03 per bushel, compared with \$1.77 under existing law—and payment in kind for retiring cropland at 55 percent of normal production and a program of no production controls with the support price of wheat at approximately the feed grain levels—\$1.27 in 1961, \$1.15 in 1962.

My H.R. 11919 would have provided for price supports at 100 percent of parity, a 30-percent reduction in planted acreage and payments in kind based on 60 percent of the average yield of the retired acres.

Title II of H.R. 12261 authorizes election of a farmer committee to develop for feed grains—corn, grain sorghum, oats, barley, and rye—a program which would bring production into line with demand, return feed grain producers between 85 and 100 percent of parity, and authorize retirement of up to 50 percent of cropland on the farm in return for payment in kind in feed grains.

Title III authorizes an increased program of distribution of dairy, poultry, and meat products to the needy, charitable institutions and the school lunch program.

As our committee pointed out, the conditions in agriculture demand action. The net income of farmers in 1959

dropped to the lowest level—in relation to the volume of their sales—of any year since the Agriculture Department started keeping books in 1910. A further decline is predicted for 1960.

Average farm prices in December 1959 hit bottom, in terms of parity with other prices, for any December since 1933.

The per capita annual income of people living on farms in 1959, including Government payments and for off-farm work—dropped again to less than half that of nonfarm workers. The per capita income of farm people was \$960, compared to \$2,202 for nonfarm people.

Net farm income in 1959 was 24 percent below 1952, although the national income increased by 35 percent in this same period.

Last year, farmworkers—operators and labor—received an average 71½ cents an hour, 13 percent less than in 1952. In contrast, hourly earnings of industrial workers in 1959 averaged \$2.22, up 33 percent from 1952, and 1959 corporation dividend payments exceeded those in 1952 by 47 percent. The net income of farmers in the past 7 years has been \$20 billion less than in the previous 7 years.

The administration's policy of unlimited production at low prices has returned many farm families to depression levels at a time when many other Americans are prospering as never before.

During the past 7 years, the President has sent many messages to Congress urging abandonment of the parity principle for agriculture, the removal of production controls, and the reduction of price supports. His reference to delivering our taxpayers from the "mounting failures and staggering excesses of the mandatory farm price support and production control program" reminds us that the program for the major crops operated for 20 years prior to 1953 at a profit to the Government of \$13 million, that during 11 of these years the average price level of all of agriculture was at or above 100 percent of parity each year, and that at the end of 1952 the Government investment in farm commodities amounted to some \$2.5 million.

With "the change" voted in 1952, came the departure from a program which had been a success. During the past 7 years, farm prices and income have fallen, farmers have been caught in a cost-price squeeze, surplus has piled upon surplus, Federal investment in farm commodities has almost quadrupled, and farm program costs have multiplied manyfold.

A study by the Library of Congress discloses that appropriations or expenditures of the Department of Agriculture since January 1, 1953, have exceeded the combined total of such expenditures or appropriations during the 90 previous years of the history of the Department. The total for the period 1862 through 1952 is \$35.8 million, compared with \$37 million for the period 1953 through July 1, 1960.

The present administration has had more authority to deal with the farm problem than any of its predecessors. It has had more money to do so than all of its predecessors combined. It has had

more employees in the Department than ever before.

As it comes from committee, this bill is not the sole answer to all the problems of our farmers. But it does seek to reduce Government holdings of farm commodities, bring down the cost of farm programs while adhering to the principle that farm income must be protected while surpluses and costs are reduced.

Mr. THORNBERRY. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on the resolution.

The resolution was agreed to.

Mr. COOLEY. 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. 12261) to amend the Agricultural Adjustment Act of 1938, as amended, and the Agricultural Act of 1949, as amended, with respect to market adjustment and price support programs for wheat and feed grains, to provide a high-protein food distribution program, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H.R. 12261, with Mr. IKARD in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

Mr. COOLEY. Mr. Chairman, I yield 15 minutes to the gentleman from Texas [Mr. POAGE].

Mr. POAGE. Mr. Chairman, that we need farm legislation is known to everyone. The farmer points to his dwindling income and his greatly increased costs. The taxpayer points to the enormous expenditure that this program is imposing on the Government, while giving the farmer less and less.

Just a few years ago, with a program of relatively high, rigid supports on all our basic commodities, the Commodity Credit Corporation books showed a modest profit. That was on all of the price-support programs on the six basic commodities; that is, controlled commodities. I would not at this time try to say what might have happened had we continued the program which was working so successfully. The fact is that we did not continue it; instead we embraced the so-called sliding scale or variable supports. And supports since that time have varied but in one direction, and prices have varied in that same direction—down, down, always down.

This is not the time nor the place to try to fix the responsibility. When a man is abandoned by his own candidate for the Presidency I am not going to add my condemnation. I just want to make it very clear that neither I nor the majority of my colleagues on the Agriculture Committee ever approved this flexible program of low and still lower supports and prices.

Surely I need not dwell on the ruin which this program has brought to farmers across all this broad land. Surely I need not describe the decline of the small towns of this Nation—the bank-

ruptcy along Main Street. No; the 1960 census figures can describe these tragedies better than I.

Surely I need not call the attention of the Members of this House to the cost this program has placed on the backs of our taxpayers.

In the 7 years just passed the Department of Agriculture spent \$1,174,414,704 more than had been spent by that Department during all its previous existence from its founding 91 years before.

Maybe these stupendous expenditures would be justified if they had brought prosperity to our farmers. But we know that they have not done so. Maybe they would be justified if they had brought comparable benefits to our people as consumers. But let us look at the record.

Under "rigid" supports—and I want my city friends to listen to me—under "rigid" supports the American farmer received \$2.40 or more for a bushel of wheat and the American housewife paid 13 cents a pound for bread.

Mr. ANDERSEN of Minnesota. Mr. Chairman, will the gentleman yield?

Mr. POAGE. I yield to the gentleman.

Mr. ANDERSEN of Minnesota. I know the gentleman wants to be fair. Last year I made a speech on the floor of the House blaming both parties for the situation we are in in agriculture today; the Republicans because of keeping a man like Ezra Benson in power as Secretary of Agriculture, and the Democrats because they have had control of both Houses of Congress more than 8 years. They should have done something. But we are both to blame.

Mr. POAGE. I am not placing blame. I said a moment ago I was not going to kick a man when his own candidate for President went to North Dakota to kick him. I am not blaming anybody. I am just reciting the facts.

Mr. COOLEY. Mr. Chairman, will the gentleman yield?

Mr. POAGE. I yield to my chairman, of course.

Mr. COOLEY. Mr. Chairman, I want to call the attention of the House to the fact that we did try to deal with the wheat problem during the last session. Both Houses of Congress passed a very good wheat bill and sent it to the White House, only to have it vetoed by a Republican President.

Mr. POAGE. And there have been four other vetoes of farm bills I can recall in the last few years.

Mr. HALLECK. Mr. Chairman, will the gentleman yield?

Mr. POAGE. I yield to the gentleman.

Mr. HALLECK. That wheat bill was passed in the House and went to the other body. They enacted it in different form. It came back here in a conference report and the House of Representatives defeated the conference report.

Mr. POAGE. And we later passed the House bill and sent it to the President, who vetoed it. We sent a bill to the President, enacted by this Congress, and he saw fit to turn it down.

Mr. HALLECK. Mr. Chairman, will the gentleman yield further?

Mr. POAGE. I yield.

Mr. HALLECK. The fact of the matter still is that after the conference acted

on that wheat bill, the House of Representatives, with an almost 2-to-1 Democratic majority, turned down the conference report.

Mr. POAGE. And passed a much better bill. I cannot see the relevancy of the gentleman's observations, unless it is to divert attention from the fact that the President did veto the wheat bill which we passed.

Mr. COOLEY. Mr. Chairman, will the gentleman yield?

Mr. POAGE. I yield to the gentleman.

Mr. COOLEY. Certainly the distinguished gentleman from Indiana has not forgotten the fact that President Eisenhower vetoed the wheat bill. I am sure he does not want to leave the impression that the President did not veto the wheat bill, along with a tobacco bill and other bills, during the last session of Congress.

Mr. POAGE. He has, I believe, vetoed five farm bills in the last few years. But let me go back to what I was saying.

Just a few years ago under rigid supports wheat brought \$2.40 a bushel or more, and the housewife at the same time purchased bread for 13 cents a pound or less. Today, with wheat selling at \$1.80 a bushel or less, the housewife is paying 20 cents or more for a one-pound loaf of bread.

Before any of my friends from the big cities see fit to let some country slicker soft-soap them into opposing this bill, let them ask him to explain that phenomenon. Unless he can give a good explanation, then I suggest that it would be well to stay with the Committee on Agriculture and try to give a fair price to the farmer and establish fair prices for the consumer.

Mr. BELCHER. Mr. Chairman, will the gentleman yield?

Mr. POAGE. I yield to the gentleman from Oklahoma.

Mr. BELCHER. We can all agree that President Eisenhower did veto that wheat bill, but as a member of the committee from the wheat area I thank God for that, because if he had not we would take 25 percent more from our production and send it down to Louisiana to be raised in the bayous and further raise the surpluses to be stored. If it had not been for the President we would have had a greater cut made.

Mr. POAGE. I am sorry Members feel they must take my time in trying to place the blame or to explain actions of other branches of government. I have not been trying to blame anybody. I have just tried to explain the facts, just tell the facts. I have not tried to explain the blame. I had not mentioned a veto when Members began to apologize for it. I am sorry others feel they must excuse somebody for what has been done. I hope no one has a guilty conscience in connection with this matter.

I should like to proceed with the discussion of the bill.

Of course, I know many of you are asking yourselves, "If low supports are costing us so heavily, how could higher supports possibly cost us less?" I think that is a fair question, and I think you are entitled to a fair answer. I think I should point out that most of us who have championed higher supports have

at all times firmly insisted that those higher supports be coupled with effective controls. Were it not for the fact that I am not trying to fix any blame I could tell you why we do not have effective controls. I never did subscribe to the idea that the Congress should repeal or could repeal the law of supply and demand. On the contrary, I have always recognized, and so has a majority of the Committee on Agriculture, that Congress cannot repeal or even amend economic laws. Instead, we have tried to make those laws work for the benefit of our people rather than work against them. We have sought to make those fundamental laws help farmers just as those same laws have been used to help labor and help industry and help business. We have sought the same help from our Government to control the excess of unneeded production which has so long been extended by Government to oil producers through our proration laws.

Time and again we have sought more effective controls of production only to meet with positive opposition from both influential governmental as well as farm sources.

We can all remember the support of noncompliance corn. That was the straw that broke the cornstalk and overflowed the storage bins. You remember what happened. Those who produced corn in plain violation of their allotment were supported at a price almost as high as those who complied. This was not done at the request of Congress. How could you expect to have a program function under that kind of administration? Well, it did not function, of course. But let us get to the question.

I am convinced we can control farm production to equal market demand just as we control the production of crude oil or just as the automobile industry controls the production of automobiles. We have failed in the past for three basic reasons. I do not want to pass the buck. I accept my share of the responsibility, at least for the first of these reasons, which has been our failure to bring the overall acreage floor low enough. In the case of wheat that floor is 55 million acres. While this is a cut of 30 million acres from the former plantings of 85 million, it is not enough. This bill allows an additional cut of 25 percent from the present floor, and it requires it if producers are to enjoy the 85 percent supports provided in part A.

In the feed and grain section of this bill, it is required that any support program adopted by producers shall bring supply down to demand. It does not give supports without any cooperation from the producers.

The second reason why our present control program has not functioned adequately has been the fact that we have tried to give unworkable exceptions in behalf of certain small growers.

In the case of wheat, we have allowed anyone to grow up to 15 acres with no control. This has resulted in the production of surplus wheat. Whether that wheat was good or bad quality was beyond the question. It has produced more wheat than we have needed.

If the committee's plan is adopted, these small growers will be given allotments just exactly as everybody else, allotments figured from a base of the highest they have grown in the last 3 years. These bases will be subject to exactly the same cuts which are imposed on the allotments of other growers, and those small growers will be given the same voice in the program that is given to other growers, in other words, we treat them all alike under this bill except that we do not require these small growers to take the 30 to 40 percent cut which present allotment holders have already taken.

The third weakness in our present wheat program, at least, has been the failure to enforce sufficient stringent penalties. Cotton and tobacco have always had far more severe penalties and they come a whole lot nearer keeping a balance between supply and demand.

This bill, if producers accept supports under part A, will approximately double the penalties for overplanting.

In short, I think we are offering you a bill which will allow wheat producers to actually balance supply and demand. If they vote for part A, they will get 85 percent support for their wheat. They will be privileged to receive payments in kind; that is, in wheat out of the Commodity Credit Corporation surplus stocks equal to 55 percent of the wheat they could expect to grow on the acres they retire from wheat. But, they would be required to cut their total wheat acreage by at least 25 percent.

Now to you laboring men that means only a 6-hour working day for which the farmer will be paid. That is equivalent to working 6 hours a day and being paid about 85 percent of a fair wage for those 6 hours. And in addition they will receive unemployment compensation at the rate of 46 1/4 percent of a fair wage for the 2 days they are unemployed. Actually, that illustration is not quite accurate because they will not be unemployed. They must work the retired acres so as to conserve the soil in order to get the 46 1/4 percent of a wage. But, there will be no soil bank taking whole farms out of production and destroying whole towns nor will there be any opportunity for any city man to buy up several farms and let the Government pay for them through soil bank payments, that is, not if the producers adopt plan A.

Of course, if they adopt plan B, which is the program sponsored by one of the great farm organizations, the soil bank will continue to take whole farms out of production. There will be unlimited production of wheat. The Government will still provide storage and the farmers will, after next year, receive no more for wheat than for corn, adjusted to food value.

I do not recommend this program, but like the Vice President said in North Dakota last night, I believe in letting the farmers make their own decisions. I do not believe the farmers will select any such program, but if a majority of our farmers are actually willing to give up effective supports in order to have the privilege of growing unneeded and un-

usable surpluses, then it is time we knew it. I know of no way of finding out except to let the farmers themselves vote, and that is what this bill does. It allows a clear-cut choice, but I have been astounded to find the very organization which has so long claimed that most all farmers wanted freedom is now opposed to this referendum. Frankly, I am not for their low price program, but I have enough confidence in democracy to submit the question to the farmers and to abide by their decision.

I have but one request. If you agree that we should have a clear-cut test, by all means help us keep it just that; a clear-cut test, between high rigid supports on the one hand with strict controls, and low supports and no controls on the other hand. Please do not amend this to the point where the choice will be some controls and low supports or no controls and low supports, like we had in the corn referendum. That is not a meaningful choice. We ought to have a clear-cut choice between the two ideas, and this bill gives you just that.

Mr. ANDERSEN of Minnesota. Mr. Chairman, will the gentleman yield?

Mr. POAGE. I yield to the gentleman from Minnesota.

Mr. ANDERSEN of Minnesota. In the referendum of 1958 the farmers had no choice. The base was so low that they could not get along on it, and they went all out. In regard to this 25 percent under this proposal, that is going to be taken out of the allotment nationwide? I understand the producers can get payment in kind for that?

Mr. POAGE. If he sees fit.

Mr. ANDERSEN of Minnesota. If he sees fit?

Mr. POAGE. Yes.

Mr. ANDERSEN of Minnesota. Then, if he does not see fit, can he put in corn and compete with my corn products?

Mr. POAGE. I think he can, but the economics of the thing would generally induce him to take the payment in kind.

Mr. ANDERSEN of Minnesota. Would it not be better if we made it mandatory that he should take payment in kind?

Mr. POAGE. I see the gentleman from Oklahoma is questioning my answer.

Mr. ALBERT. Mr. Chairman, will the gentleman yield?

Mr. POAGE. I yield to the gentleman from Oklahoma.

Mr. ALBERT. The gentleman is correct in part. There is no penalty, but he loses the price support. He loses price support on allotted acreage and payment in kind.

Mr. ANDERSEN of Minnesota. If a farmer has a 100-acre allotment and cuts it down to 25, he can put it in corn if he sees fit?

Mr. ALBERT. Yes; but he loses price support.

Mr. SMITH of Iowa. Mr. Chairman, will the gentleman yield?

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

Mr. SMITH of Iowa. At the present time, if he wants to, he can reduce to 25 acres, but he would still get price support. Under this bill he would not do so.

Mr. POAGE. Yes. This bill makes it more difficult to engage in that kind of practice.

Mr. AVERY. Mr. Chairman, will the gentleman yield?

Mr. POAGE. I yield to the gentleman from Kansas.

Mr. AVERY. The gentleman is discussing the option that the farmers have. He would have a clear choice of high support and controls, opposed to no acreage control and no price supports. Is there anything in this bill that would make controls on a lower average than in the present law?

Mr. POAGE. Yes.

The CHAIRMAN. The time of the gentleman from Texas has again expired.

Mr. ALBERT. Mr. Chairman, I yield the gentleman 3 additional minutes.

Mr. AVERY. I did not understand the gentleman's reply. What is the difference in this bill?

Mr. POAGE. The penalties for overplanting are nearly doubled.

Mr. ALBERT. Mr. Chairman, will the gentleman yield further?

Mr. POAGE. I yield to the gentleman from Oklahoma.

Mr. ALBERT. But the farmer has to prove his actual production. In addition to that, the penalty rate is raised from 45 to 65 percent on the excess.

Mr. POAGE. There is a very substantial increase in the penalties.

There are two other sections of the bill deserving of attention. Title 2 simply allows feed grain farmers to develop their own program to balance supply and demand. It says:

Such a program shall not cost more than 10 percent of the value of the crop—

Far less than at the present time. I think we owe the taxpayers a break.

This feed grain producers program must cover all feed grains; not simply corn, and must not result in any further Government acquisition of additional surpluses. It stops the increases of surpluses in Government storage, and I believe most Members of this House as well as most citizens of this country want to bring a stop to that. Again, we are trying to protect the taxpayer. I do not have time to go into the feed grain situation further than to point out that the present buildup of corn and other feed grains poses a continuing threat to the livestock industry in all of its forms—including chickens and dairying. Everyone knows that cheap corn makes cheap hogs and cheap feed makes cheap beef—and cheap red meat will destroy the chicken business. I can see nothing but disaster to livestock producers in unlimited production of cheap feed. I know an effort will be made to take this section out of the bill. Before you vote for it, I would suggest that you ask yourself how you propose to deal with the livestock industry.

We have maintained the livestock market right well in recent years, really because we have had a feed grain program. Now, if you should abandon your feed grain program, if you fail to use these vast surpluses of feed grain you are going to affect the livestock market just as you have seen other markets affected.

If we want to maintain a sound rural economy we must have the feed grain program.

The third and last title of this bill provides machinery whereby the Secretary of Health, Education, and Welfare may distribute protein foods, meats, milk, eggs, and such, to needy people, to the same people who are presently eligible to receive cornmeal and flour from the Secretary of Agriculture. But since we know that you cannot produce these protein products without there being substantial consumption by animals of these feed grains which are presently in surplus, does it not make sense to allow the Secretary to distribute to these needy people the foods that are more palatable, that will give them greater health than to simply give them cornmeal? Is it not better, from the standpoint of the needy, to get some bacon instead of cornmeal? From the farm standpoint does not the production of the bacon involve the use of the corn which otherwise might have gone into meal? So we provide that the Secretary of Agriculture may sell in the open market a bushel of feed grains for each \$2 worth of protein feed that the Secretary of Health, Education, and Welfare distributes.

To my mind we have here a sound and reasonable use of our agricultural surpluses for the needy people of America, and we do it without doing any harm to any farmer in America. I cannot see why you should seek to strike this out, why you should want to deny to the people of America who cannot buy even cornmeal, the opportunity to use protein foods. But there will be efforts to take this section out of the bill. I hope these efforts will be turned back. I want this bill to help every living person it can. This title does not open any doors to raids on the Treasury. It requires a congressional appropriation approved by the Appropriations Committee of this House before any funds can be used for protein food.

I think we have been able to bring the House a well-rounded bill. It is not exactly what I would have preferred. I do not think it is perfect. It is not all-inclusive, but if approved by producers, it could deal with 85 percent of all of our surplus crop, and with well over half of all the tilled acres in the United States. It imposes no program of itself. It is democratic. It does protect taxpayers and consumers as well as farmers—and it is in truth a farm bill—a farmers' bill—a bill which can be used to raise farm income.

Mr. HOEVEN. Mr. Chairman, I yield myself 5 minutes.

Mr. HOEVEN. Mr. Chairman, it is quite apparent that we are following the same old pattern, in involving the farm problem in politics. I am one of those who has tried desperately hard to keep the agricultural problem out of politics.

The farm problem has no business in politics. This idea of getting up on the floor of the House and castigating somebody, calling names and finding fault, will never solve the farm problem. Let us be realistic in facing a most perplexing problem. The American people ex-

pect us to do exactly that. It is quite apparent to me also that some on the majority side apparently prefer an issue rather than a solution.

My efforts have been directed during the past several months in trying to pass a wheat bill which can actually be enacted into law. Anything less is simply shadowboxing. The President of the United States in his farm message to the Congress said he did not want a political poulitice. The bill under consideration is in that category.

Agriculture is the Nation's basic industry. Every segment of our economy is dependent upon the welfare of the American farmer. We stand pretty well together when it comes to foreign affairs. We stand united for the defense of our country; but when we consider the Nation's basic industry, to wit, the farm problem, it seems as if it has to be dragged into politics. The American farmer is getting sick and tired of being kicked around in this political arena.

I want a wheat bill. I think it is incumbent upon us to send a wheat bill to the White House which can be enacted into law. If we do not do that we are not true to our obligations to the American people.

The committee vote on this bill was 20 to 13, the Rules Committee reported the bill by a vote of 5 to 4, which certainly indicates it is very controversial, to say the least. In this connection, I hope you will carefully study the minority report on the bill.

I find no demand for this legislation. Representatives in the Congress from the wheat sections of this country, as far as I can determine, are not for the bill. I have not had a single letter from my feed grain people urging me to vote for the feed grain section or the bill.

Mr. ALBERT. Mr. Chairman, will the gentleman yield?

Mr. HOEVEN. For a question.

Mr. ALBERT. Will the gentleman support the proposal of the wheat farmers of this country as made through the National Wheat Growers' Association as offered to the Congress?

Mr. HOEVEN. That proposal was fully explored in the Committee on Agriculture and was turned down.

Mr. ALBERT. The gentleman knows no other proposal has been supported by it.

Mr. HOEVEN. Let me call the gentleman's attention to the fact that his own Party having control of the other body passed a wheat bill which was referred to the House Committee on Agriculture. It should be given some attention by the House Committee on Agriculture. The committee then could work its will and present a bill to the House which I hope could be enacted into law.

Mr. Chairman, I find no clamor for the bill. The Farm Bureau is opposed to the bill, the National Grange is opposed to the bill and, up until today, at least, I understood the Farmers Union was opposed to this bill. I doubt that they are very much enthused about it.

The CHAIRMAN. The time of the gentleman from Iowa has expired.

Mr. HOEVEN. Mr. Chairman, I yield myself 5 additional minutes.

Mr. Chairman, even some of the sponsors of the original Poage bill have run out on it. The first version of the bill was a grandiose proposition. It took in every agricultural commodity. It was the answer to the maiden's prayer. It was supposed to solve the farm problem. Then it was suddenly discovered the bill would not do the things being claimed for it. Even the sponsors were unhappy, and different commodity groups affected started to "get out from under." The cotton people said, "We don't want to be covered." The tobacco people said, "We don't want any part of this." And other commodities disclaimed ownership. So those commodities were finally eliminated, with the exception of wheat and corn and other feed grains.

But when the representatives on the committee from the Corn Belt and the feed grain sections of this country attempted to eliminate the feed grain section they were outvoted. The third and last version of the bill now before us has gotten to be a face-saving operation.

The original bill was called the Family Farm Income Act of 1960. In the second version they cut it down to size and made it the Family Farm Act of 1960. They forgot about the income. Then in the third version, which is before us now, they forgot all about the farm family, all about the farm income, and it is now the Farm Surplus Reduction Act of 1960. So we have gotten down now to a face-saving operation.

Mr. Chairman, this bill is more costly than the program under which we are now operating. Title I will cost approximately \$104 million more. Title II, the feed grain section, as closely as I can estimate, will cost \$250 million more. Title III, relating to the distribution of protein food, will cost \$500 million more, making a total of about \$850 million increase. Certainly this should be of concern to the taxpayers.

The passage of the bill will mean placing more employees on the Federal payroll. Many more people will be needed to police the referendum and control provisions of the bill. The most glaring defect in this bill is the abdication of legislative authority by the Congress. For the first time in the history of the Congress, I believe the bill will permit nine men from different sections of the country to write a farm bill. Eight of them can outvote the representative from the Corn Belt, for instance. They can operate in secret if they choose. They would have the authority to formulate a farm bill which might well encompass the Brannan plan of production payments. It might well be something else. Who knows? Whenever a plan is formulated by this committee of nine, the proposal is sent to the Secretary of Agriculture who then sends it to the Congress. If the Congress does not take affirmative action in disapproving the proposal, within 30 days, it is submitted in a referendum. I wonder what would happen if such a proposal, in the closing days of this session and within the 30-day period, had come to our attention. The Congress would have no voice in the matter whatsoever.

Mr. ARENDS. Mr. Chairman, will the gentleman yield?

Mr. HOEVEN. I yield to the gentleman from Illinois.

Mr. ARENDS. I am very pleased that the gentleman has called attention to this particular bill and to prove how absurd some of the provisions in this legislation are. It is a complete abdication of power on the part of the Congress.

Mr. HOEVEN. I thank the gentleman.

Authorizing nine people to formulate a farm program would set a very bad precedent. If we start on this kind of an operation of delegating legislative authority, why not permit nine individuals to formulate a program for Federal employees; why not permit nine members of labor organizations, or nine members of a teachers' organization to enact legislation in this same fashion? Furthermore, I seriously question the constitutionality of that kind of a provision. How can the Congress legally surrender its legislative authority in this field?

Mr. POAGE. Mr. Chairman, will the gentleman yield?

Mr. HOEVEN. I should like to finish my statement.

Mr. POAGE. Does the gentleman refuse to yield?

Mr. HOEVEN. I hope the gentleman will not press me as I would like to complete my statement.

Mr. POAGE. I merely wanted to get it clear; I do not understand.

Mr. HOEVEN. I did not interrupt the gentleman and would like to proceed.

Mr. POAGE. If the gentleman refuses to yield, I shall not ask him to.

Mr. HOEVEN. Not at this point. Going back to the delegation of legislative authority, why should not you people from the industrial centers of this country, the big cities, have something to say about farm legislation? Are you willing to delegate your authority to a group of nine people and have nothing to say about the format of it, or anything else?

Furthermore, the bill is going to mean higher export subsidies in the amount of about \$150 million.

The bill also provides for "back-door spending," if you please. Section 207, in the feed grain section, provides that funds can be made available out of Commodity Credit Corporation funds. Of course, the Congress must reimburse Commodity Credit Corporation so we wind up with "back-door spending" which, if I sense the temper of the Congress, is something that most Members of Congress are very much opposed to.

In summary the bill before us simply cannot be enacted into law. That is my frank opinion.

I assume several amendments will be proposed and Members are going to have the opportunity to vote on the bill that passed the Senate the other day. After the House has worked its will, if the bill has not been perfected to make it at least reasonably palatable, I propose to strike section 2 and section 3 so that we can go to conference with the Senate and work out a wheat bill. In my humble judgment, that is about all we can expect at this late date in this session of Congress.

Other members of the committee on our side will discuss the different provisions of the bill. I did want to point

out some of the practical difficulties which confront us. May I express the hope that we now get down to brass tacks. Let us enact a wheat bill which can become law. If that can be accomplished, I think the country will applaud us for having tried to accomplish something for agriculture.

Mr. Chairman, I yield 5 minutes to the gentleman from Oklahoma [Mr. BELCHER].

Mr. BELCHER. Mr. Chairman, Members who serve on other committees have no idea what a problem we have on the Committee on Agriculture. In the first place, we have several different commodities to consider and we have several different types of farmers within any one commodity. That is what makes it so difficult to write a wheat bill. In the first place wheat is the only commodity, the production of which we did not actually control from the beginning. The history of price supports and the control program for agricultural commodities is that you try to balance production with consumption. As far as wheat is concerned, we have not had control of production. Although 30 million acres have been retired from the traditional wheat areas of this country we are going to produce more wheat this year than we ever have produced in the history of America.

This is due to the fact that under the wheat program a farmer in a traditional wheat area that used to farm 100 acres of wheat is now reduced about 45 acres, but that 45 acres does not go out of production. It is split up into three 15-acre patches and spread out in other States of the Union where they never have raised wheat before. On these 15-acre patches more wheat is raised than was raised in the original wheat producing area. So as we reduced acres in the traditional wheat areas we transplanted them to Louisiana and various other States and they produce more wheat than was produced in the beginning.

This Congress and the Committee on Agriculture have never had the courage to face that situation. The day is coming when we will either face that situation or we are not going to have a wheat program.

I know a lot of Members of this House would like to see the agricultural programs eliminated and the cost of the agricultural programs saved. If that is what you would like to do, all you need to do is to continue to cut the wheat acreage in the wheat areas, instead of eliminating the 15-acre exemption and preventing the spread of wheat. This bill merely brings the 15-acre farms in as traditional wheat acres. Now instead of permitting them to raise 15 acres and sell the wheat without penalty, which they used to do, whereas the traditional wheat farmer if he raises a bushel of wheat over his allotment pays a \$1.07 penalty before he can market that bushel, whereas a farmer who has never raised wheat can sell the entire production without paying a single cent of penalty.

This bill not only does not prevent that, it brings the new farmers into the wheat program and gives them a price support just the same as is given the traditional wheat farmers. Over the

past number of years at the very time we have had too much wheat, and members of the committee have continuously come to the floor and talked about the high storage costs and the huge surplus, we were putting 100,000 new farmers into the production of wheat each single year until up to the present time there are 1,200,000 of those new farmers producing wheat against the 600,000 farmers that used to depend and still depend on wheat for their entire source of income.

If you want to split up the wheat area and spread the acreage all over the United States, all you need do is just completely break the wheat areas and take them over, but just bear in mind that when we go out of wheat production we might produce something your area has to produce.

It has always been my theory, in view of the fact that we can raise wheat more cheaply than you folks can, the traditional wheat area ought to be permitted to raise the wheat and the other areas permitted to raise the crops they can raise best on their farms, but that is not what we have done. We have permitted you to keep your acreages of cotton, tobacco, rice, sugarcane, and all the others, and at the very same time take our wheat acreage. We have not taken any of the sugarcane from Louisiana or taken any of the tobacco acreage from the chairman's home district. I think it is just a practical proposition that we ought to raise wheat where wheat is a profitable crop and you ought to raise tobacco where tobacco should be raised, and cattle where cattle should be raised, and dairying the same. But that is not the program we have been following. If you continue to split this up and spread it out all over the country, we will not have any wheat area but we will have to compete with your tobacco, cotton, rice, or some other product in order for our farmers to stay in business at all. I think until this Congress faces up to the proposition and eliminates the 15-acre exemption and put the wheat acreage back in the traditional wheat area, we are not going to solve any wheat problem ever with any kind of program that continues to cut acreage in the traditional wheat area. I realize the problem that some of you ladies and gentlemen of this committee face when you have a group of these 15-acre farmers in your districts. I recognize how hard it is to vote to eliminate that. But just keep one thing in mind. If you do not vote to eliminate that, you are going to some day have to vote to eliminate the entire agricultural program. It might be bad and it might hurt your areas.

One more thing. The 15-acre farmer is not a small farmer. He is a corn farmer or a cotton farmer or a farmer engaged in some other activity for his source of income. He merely plants the 15 acres for a little cash crop in the summertime. He is not the little farmer. He is another farmer who has horned in on the wheat farmer.

I recognize how tough it is for some of you folks to vote for that kind of a program, but until you are ready to do it, you might just as well vote to repeal all agricultural programs.

The CHAIRMAN. The time of the gentleman has expired.

Mr. COOLEY. Mr. Chairman, I yield 5 minutes to the gentleman from South Dakota [Mr. McGOVERN].

Mr. McGOVERN. Mr. Chairman, a few minutes ago, one of the most distinguished members of our committee warned that the committee should not deal with this problem before us in a political vein and that we should not devote our time this afternoon attempting to fix responsibility for the difficulties in which we find ourselves today. Having made what I thought was a very commendable opening statement, he then proceeded to spend most of the next 15 minutes ridiculing those some two dozen Members of the Congress who are sponsors of the Family-Farm Income Act of 1960. This was a piece of legislation which was introduced in good faith by a number of Democratic Members of the House to accomplish three basic purposes: To give the producers of any farm commodity an opportunity, if they wanted to use it, to establish a market stabilization program, but only after two-thirds of them had agreed that that was the kind of program they wanted. I cannot see anything undemocratic about that, and I cannot see any regimentation or anything objectionable about giving the producers an opportunity to establish the kind of program that two-thirds of them want. We further provided that the program would have to be reviewed by the Congress and the Department of Agriculture, and that it could not go into effect if there were action by the Congress to disapprove it. The gentleman made a great point about the fact that we removed a number of commodities from the bill during the course of discussion in the committee. That is true, but it must also be recognized we did that because of the storm of criticism and propaganda that was set up by the Department of Agriculture and organizations such as the American Farm Bureau that really want no program at all. The only concrete suggestion we have had from the Farm Bureau and Secretary Benson to date is that we increase the amount of acreage in the soil bank from 28 million acres to 60 million acres by throwing whole farms into the soil bank and taking them out of production. If we were to do that, we would be destroying most of the communities in rural America and we would undermine agriculture itself. It was our further purpose in this legislation to reduce the costs of the program and to reduce the accumulation of surpluses. Those who have really been playing politics with American agriculture are not to be found here in the Congress of the United States—those who are really playing politics with American agriculture reside in the White House and in the Department of Agriculture. These are the gentlemen who came out to South Dakota and to other parts of rural America and promised the farmers in 1952 that they would work not for 90 percent of parity but for 100 percent of parity.

After 7½ years of this administration, farm commodities are down to about 75 percent of parity. What is at stake in this legislation before us at this time

is this fundamental question: Do we want the wheat farmers of America to produce 55 million acres of wheat per year in the coming 5-year period or do we want them to produce 41 million acres while protecting their net income? That is the basic question.

If we kill this bill before us the farmer will again plant 55 million acres of wheat at a time when we already have 1.3 billion bushels in Government hands. If we pass this bill we enable our farmers to participate in a referendum that will enable them to cut back their production to about 41 million acres, but at the same time protect them against disastrous drops in income.

Mr. SHORT. Mr. Chairman, will the gentleman yield?

Mr. McGOVERN. I yield to the gentleman from North Dakota.

Mr. SHORT. Would the gentleman state for the benefit of the Members whether or not he believes a 25-percent cut in acreage and a 10-percent increase in the price-support levels, plus 55 percent payment in kind, will maintain the wheat farmers' income at the present level?

Mr. McGOVERN. I think it will result in a very slight increase. I have no way of knowing for certain what the income level would be, but the best information I have is that it would result in a slight increase. In any event, we are giving the farmers a choice to take no controls at all or to take the route suggested by the committee.

The CHAIRMAN. The time of the gentleman from South Dakota has again expired.

Mr. BELCHER. Mr. Chairman, I yield 5 minutes to the gentleman from Maine [Mr. McINTIRE].

Mr. McINTIRE. Mr. Chairman, I want to call attention to title II of this bill, which deals with the program designated as the "national stabilization program for feed grain." These are areas of agriculture that are interested in this legislation aside from those that are just producers of feed grain.

I realize the importance of price stability in feed grains, as well as the importance of price stability in other lines of American agriculture, but so that the members of the committee will understand what we are dealing with in these areas of the country that are deficit feed grain areas, I would like to bring to your attention a few facts.

First, let me say that the items we are dealing with, with the exception of corn—the other items of barley, grain sorghums, oats, and rye, are already operating within the framework of price stability under title III of the Agricultural Adjustment Act of 1949, as amended. In order that you would get the proper perspective, the price support on these items are as follows:

Barley 61 percent of parity; corn 65 percent; grain sorghums at 61; oats at 60, and rye at 60 percent of parity.

In the very first part of this title, section 201 of this bill, it states that the objective is to raise the price support level of those commodities to 85 percent. This is roughly a 20 or 25 percent increase in price.

Let me call attention to a few of the feed grain deficit States. While I appreciate these figures are generalities, nevertheless they are approximately correct.

The State of California has an annual feed cost of \$412 million. The cost of this stabilization program to California will be approximately \$100 million per year.

Let us turn to the State of Florida. The increased cost is about \$18 million. For the State of Georgia it is about \$35 million. For the State of Mississippi, \$20 million; for the State of Virginia approximately \$15 million. For Pennsylvania there is approximately a \$50-million increase in the cost to the producers of dairy and poultry products of that State on their food grain costs. For the State of New York the increase will be about \$40 million; for the State of Massachusetts \$10 million.

In my own State, Maine, which of course is a deficit feed grain area, there will be an increased cost of \$10 million; for Vermont \$9 million, for West Virginia \$6 million.

Feed costs represents 30 to 40 percent of the cost of production of milk and poultry products. This legislation, if it is effective, will increase the cost of feed grains in these feed deficit States.

I think in order to be fair, those of us in feed deficit States must recognize the problem in the feed surplus States; however, I think we need to give this legislation very careful consideration, and I certainly do not think we should support this measure which increases feed grain cost in feed deficit States.

Mr. COOLEY. Mr. Chairman, I yield 5 minutes to the gentlewoman from Idaho [Mrs. FROST].

Mrs. FROST. Mr. Chairman, I am one of the score of Democratic Members of Congress who are sponsoring this Farm Surplus Reduction Act of 1960. It is the kind of comprehensive program that has been needed by American agriculture for a long time.

I think it is unfortunate that opponents of the bill are trying to make it appear as an election-year football. It emphatically is not. A small, representative group of Democratic House Members—and I was one of them—first got to work on this legislation last August, after it became clear that we could expect nothing concrete in the way of action from Agriculture Secretary Benson to help the family size farmer. We worked diligently on it and had the bill ready for introduction the day after the President delivered his farm message to Congress last February 9.

That legislation has since been under study by the House Agriculture Committee. Lengthy hearings were held on the measure during which numerous experts on farming along with representatives from farm organizations testified.

Some 11 Governors appeared either in person or sent in statements supporting the measure. The committee then combed through the hundreds of pages of testimony and made changes accordingly in the original structure of the bill. The legislation before us today is the result of the weeks of study by the committee. I wish to take this opportunity

to commend the members of that great committee for their tireless efforts in perfecting a bill that would benefit the family size farmer.

In the President's farm message, as I recall, he referred to the plight of the family farmer as a most vexing domestic problem, and he invited the Congress to come forward with a solution.

Let us not forget that the President was not the only one who was throwing out a life preserver when it comes to the farm situation. It is a fact that the Nation's 4.5 million family farmers, who make up the backbone of our great Nation, have been throwing out life preservers for almost 8 years now. It is also a fact that no help has been forthcoming to them in all that time. The record shows that the President has vetoed five major farm bills so far. And Secretary of Agriculture Benson is operating a policy that has the clear-cut aim of driving the family farmer off the land, which is his heritage, and into the overcrowded job scrambles now taking place in our major cities.

This is hardly the way to treat such a large and important segment of our citizenry—a citizenry that has made the American breadbasket into the largest and richest in the world.

A brief look at the plight of the family farmer today explain readily enough why this legislation was prepared. The net income of farmers has dropped from \$15.3 billion in 1952 to less than \$10.3 billion today, and the trend is continuing downward. The parity ratio has gone down from 100 percent to about 77 percent during that period. Farm indebtedness at \$14 billion in 1952, is now above \$20.8 billion today. Interest rates paid by farmers have increased sharply during these same years. The farmers share of the food dollar has dropped from 47 to 37 cents. Farm population, moreover, has declined from 24.3 million to under 20 million today. And the number of farm units has gone down from 5.4 million to under 4 million today.

Net income to the farmer as a whole, is at a 19-year low at the present time. And, as everyone in this body knows, we have the weird situation of the Nation's farmers literally drowning in the plenty they are producing.

After this brief look—and I could have cited even more unhappy statistics—it is reason enough to explain the need for a new attack on the farm problem.

The Family Farm Income Act of 1960, which has been amended and is now cited as the Farm Surplus Reduction Act of 1960, is designed to raise the income of the family farmer and protect him from ruin. It would reduce our fantastic farm surpluses which, in the President's own words, are costing the taxpayers more than \$1,000 a minute to store. And the new program would cost only a fraction—about a half billion dollars a year—compared to the more than \$5 billion that the administration is now spending to shore up its existing patchwork agricultural stabilization programs.

I will not go into the other details of the bill because it is being well covered here by other speakers. But, in conclusion, I want to urge the Members

of the House to support this legislation. It is must legislation to fill the vacuum which exists in our agricultural policies today.

Mr. ANDERSEN of Minnesota. Mr. Chairman, I offer a privileged motion.

The CHAIRMAN. The Chair will advise the gentleman that his motion is not in order at this time.

Mr. ANDERSEN of Minnesota. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. ANDERSEN of Minnesota. Mr. Chairman, as long as I cannot get time from my side, I wonder if the gentleman from North Carolina may have 5 minutes for me at this time?

Mr. COOLEY. Mr. Chairman, I will yield the gentleman 3 minutes.

Mr. HOEVEN. Mr. Chairman, may I say that all of the time was allotted on this side before the gentleman from Minnesota requested time.

Mr. ANDERSEN of Minnesota. I am meeting a realistic situation, that is all.

The CHAIRMAN. Is the gentleman from North Carolina yielding 3 minutes to the gentleman from Minnesota at this time?

Mr. COOLEY. Mr. Chairman, I yield 3 minutes to the gentleman at this time.

Mr. ANDERSEN of Minnesota. Mr. Chairman, we are faced with what kind of a situation here today? We are faced, first, with the problem of trying to bring to the farmers of America a little bit higher price level for what they produce. We are faced with a situation where we have \$9.1 billion worth of commodities owned by the Commodity Credit Corporation which are coming to the point where they are becoming unbearable from the viewpoint of storage costs to the general public.

What can we do in reference to this? Personally, I am willing to say to the wheat farmers: "Here, you have two alternatives, take your pick."

I am going to offer an amendment when we get to the feed grain section which would say to the farmers: "Now, if you like this committee proposal that the Committee on Agriculture has brought before us today, you can choose between that and the so-called green acres proposal which the gentleman from Iowa [Mr. JENSEN] and I have been proposing during the last 2 months."

That is all I am asking, and I intend to try to get that before the House for action so that we in the feed grain part of it will be able to give to our farmers a choice between two alternatives. I would really prefer to see three there. I would like to see the Farm Bureau proposal put in there and give the farmers an opportunity to choose between Mr. JENSEN's and my green acres proposal. The Farm Bureau proposal of wide open production, or, as the committee has made it, leaves it up to nine members, a committee of nine, who have nothing whatsoever to do with the Congress. Let the farmers decide; that is all I am asking. I think here today, if we are reasonable men and women, we can do something good for agriculture in America. I feel if we do not, we will be falling down on our job.

Mr. JENSEN. Mr. Chairman, will the gentleman yield?

Mr. ANDERSEN of Minnesota. I yield to the gentleman from Iowa.

Mr. JENSEN. I am sure the record will show that the gentleman from Minnesota and I have always helped the cotton and the tobacco farmers.

Mr. ANDERSEN of Minnesota. And the peanut farmers.

Mr. JENSEN. And the rice farmers of America.

Mr. ANDERSEN of Minnesota. All through my 22 years. And, the same thing applies to the gentleman from Iowa. We have helped you gentlemen from the South to get a fair break for your commodities, but we have no fair break in this bill as far as corn and feed grains are concerned, my friends.

Mr. JENSEN. That is what I was coming to. It just seems to me in all fairness that since many of us on this side from the agricultural States and many from the large cities have supported legislation to give the cotton and the tobacco farmer a break, the same consideration should be accorded those of us who are constantly and sincerely trying to help the farmers of the Midwest.

Mr. ANDERSEN of Minnesota. I thank the gentleman for his contribution.

The CHAIRMAN. The time of the gentleman from Minnesota has expired.

Mr. HOEVEN. Mr. Chairman, I yield 1 minute to the gentleman from Iowa [Mr. JENSEN].

Mr. JENSEN. Mr. Chairman, I repeat it appears to us in all fairness and sincerity that we from the corn and feed grain producing States, the large bread-basket area of these United States, should have something to say about the kind of farm legislation which we know will be good for our farmers. And, if it is good for the farmers, it is good for every American. The Andersen-Jensen green acres bill, if enacted into law, will be beneficial to every farmer in America over the long pull.

The CHAIRMAN. The time of the gentleman from Iowa has expired.

Mr. HOEVEN. Mr. Chairman, I yield 5 minutes to the gentleman from Utah [Mr. DIXON].

Mr. DIXON. Mr. Chairman, I would like to urge the House to reject H.R. 12261 because its net affect would be to aggravate rather than to solve the farm problem. I shall offer as a substitute S. 2759—the wheat bill passed by the other body.

The wheat problem today is terribly serious. During the past 5 years the net realized cost for the stabilization of wheat prices and income amounted to about \$2.9 billion. This is 30 percent of the net realized cost for all commodities although wheat represents only 6 percent of the cash receipts of all agricultural products.

It is incredible that Congress has permitted this problem to grow to the proportions that we now face. Our wheat surplus is now 2½ times greater than the annual entire U.S. consumption of wheat for food.

The fundamental reason that the problem has grown to this magnitude has

been Congress' unwillingness to face the problem realistically. The majority leaders in the Congress have constantly fought for high price supports, and yet they have been unwilling to cut production sufficiently to bring it into line with consumption.

It is obvious that incentive level price supports of 75 percent combined with the 55 million minimum national acreage allotment, and the 15-acre exemption should produce far more wheat than we need.

H.R. 12261 would repeat this identical blunder—

First. By raising the price support of wheat from 75 percent to 85 percent it would discourage the development of new markets for wheat which is a key to a real solution of adjusting demand to supply. It would price wheat out of the market. Raise wheat 25 cents a bushel.

Second. By raising price supports it will raise incentive for greater production for more intensive production of the land which is still permitted to be used for wheat.

Third. Instead of lowering the cost of the wheat program which is the crying demand of the taxpayers it would raise the annual cost about \$104 million a year and \$230 million over S. 2759 which I am offering as a substitute.

Fourth. In addition to this raise in cost to the taxpayers it would raise the price of wheat and in all probability the price of bread and its products to the consumer. It is just another bread tax. Raises bread about 1 cent per loaf and flour ¾-cent per pound or 10 percent.

Fifth. The idea of setting up commodity committees to determine programs for the feed grains seems to be an unconstitutional delegation of power by Congress.

Sixth. These commodity committees could set up programs for feed grains which could damage other segments of agriculture. What guarantee is there that our poultry, dairy, sheep, cattle, and swine producers would be protected against artificially high priced feed grains?

Hugh Colton, president of the Utah Cattle Association, has advised me that most cattlemen throughout the Nation are unalterably opposed to this kind of treatment of the feed grain segment of agriculture. I have similarly received dozens of letters and wires from other livestock people.

The proceeds from livestock amounted in 1959 to 55.9 percent of all of the agricultural proceeds and certainly their needs must be taken into account in this legislation. By contrast the proceeds from the feed grains amounted to only 7.4 percent. There can be no justification in any sense for permitting the feed grains to establish programs which could damage the livestock industry.

Seventh. The House bill would extend the area of controls.

Eighth. The House bill would set up a costly, difficult to administer and discredited food stamp plan.

Considering all of these regrettable deficiencies in the House bill, I would like to move that we replace the House bill with the Senate bill, S. 2759, which,

although it is not perfect, is from every important standpoint a much better bill than the House bill.

In essence the Senate bill would continue the present level of price supports at 75 percent for wheat for 3 years. It would require reduction of 20 percent in acreage for those who comply with the program. The marketing quotas would have to be adopted by a two-thirds vote of all those who are permitted to vote. Those permitted to vote are restricted in the Senate bill—similar to the House bill—to those subject to marketing quotas. The wheat growers are given 50 percent of the previous 3-year average yield of wheat for the 20-percent acreage that they reduce their production. They are also permitted to reduce their acreage by more than 20 percent and collect the 50 percent acreage in kind.

Let me point out that this is a generous provision. The estimates that I have been able to gather indicate that for most wheat farmers they would make a good deal more money by receiving the 50 percent payment in kind than they would if they had to grow wheat on their land. Consequently, this bill can certainly not be said to hurt the wheat farmer in any immediate sense, but to the contrary helps him and, of course, in the long run it helps him even more because it helps in adjusting supply and demand.

The Senate bill reduces the 15-acre exemption to the highest acreage produced in the years 1956 to 1960, not to exceed 12 acres. The Senate bill also raises the penalties for noncompliance as does the House bill.

In summary, the Senate bill is infinitely preferable to the House bill and should be adopted by the House for the following reasons:

First. It eliminates the unpredictable, potentially dangerous and probable unconstitutional program for feed grains.

Second. It eliminates the costly and unwieldy food stamp plan.

Third. It does not raise price supports and thereby dry up market expansion.

Fourth. It does not raise price supports and thereby greatly raise the already exorbitant cost of the wheat program.

Fifth. It does not raise price supports and thereby become a bread tax to the consumers.

Sixth. The 50-percent payment in kind will be attractive for wheat farmers but much less costly than the 55-percent payment in kind provision of the House bill.

Seventh. The administration will accept the Senate bill. Consequently, House passage of the Senate version will insure at least a partial solution for the wheat problem.

Mr. JOHNSON of Colorado. Mr. Chairman, will the gentleman yield?

Mr. DIXON. I yield.

Mr. JOHNSON of Colorado. Earlier today I showed the House that the flour that goes into one loaf of bread brings to the farmer 2.3 cents. The Poage bill would bring the farmer 2.6 cents for that flour that goes into one loaf of bread. A loaf of bread sells for 21 cents and the farmer is only getting 2.3 cents. If we

passed a bill that would give him 2.6 cents, I do not see why that should increase the price of bread.

Mr. DIXON. Mr. Chairman, I cannot yield further. I merely wish to say that there is a considerable number of people, thrifty people, who make their own bread, and this would raise the cost of the flour to them by 10 percent. That is a major factor. Let thrifty housewives save the difference between the 2.3 cents which the farmers receive and the 25 or 27 cents which the consumer pays for bread.

Mr. HOEVEN. Mr. Chairman, I yield 5 minutes to the gentleman from Minnesota [Mr. QUIE].

Mr. LANGEN. Mr. Chairman, will the gentleman yield?

Mr. QUIE. I yield to the gentleman from Minnesota.

Mr. LANGEN. Mr. Chairman, I thank my distinguished colleague from Minnesota for yielding and ask unanimous consent to extend my remarks in the Record following the remarks of the gentleman from Minnesota [Mr. QUIE].

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

Mr. QUIE. Mr. Chairman, in the brief time that I have, I should like to point out some of the things I dislike about this bill. First, let's take the wheat section. About 70 percent of the people who raise wheat today would not be allowed to vote in the referendum on whether they supported subtitle A or subtitle B. In the past it has been argued that not all the people who raise wheat should be allowed to vote, because those who raise less than 15 acres have the choice of taking part in the program, if they wish, or of not taking part in it if they so desire.

Under this bill all farmers who raised wheat in the past would be subject to quotas whether they have been raising 15 acres or less than 15 acres, and I think this is as it should be, but I believe all farmers subject to quotas in 1961 should have the right to vote in the referendum and unless this bill is amended 70 percent would be denied their right to vote.

A second thing about this bill which I think is faulty and will prevent it from becoming law is that the price support is set higher than the President would accept. We have been arguing price supports for a long time. If we are going to help farmers who raise wheat we must pass a bill which can become law. I am more concerned about increasing the amount my farmers will receive in dollars and cents than I am in what the price support will be. One reason why there is opposition to increasing the price support on wheat from 75 percent to 85 percent of parity, as in this bill, is that it will greatly increase the export subsidy which is necessary if we are to continue the present great export of wheat and we all hope it will continue. I do not believe we should saddle the American taxpayer with a further expense of this nature when it isn't necessary.

The bill has been designed as a means of helping the farmer through a payment in kind. Properly used, the pay-

ment in kind can greatly assist farmers' income while reducing production and reducing surpluses of wheat without the use of higher price supports. I think a payment in kind of 60 percent coupled with the present support of 75 percent of parity would be a good compromise. If this had been done, I think we all know that the wheat section of this bill could become law.

Going into the feed grain section, I just cannot agree at all with this effort to completely abdicate our congressional responsibility and authority and give it to nine men who can no more easily agree than nine men in Congress could agree. We have the opportunity here through our committee system to hear the testimony of the farmers all over the Nation and come to grips with this whole situation and draft legislation of benefit to the farmers. Under this proposal nine men would set up a program. They would not just turn over their suggestions to us. If we did not veto their proposal in 30 days, it would become law. If we should be tied up in such action as we were earlier this year such as consideration of civil rights, or the tieup in the last days of the session, it would be impossible to bring their proposals up and consider them and they become law without congressional action. Surely the Congress should have to take positive action before any proposal by individuals who have not been elected by all the people of this country would have the effect of becoming law.

It is not only the farmers who raise feed grain who have an interest in the feed grains. There are the people of whom the gentleman from Maine spoke who are in deficit feed producing areas. Surely these people do have an interest and should be represented. The reason laws must be passed by Congress and should continue that way is that we represent all the people rather than any special group.

We are concerned about the welfare of feed grain producers. Under this bill, no proposal of the nine-man committee in all probability would take effect for 2 years after the passage of this bill if all goes well. I have an amendment to this title which would be beneficial to the feed grain situation next year directly and an indirect immediate beneficial effect.

Mr. LANGEN. Mr. Chairman, the legislation that is the subject of debate before the House today possibly is designed to fill as great an area of need as any legislation that has or will come before us during the course of this session. This need can be emphasized just as effectively in terms of its significance to the taxpayer, the consumer as well as our farm populace. Therefore, I should want to emphasize that we are not only considering the degree of benefit that this legislation has to the American farmer, the producer of our Nation's food and fiber, but that we are also considering legislation that is of equal importance to our Nation's economy, our supply of nutritious foods, and even the much discussed matter of a balanced budget.

I shall not take the time of the House to present a long and intricate, statistical

report of the need that legislation be enacted in order to stabilize and improve the farm economy, for this fact has been set forth so emphatically on numerous occasions by Members of this House, by the Department of Agriculture and by statistical reports from a wide variety of sources. All of them portray very vividly the almost continuous decline in farm income matched by comparable increases in the cost of farm operation as well as the cost of the everyday living expenses in the same proportion as has been experienced by our entire national populace. Likewise, it is just as common knowledge to the membership of this House that there is a need for our concern of this legislation from the taxpayer's standpoint. For here again, the cost of the present farm program and its many provisions have been sufficiently and adequately emphasized. The committee report sets forth this need most emphatically. With regard to the need for our concern of this legislation in relationship to the consumer, history has revealed to us over the years that any nation's strength economically, morally, and militarily has never been any better than the extent to which the nation has had available adequate supplies of nutritious foods and fibers. Therefore, this legislation must supply the opportunity for the producers of food and fiber to produce adequate supplies and to do so in a manner that will grant them the assurance of a livelihood that is comparable to other segments of our populace, and at the same time, to do so without any unnecessary burden to the taxpayer.

I am sure that every farmer throughout the Nation has no desire other than to enjoy an equal and equitable participation in the wealth of individual opportunity and standard of living that this Nation can offer. All of our attempts to achieve this goal and objective over the past 30 years have been found lacking in many degrees. Our latest experience with present regulations is a very real example of the degree to which this problem can become burdensome to the segments of our populace that I have previously referred to.

I should want to express my compliments to the Agriculture Committee for the effort they have expanded in seeking a solution to this problem, and to the Rules Committee for having brought this legislation before us under a rule that offers ample opportunity for debate and expression. The legislation before us, however, fails to meet the criteria that, in my humble opinion, are essential if we are to entertain any hope of arriving at a solution that might provide the answers to the already established needs. May I point to a few of them.

First, may I say that I find the legislation as reported lacking in the sense that it places further restrictions and regulation upon the individual farmer's activities and operation without giving to him sufficient opportunity, responsibility, and the assurance of an improved income. Regulations provided by the different titles would have the tendency to divide producers of wheat and feed grains into separate groups, with each being subject to regulation by separate authorities. My experience as a farmer,

together with a number of years in the administration of existing farm programs, has very firmly convinced me that the responsibility connected with the reduction of surpluses needs to be brought closer to the farmer himself rather than by the penalized direction of the Federal Government. I am just as firmly convinced that this responsibility the farmer both can and will accept if he has the assurance that his efforts will produce the desired results. It is not my purpose to say that I have the only or the foolproof answer to this suggestion, but I have introduced legislation that does provide for entirely voluntary participation by the farmer in return for an assured stability in his income. This legislation offers and provides for the following 11 goals:

First. It offers opportunity for the farmer to achieve full parity prices and his rightful share of our gross national income.

Second. It offers less Government control to the farmer and provides him with the opportunity of voluntarily curtailing production to meet demands.

Third. It offers sufficient incentive to the farmer which will encourage a very high percentage of compliance. Experience has surely proven that no program will be effective to any greater degree than the extent to which we can expect to get compliance.

Fourth. It presents no problem of administration. All of the provisions of the bill can be successfully and effectively administered through the township, county, and State committees and the regulations which govern our present program.

Fifth. It permits the law of supply and demand to function within the provisions of the legislation so that acreage shifts from one crop to the other will be governed by prices as determined by supply and demand.

Sixth. It deals with the entire national productive unit of wheat and small grain feed crops and reductions are required from actual planted acres, giving assurance that compliance will produce a reduced total production.

Seventh. It offers a reduced price support on wheat to those who make no contribution to a reduced production and eliminates the present loophole permitting anyone to seed 15 acres by permitting him to collect a payment in kind if he selects to keep these acres out of production entirely.

Eighth. It does not permit the acres taken out of production to be used in producing other crops that can further enhance the surplus situation.

Ninth. It provides that the President shall institute an investigation whenever it would appear that agricultural commodities are being imported in such amounts as to interfere with the laws and price-support programs for those crops.

Tenth. Compliance with this program will be less costly to the Government in that it will reduce surplus costs and so be beneficial to consumers and taxpayers as well as to farmers.

Eleventh. It will permit the law of supply and demand to again function as

soon as present surplus stocks have been diminished to a point of having only adequate supplies in cases of emergency.

That these provisions would be acceptable to the farmer might well be emphasized by his willingness to participate in the many programs that he has been exposed to up to the present time. The reason that many of these programs have not produced the desired results, by my interpretation, has been because the relation the individual farmer has had to them has been entirely without any responsibility on the part of the farmer himself. It is surely in keeping with the American tradition, established by our great Constitution providing for the rights of the individual in a free enterprise system, that growth and progress can best be achieved by adequate means of developing our full potential of individual responsibilities and talents. This goal can be achieved in the field of farm legislation to the advantage of the entire Nation.

A second item that I find completely lacking in the proposed legislation is that no consideration seems to have been given to factors that are beyond the control of the farmer himself. May I mention in passing that I note no reference to the amount of dollars that are referred to as expenditures of the Department of Agriculture which have no relationship or benefit to farm income. But more important is the fact that there is no reference or consideration given to the extent to which the farm income, the volume of surpluses, and the cost of caring for these surpluses, together with resulting increases in the total Government expenditures, have been affected by imports of agricultural products.

I have previously called to the attention of the House how in three of the main crops in my area we have had substantial surpluses and Government expenditures, even though the American farmer has not produced a single bushel of surplus in any of these crops during the past 12 years. During this period, we have constantly had large storage expenditures plus a most depressing market and a continuous reduction in support prices with the application to the Nation that our farmers were the cause of these surpluses as well as expenditures, while the actual truth of the matter has been that the farmer was rather the victim of an import situation over which he had no control. It seems completely futile to me that we should even attempt to curtail production of crops in which our own production has actually been below total disappearance. This same problem has been emphasized by other Members of this House, particularly Congressman E. Y. BERRY, of South Dakota, concerning the extent to which imports have played a part in the entire livestock industry. When this entire scene is surveyed, actually we have no farm or surplus problem within our Nation's boundaries, for if we were called upon to produce quantities sufficient to meet all of our domestic and export needs, our total productive capacity might well be found wanting.

The production of sugar beets and cane is another very lucid example of the same principle. For here is a product in which we produce only 30 percent of our continental needs, and something over 50 percent of our needs in the 50 States. In view of these glaring examples of factors that affect the surpluses and economic problems pertaining to agriculture, how can we possibly expect that the American farmer is going to accept a standard of income that is far below the rest of our citizenry without his expressed and just concern.

I would hope that each of these items might be a substantial part of our consideration today. While I could continue for a more extended time to cite comparable and factual examples of these many inequities, in the interest of time, I shall not do so, for I think that these items alone provide sufficient reason for the Congress to respond to the need of this legislation. In conclusion, may I emphasize one further point. I have noted during the course of today's discussion, in addition to the many long hours of previous deliberations, an element of fear that we had not ought to enter into new fields of legislation pertaining to agriculture and that we might rather admit defeat and hope that by some miracle the problem will go away. I should emphatically state that I do not share this fear, for rather it would seem to me that our experience with the problem over the years should rather encourage us to try and to explore every possible avenue of correction and improvement, and that surely we need have no fear in so doing, for I do not see how we could possibly do any worse than we are now doing. The only possible way that the situation could get worse would be by our neglect to meet our responsibilities as a Congress, to face up to the problem that is before us, and I have every confidence that if we do, we can come forth with a solution that will more adequately serve the needs of the farmer, the consumer and the taxpayer to the complete advantage of the entire Nation's economy. It would be a folly to assume that this can be done overnight, however. I think we need necessarily to assume that it can be done only over a period or years, for we can not correct all of the problems pertaining to surpluses and inequities that it has taken the entire period since World War II to accumulate. We definitely need an adjustment period during which we can work our way out of the dilemma that we now face. This period might require a greater degree of direction and regulation than what will be needed after we get back to a normal balance of supplies and needs for agricultural products.

Because of the great variation in agricultural practices throughout the Nation, I know that it is most difficult to arrive at a unanimity of opinion as to how we ought best to legislate in this field. May each of us today, whether we represent agricultural or metropolitan areas, display our most cooperative and compromising attitudes, for there is no plan that can possibly serve every last little need of a specific segment of the

Nation. But there is every possibility that by proper consideration of the many amendments that will be proposed we can come forth with a plan that will better serve American agriculture, the taxpayer and consumer, and in this manner add strength to our entire national economy.

Mr. COOLEY. Mr. Chairman, I yield 5 minutes to the gentleman from Colorado [Mr. JOHNSON].

Mr. JOHNSON of Colorado. Mr. Chairman, I take this time to try to answer two or three cost estimates cited this afternoon that I think are of unusual interest. Taking them in reverse order, the gentleman from Utah mentioned that this would be a tax on wheat flour. This could only raise the price of wheat going into flour by some 3 mills a pound. If flour is selling at 7 cents that could not be an increase of about 10 percent. The really important question is, What would be a fair price to the farmer? If it takes 3 cents instead of 2.7 cents to produce the wheat, I think we should get a fair price for the farmers.

Mr. DIXON. Mr. Chairman, will the gentleman yield?

Mr. JOHNSON of Colorado. I yield to the gentleman from Utah.

Mr. DIXON. With regard to whether or not this is a bread tax, most of the thrifty housewives make their own bread from flour. This bill would raise the cost of flour three-fourths of a cent a pound. Flour sells at approximately 7.5 to 8.5 cents a pound. Therefore the bill would cost the housewife approximately 10 percent more for her bread, because outside of the little salt and yeast the flour is the main ingredient, and she saves the spread in the bakery bread due to the high labor cost.

Mr. JOHNSON of Colorado. My own wife bakes bread from flour. Raising the price of wheat would increase the raw material by 10 percent, but I see no reason why it should increase the finished product by 10 percent.

The suggestion was made by the gentleman from Maine, speaking about title II, that this would increase the cost to the consumers.

I would call to the attention of the Members section 205 of the bill, pages 20 and 21, which points out that any different income stabilization method individually or in combination may be used, in order to achieve a fair price to the producers at the lowest possible cost to the consumer or the taxpayers. This is the criterion to be used. I do not see how under those circumstances the figures cited by the gentleman can be supported, and unless supporting evidence is given in the RECORD, I shall have to retain a doubt with respect to those figures.

Finally, the gentleman from Iowa [Mr. HOEVEN] speaking earlier on the overall cost, gave some figures which he did not substantiate. I would like to take the remaining time to review the estimates made by the senior specialist in agriculture for the committee on the data involved in program A of the bill.

At the present time we are producing 1,200 million bushels of wheat and only using for both domestic utilization and

export about 1,050 million bushels, which means that we are increasing stocks annually at the rate of 150 million bushels. It is estimated that the reduction of 25 percent in allotments would cut production to 960 million bushels or 240 million bushels below present levels. This assumes a 20-percent reduction in output for a 25-percent reduction in acreage, a not unreasonable estimate. Therefore, we actually will not only not be adding to surplus, but we will be taking 90 million bushels out of surplus. The 150 million bushels we are currently putting into storage each year, at a cost of \$1.75 per bushel, will provide a \$265 million savings to the taxpayers at the outset. In addition to that, there will be savings on storage of 240 million bushels of reduced output at 30 cents per bushel, which provides a \$72 million saving; or a gross annual saving of \$337 million.

Against that gross saving, there is some increase in cost. For example, exports overseas would have a net increase under the terms of the bill. After taking into account the increased value of wheat under the 85-percent support figure, the increased subsidy is 10.5 cents per bushel, and figured on 450 million bushels exported, there is a \$47 million increase in the export subsidy payments.

Then there is the payment in kind on reduced acres. The payment in kind needs to be figured on a net rather than a gross basis, because we are saving the cost of storing additional bushelage that would otherwise be added to it. So we have, against a 149 million bushel payment in kind, we have a reduction in stocks under this program of 90 million bushels. So that the net would be some 56 million bushels at \$2.03 a bushel or \$121 million.

The increased payments in kind, and the increased export payments come to \$168 million, against savings of \$337 million. Consequently, the net saving in governmental outlays or costs would be some \$155 million to the taxpayers as a direct result of the adoption of the bill, which is pending before the committee as it stands. I fail to see, unless the gentleman from Iowa can enlighten the committee, how one can say it will be a \$500 million increase.

Mr. HOEVEN. Mr. Chairman, I yield 5 minutes to the gentleman from North Dakota [Mr. SHORT].

Mr. SHORT. Mr. Chairman, a Congressman representing a State which produces roughly 10 percent of the wheat produced in the Nation finds himself in a rather peculiar position on the day that we bring before the House a bill that can so very drastically affect the income of a very large percentage of our population in the State of North Dakota. Most of the things, Mr. Chairman, that I intended to say have already been said by some of my colleagues.

I just want to make one further comment on the remarks of my colleague, the gentleman from Oklahoma [Mr. BELCHER] when he mentioned briefly the 15-acre aspect of our present wheat legislation. I think, perhaps, few people realize fully the ridiculousness of the situation that we have been in in our present wheat program.

As most of you know, we presently have a wheat-production control program. That is true so far as the original traditional wheat producers of this Nation are concerned. The wheat producers in my State that have been producing wheat for 50 years, and in all other States, have been reduced from their traditional production acreage about 35 percent. This was a curious aspect of our present wheat legislation. While we were attempting to apply controls that would to some degree balance supply and demand, what did the Congress do? They left the door wide open to every farmer in the United States that was not already producing wheat to grow up to 15 acres of wheat without any penalty. He was not eligible to participate in the Commodity Credit Corporation loan program, but he could grow up to 15 acres of wheat and sell it without any penalty.

I just wanted to inject this little aspect into consideration today as it relates to our overall farm and agricultural situation. We have been advised many times that wheat or any other feed grain, when it was in surplus would immediately contribute to a vastly increased supply of livestock. We were told last fall when hogs were selling as low as \$10 and \$12 per hundred that we could look forward to nothing but a continuation of that same price level. Today I am happy to report that hogs are selling today at 18 cents a pound. We did not pass any legislation last year that would have attempted to control hog prices or production. I think we can be thankful that we did not. I think the hog producers can be thankful that we did not.

Being primarily a cattleman, I want to say a word or two about cattle production and cattle prices. As most of you know, the livestock people of the United States, largely the cattle people, have resisted with everything at their command any attempt to include cattle prices or cattle production under any price support or production control program. What has happened? To me this points up an important aspect of our entire consideration of agricultural problems. Without any controls, without any supports, cattle enjoys the highest parity level of any agricultural commodity produced in the United States today. The livestock people still stand firmly behind their traditional position of wanting no part of any attempt on the part of our Government to control or subsidize or support the price of the commodity that they produce. The experience they have enjoyed has proven beyond any doubt that they are right in their contention, that the price of their commodity will enjoy a better level if left alone.

The CHAIRMAN. The time of the gentleman from North Dakota has expired.

Mr. HOEVEN. Mr. Chairman, I yield 5 minutes to the gentleman from New York [Mr. PIRNIE].

Mr. PIRNIE. Mr. Chairman, it is certainly true that every Member of this body is desirous of reaching an effective solution to this very, very perplexing problem, but I hope that in so doing we

are not going to create another type of problem that can very well plague us in the days ahead.

Reference has been made in the course of the debate to title 2 of H.R. 12261 and its proposal that there shall be established a nine-member committee which shall have the power to determine upon a program which shall be reported to Congress by the Secretary of Agriculture. In the event either body upon receiving a report of its action does not disapprove within 30 days the recommendation shall become final. This approach is clearly an improper delegation of authority. In addition to being unwise, as has been pointed out by my colleagues, it does not permit proper representation of all segments of our Nation directly concerned with this program. It does involve a delegation of authority which appears to be unconstitutional. We certainly should not adopt a procedure which has been demonstrated by prior action not to have the approval of the courts and not to be in keeping with the responsibilities of this body.

While it is true that we should seek and should welcome the advice of those who actively engage in the particular field with which we are dealing, we should not forget the taxpayer and the consuming public. However, their roles should be purely advisory. We have a Department within the executive branch of the Government which is charged with protecting the agricultural interests of this great Nation. This not only includes the adequacy of our food supply but also the livelihood of the farmer himself.

The recommendations of the Department of Agriculture should reflect this broad approach, and should be of great assistance to this body, enabling it to formulate a legislative program recognizing a precedent we can follow in dealing with every other similar phase of our economy.

Do we intend to say to all groups plagued with a problem of income or supply that they shall come to us, state their problem, make their recommendations, and they will be enacted into law unless we veto it? Can this be applied as a pattern in dealing with labor, in dealing with industry, in dealing with all phases of our economy producing something that may go into surplus? I think you will agree with me that such cannot be a continuing practice. Then why should it be the practice here?

I should like to call your attention, Mr. Chairman, to two cases dealing with the constitutional question of the delegation of legislative power to private persons.

The Bituminous Coal Conservation Act of 1935 provided that the producers of more than two-thirds of the annual tonnage in the preceding year and more than one-half of the mine workers could fix wages and hours for all producers and mine workers in the district. The act was declared unconstitutional by the Supreme Court in *Carter v. Carter Coal Co.* (298 U.S. 238, 311), wherein it was said:

The difference between producing coal and regulating its production is, of course, fundamental. The former is a private activity; the latter is necessarily a govern-

mental function, since, in the very nature of things, one person may not be entrusted with the power to regulate the business of another and especially of a competitor. And a statute which attempts to confer such power undertakes an intolerable and unconstitutional interference with personal liberty and private property.

By way of contrast the Bituminous Coal Act of 1937 provided for the determination of prices by a commission appointed by the President with the advice and consent of the Senate. The constitutionality of the act was upheld in *Sunshine Anthracite Coal Co. v. Adkins* (302 U.S. 381, 399), wherein the Court said:

Since lawmaking is not entrusted to the industry this statutory scheme is unquestionably valid.

In *Schechter v. United States* (295 U.S. 495, 537), in which the Supreme Court declared invalid the "Live Poultry Code" promulgated under the National Industrial Recovery Act, the Court, speaking through Chief Justice Hughes, made the following statement:

The Government urges that the codes will "consist of rules of competition deemed fair for each industry—by representative members of that industry, by the persons most vitally concerned and most familiar with its problems." * * * But would it be seriously contended that Congress could delegate its legislative authority to trade or industrial associations or groups so as to empower them to enact the laws they deem to be wise and beneficial for the rehabilitation and expansion of their trade or industries? Could trade or industrial associations or groups be constituted legislative bodies for that purpose because such associations or groups are familiar with the problems of their enterprises? And could an effort of that sort be made valid by such a preface of generalities as to permissible aims as we find in § 1 of title I? The answer is obvious. Such a delegation of legislative power is unknown to our law and is utterly inconsistent with the constitutional prerogatives and duties of Congress.

These precedents should inject a note of warning respecting adoption of the approach outlined in table 2, and I hope this improper procedure will be disapproved.

Mr. COOLEY. Mr. Chairman, I yield 5 minutes to the gentleman from Iowa [Mr. COAD].

Mr. COAD. Mr. Chairman, as a member of the great House Committee on Agriculture I believe that this is the time when we must speak out in behalf of the American family farm. It is a way of life that we are attempting to defend here, the family farm.

Much has been said today about the fact that we should take the agricultural problem out of politics. I am one of the first to agree that this should be done, it must be done, and it should be done today. I believe every one of us who can assume any stature at all should assume the stature of a statesman. That applies to the Members of the House and it applies to the Members of the other body as well. It also applies to those who are candidates for the Presidency of the United States, including the candidates of both parties.

If we would look at the situation today we would find that there are those on both sides of the aisle, in both politi-

cal parties, who are attempting to play politics. They are not confined to the Democratic side.

In this morning's press it is stated that Vice President Nixon attempted to reassure the farmers in North Dakota that if elected President he would support a new kind of a farm program different from both the Eisenhower and the Democratic proposals, which would sustain farm income. The Vice President refused, according to the dispatch, to discuss the crucial issue of farm price supports while Congress is still debating the President's proposal, but he promised to do it later.

I say that today, the sooner the better, we need to do something for the American family farm for it is in the best interest of the entire citizenry of this country that we do. It is time that we have people stand up here and take a stand and quit waiting until it is politically expedient to do that which needs to be done.

A few weeks ago I was called home to my district. I was asked to return by a group of bankers of Winnebago County. The county of Winnebago is the richest county in the State of Iowa, bar none, and Iowa is one of the richest agricultural States in the Union.

These bankers, who are not necessarily political friends of mine, asked me to come there and talk about the serious situation that confronts the family farmers who live in that county. Winnebago County has never had a drought that has been cataclysmic to the farmers, it has never had a total crop failure for any reason. But here in this richest county of Iowa the bankers, not the farmers, asked me to come there, sit down and talk about the problems of the family farm. I believe it is high time that we quit blaming one or the other, but if we have a solution to come forward with it, and this includes Mr. NIXON.

We who are members of the Committee on Agriculture of the House have worked diligently, we have worked long and hard, and we have come forth with this bill, a bill that is not perfect but it does do some constructive things.

Mr. ANDERSEN of Minnesota. Mr. Chairman, will the gentleman yield?

Mr. COAD. I yield to the gentleman for a question.

Mr. ANDERSEN of Minnesota. I want to ask the gentleman if in his opinion the farmers of Iowa and Minnesota can make both ends meet with 95-cent corn?

Mr. COAD. They cannot make both ends meet with 95-cent corn; no. I know that the farmers, the bankers, and the Main Street merchants are concerned about the problem of 95-cent corn. And I know what it is to listen to the haunting chants of an auctioneer selling out a family farm.

We have heard some here today from farm States who are most concerned about higher consumer prices. I regret to say one of my colleagues from Iowa is seemingly most concerned and is worrying about the consumers. I am worrying about the consumers, too, but I am first worrying about the farmers. If the farmer has a strong economy the con-

sumer will receive a reflection of that stronger economy. In the wheat section of this bill there is a realistic referendum choice. I believe it is sure, I believe it is sound. Let the farmers select what they really want. The feed grain section does not impose legislatively anything upon the backs of the feed grain farmers. It simply presents guide lines that the feed grain farmers can set up in the way of their own programs; then the Congress has the right of veto. If it is not a wise program the Congress has 30 days effectively to veto it. Then in section three of the bill is a program distributing protein food to the needy. The cost of this entire bill will be low to the consumer and greatly beneficial to the farmers. I urge its adoption.

The CHAIRMAN. The time of the gentleman from Iowa has expired.

Mr. BROCK. 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 Nebraska?

There was no objection.

Mr. BROCK. Mr. Chairman, as we approach the closing days of this final session of the 86th Congress we are again at the crossroads in earnest deliberation to legislate a sound and workable farm program, one that will attempt to satisfy all elements vitally interested in this very important segment of our national economy.

There should be no question in the mind of any Member of this House in that we are faced with a very serious farm problem, one that represents a very definite challenge to resolve. This problem has been growing steadily worse for the past 7 or 8 years and has resulted in continual mounting surpluses of agricultural commodities, lower prices for farm products, and the constant dropping of annual net income for the average American family farmer.

It is the direct result of a series of impractical and unworkable theories and farm proposals that have not taken into consideration the technological advances made in the field of agricultural production, but instead have brought the average family farmer to the brink of bankruptcy.

I can tell you from personal knowledge and observation in my own Third District of Nebraska, which is wholly comprised of agricultural and rural communities, that we in the Midwest farm areas are in a serious economic condition.

This depressed economic situation can be better illustrated by reviewing the farm income status—for the past, present, and the future—in a very few simple and detailed steps that defy contradiction.

First. Farm prices at 75 percent of parity—the lowest in 19 years.

Second. Farmer's share of the consumer's food dollar at 37 cents—the lowest in 20 years.

Third. Net farm income, \$10.3 billion for the year 1959—the lowest in 17 years.

Fourth. Farmers' out-of-pocket net income losses since 1951—over \$24 billion.

Fifth. Farm production expenses at new peak of \$26 billion in 1959, using up

68 cents out of each gross farm dollar—that is almost as bad as in the year 1932, the peak of depression.

Sixth. Accurate forecasts of even lower farm prices and net income for the present year 1960.

Seventh. Five Presidential vetoes of major farm bills in 7 years.

That, Mr. Chairman, tells part of the story but not all of it. While it was not, and is not, my intention to burden you and this House with statistics and figures, it is sometimes very difficult to present a constructive picture without them.

The loss of net income to the farmer started in 1951 in the amount of \$2.3 billion for that year. It has progressively increased until the year 1959, when the total reached an accumulated net income loss of \$24.1. The net income loss for that year, 1959, cost the farmers and the businessmen in my own State of Nebraska \$800 million.

To further bring out the depressed economic situation in which the average family farmer finds himself today, we need only to look at the records of per capita income for the various segments of our national economy. You will find that in the year 1959, some 21 million people living on the farm averaged only \$960 of per capita income, whereas the rest of our national population had a per capita income of \$2,202.

The total national income has risen from \$279 billion in 1951 to \$398 billion in 1959, an expansion of \$119 billion, in our national economy. Wages and salaries represented \$98 billion of this expansion. Meanwhile, total farm income for the same period dropped \$4.5 billion. These figures are enough to make the average farmer weep.

While the farmer has been forced to bear the increased costs of living, reflected in his purchases of farm equipment and other necessities, increased labor costs, education of his children, stipulated and the many other hidden taxes, he has been very definitely short-changed on the distribution of the increased national wealth.

As the per capita income of the industrial worker and the other segments of the national economy moved steadily upward, the net income of the average farmer steadily declined. This lack of equal distribution of the national wealth has brought upon us the "farm problem" with which we are faced today. Unless it is solved, and promptly, we will be faced with a further and unsurmountable problem that can only result in national economic depression.

There are other reasons for the existing "farm problem" that must be taken into consideration. Of prime importance is the constant increases in our importation of livestock and red meats. During the past 2 years I have made a thorough study of this related problem and have made numerous objections to our Department of Agriculture, the Tariff Commission, and the White House, requesting them to use their constituted authority to invoke quotas that would impede or halt these increasing imports that were threatening the very existence of some of our domestic markets, particularly so

when these domestic markets were in a depressed condition.

Figures compiled by the National Livestock Feeders Association indicate that in the year 1958 we imported a total of 1.154 billion pounds of beef products, livestock and the equivalent, which represented 8.2 percent of our domestic production. In the year 1959, there was a very slight drop, to a total poundage of 1.067 billion, or 7.5 percent of our domestic production. We might also refer these figures to the year 1956, when we imported a total of only 182 million pounds of beef products.

It is interesting to note that while this Nation is the world's greatest hog producer—one of the principal agricultural commodities of the Midwest States—we actually import more pork products than we export. During the 12-month fiscal year period of 1959, we imported a total of 196 million pounds of pork products, whereas our exports for the same period amounted to only 60 million pounds.

Lamb and mutton represented by far the largest percentage gain in meat imports, rising 165 percent in 1959 over the 1958 figure. This gain resulted from the imports of over 42 million pounds, as compared to less than 16 million pounds in the year 1958. The importation of these particular lucrative products have become so important to the down under countries of Australia and New Zealand that the importers have chartered innumerable freighter ships, have embarked on a shipbuilding program of larger refrigerated vessels, and have now resorted to flying in their product.

Similarly, the same products are being flown in from Iceland, and other cold countries who have realized that our wide-open import policies beckon them to greater profits than they could possibly realize in their own countries, all to the detriment of our domestic producer.

To add insult to injury, kangaroo meat, not generally used as food even in Australia today, has been imported into some of our Eastern States, in large quantities, labeled as "eating meat," to the unsuspecting public. It almost belies description when you think that our Department of Agriculture would be so lax in the performance of their duties to permit such a situation to happen. It required action on the part of the Attorney General's office to halt this corrupt and vicious import practice.

To fully understand the danger of this increased importation of meats into the United States, its effect on the economy of our domestic producers, as well as its contribution to our already mounting agricultural surpluses, it is necessary to discuss some of the problems involved in the production, and feeding of livestock, and particularly beef. Across the Nation generally it requires the annual production of an average of 20 acres to produce a beef. It also requires an average of 2 years to put that beef on the market. The beef imports alone last year supplanted the production of more than 80 million acres of land. These 80 million acres of land had to be used for some other purpose, which naturally resorted to the raising of crops

that are now branded as a surplus agricultural commodity.

While on the subject of agricultural surpluses, we might recall to mind the subject of farm subsidies. When the average persons hear the word "surpluses" and "subsidies" they immediately think of agriculture and the farmer. Far too many of our good and conscientious citizens labor under the delusion that the average farmer is the beneficiary of tremendous subsidies, all at the expense of the other taxpayers.

Actually, nothing could be further from the truth, as factual evidence will bear out. The farmer is charged with much more subsidies than he actually receives and what he does get is comparable to a drop in the bucket when you stop to consider the other enterprises subsidized by the Federal Government.

The fiscal year budget for 1959 included an item of \$6.8 billion, which was supposed to subsidize agricultural activities. Many people who were fortified with adverse publicity, thought it all went to the farmer. Upon analysis we find that \$2.1 billion went for losses on price supports, other supports, and the acreage reserve, all properly chargeable to the farmer.

Now, let us look at the other side of the ledger and bring it into balance. One and four-tenths billion dollars included payments for conservation, loans for rural electrification, and so forth—repaid with interest to the Federal Government—and agricultural research and education. These make the farmer more productive and efficient and the benefits accrue to the consumer in the future.

Three billion three hundred million dollars, or about half of the agricultural budget, went for foreign disposal of surpluses, storage and interest charges on surplus agricultural commodities, donations of food, free school lunches, and reserve for future losses. In a sense, this group indirectly helps the farmer by expanding the market but the majority of the benefits therefrom go to others than the farmer.

This indicates that hardly more than 50 percent of the so-called farm subsidy for that year went directly into the hands of the average farmer.

Subsidies do not have to be a direct Government handout but public acceptance is often dependent upon how well the subsidy is disguised or hidden. Very substantial subsidies are paid to the commercial aircraft and shipping industries, but the biggest and most concealed subsidies are paid out in the form of business reconversion payments, including tax amortization, which has amounted to almost \$50 billion since that tax writeoff went into the statute books.

If I be permitted to use a Biblical phrase, the subsidies directly paid to the average farmer could be well-called a "Peter's Pittance" compared to the tremendous amount of subsidies paid out by the Federal Government in the field of amortization in the form of tax grants or exemption.

Today, we are considering the Surplus Reduction Act of 1960, introduced by my good friend and colleague from the State

of Texas, a sincere and dedicated friend of agriculture. His bill is a step in the right direction, one that will provide for reductions in our future anticipated surplus production of agricultural commodities. In some features of the bill, we will find variance with our colleagues on the Senate side of the Capitol, particularly so in the problems of our production controls and price supports on wheat.

As previously stated, this is a good bill and one that was reported after considerable deliberation by the House Committee on Agriculture. In the absence of any other agricultural bill for this purpose, I will support it. My concern, however, does rest in my own State of Nebraska and the other Midwest States that place much dependence on the production of feed grain. It is a must with me that the producers of feed grains in my own Third District and the rest of my State and the Middle West be protected in this legislation.

With this thought in mind, I refer you to my own farm proposal, H.R. 11799, introduced in this House on April 19, this year, that will provide a new farm program for 13 basic agricultural commodities, which includes corn, wheat, oats, cotton, barley, flax, tobacco, rice, grain sorghums, soybeans, peanuts, rye, and wool.

My bill would provide for the more orderly marketing of agricultural products at reasonable process, creation of a national food and fiber reserve, price supports that would yield an average of 100 percent of parity for agriculture, and necessary controls of production that will eventually lead to reduction of our present surpluses.

In behalf of my proposal, may I say that people generally recognize that agriculture must conform to the practices of industry and produce in accordance with the demand for any or all of the basic agricultural products.

This was uppermost in my mind when drafting this legislation.

However, this cannot be conceived by the farmer himself at this time, simply by throwing him on the slogan rule of the law of supply and demand. It must be accomplished in measured steps, with the help of the Federal Government, until such time as we reach a goal of diminished surpluses of agricultural commodities, a return to a fair and just market price for farm products, aided and abetted by orderly marketing processes, and a control of production that will meet the law of supply and demand.

My bill also provides for the protection of our domestic agricultural markets by the imposition of import quotas and tariff fees on commodities imported from foreign countries. Such tariff fees collected under the authority of this bill would be deposited in a special account and credited to the nation where such imports originated for the purchase of goods produced in the United States. This would have the effect of giving us a balance in the area of reciprocal trade and would be to the advantage of the domestic producer.

One of the abject failures in our recently administered farm program has

been the falling off of our exports of agricultural commodities. As a record-producing nation in the field of agriculture we naturally should be exporting far more of these products than we would import. Unfortunately, this is not true in official statistics recorded by the Departments of Agriculture and Commerce.

Any attempt to restore farm prices by curtailment of production or higher price supports will be ineffective unless we prevent an excess of farm imports. On the other hand, we cannot have any prosperity on the farm until we achieve a greater balance of exports over imports. To achieve such a balance it is necessary that our exports of agricultural products reach a figure of not less than 1½ percent of our total national income. If this ratio was maintained at the present time, we would dispose of some \$6 billion in export goods which would spell the difference between prosperity and depression in the agricultural areas.

In the period 1943–52, 90 percent price support legislation resulted in 100 percent average parity for agriculture. The parity price, as defined in my bill, H.R. 11799, shall be based on an average of not less than 90 percent, or more than 110 percent of parity.

Parity prices for the 13 basic agricultural commodities under the provisions of this bill would approximate the following:

Wheat, \$2.19 per bushel.
Corn, \$1.67 per bushel.
Oats, 93 cents per bushel.
Barley, \$1.43 per bushel.
Soybeans, \$2.92 per bushel.
Rye, \$1.77 per bushel.
Sorghums, \$2.65 per hundredweight.
Butterfat, 78 cents per pound.
Milk, \$4.91 per hundredweight.
Eggs, 49 cents per dozen.

If you will compare these given prices with the prevailing prices today for the same commodities, you will readily see the difference between prosperity and depression on the farm.

There are, however, some among us who advocate the theory of removal of all price supports and production controls of agricultural products.

With your indulgence, I will now outline the future prices that would prevail under such conditions.

A recent study completed by the economists of the Department of Agriculture and the land grant colleges, on the theory of the total elimination of price supports and acreage controls on agricultural products, will not come as a surprise to the majority of practical farmers and others in the rural areas. It should not be a surprise to the many Members of this House who are the representatives from the agricultural areas.

The conclusions reached in these economic studies indicate that farm income would fall to about \$7 billion by the year 1966, if all price supports and acreage controls are removed. This represents a drop of 46 percent from the 1958 level and less than half that of 1952.

There was a difference in the related studies as to the actual prices that would prevail for the various products. The

USDA economists came up with prices projected to 1965, as follows: Wheat, 90 cents; corn, 80 cents; hogs, \$11.20 and cattle, \$15. The land grant economists projected their figures to the years 1962-63, and produced the following prices; wheat, 74 cents; corn, 66 cents; hogs, \$10.80; and cattle, \$11.51.

Now, even the figures submitted by the USDA economists would bankrupt most of the farmers and a good portion of commercial agriculture would have to go through a complete reorganization to survive. If present standards of living were to be maintained on family farms, land values would have to be assigned zero value. Farmers owning their land and other property outright, free of mortgages, would have nothing left above operating and living expenses. Their real income would be zero.

Further analysis of these studies indicate that the wheat farmers would have their net income reduced by 50 to 75 percent; feed grains and hog producers by 50 percent; and cattle producers and feeders, 25 to 35 percent.

The net result of these economic studies clearly shows the end of the low price road in a high price country, and points up the unbalanced national economy that presently exists.

Prosperity for our farmers can be brought about only by passage of good, workable farm legislation that will boost the net income of farm families, and by changing our lopsided national economy into some semblance of balance between the annual incomes of the urban industrial workers and other high-paying occupations, and the farmer who toils in our agricultural areas.

Lack of equal prosperity for the farmer will not only destroy small business in the rural communities but will be reflected in considerable measure throughout the industrial and manufacturing areas of the rest of the Nation.

In visiting with some of my colleagues who represent various industrial and manufacturing areas of the Nation, I find that they are genuinely concerned with the economic depression in the agricultural areas, particularly so, due to the adverse effect it is having on the production of the industries in their areas.

The pinch has been getting deeper as time progresses and now has become a major factor in the planning production of these industries. This has vitally affected the steel industries in Pennsylvania, Indiana, Ohio and other States, as it has also affected the tire and rubber productions in Akron and the other rubber manufacturing centers.

To realize the enormous purchasing power of the agricultural areas one needs but to turn to some of the official statistics compiled at the end of 1958:

There were more than 12 million trucks, tractors and cars on the farms.

Agriculture consumed more than 15 billion gallons of petroleum products, more than any other segment of the national economy.

Agriculture consumed more electric power than the combined total of the cities of Chicago, Detroit, Houston, Baltimore, and Boston.

Agriculture purchased over 6½ million tons of steel.

Agriculture purchased enough rubber tires to equip over 6 million cars.

Agriculture purchased more than 50 million tons of chemicals.

Agriculture and rural America represented a purchasing market of \$40 billion for the national economy.

The cities of America depend on agriculture for an abundance of food and raw materials, for part of its expanding markets, much of its labor, its management and its genius.

Let us legislate wisely in this area and not cast aside the returns that come to us annually from this very important segment of our national economy.

We have made mistakes in the formulation and administration of some of our previous farm programs but it is not too late to correct them.

Mr. HOEVEN. Mr. Chairman, I yield 6 minutes to the gentleman from Ohio [Mr. LATTI].

Mr. LATTI. Mr. Chairman, for this Congress to pass H.R. 12261 would be a public admission that it cannot cope with the surplus agricultural problem that it itself helped to create. By the passage of this legislation, the greatest legislative body in the world would hope to relieve itself of the responsibility of finding an adequate and just solution to one of our greatest domestic problems.

For this Congress to attempt to delegate authority and responsibility which the people have imposed in it, would certainly be construed to be an admission of incompetency on the part of the membership to deal with this difficult problem. I personally am not ready to make such an admission and I know many other Members of this House are not ready to do so either. We need no other reason than this to strike the delegation of power from this bill.

Let us now examine what this bill proposes to do to the small family-type farmer. Even the former title of this bill, "The Family Farm Act," which in itself was a misnomer has been stricken, can now in all frankness be referred to as the act to eliminate the family-type farmer.

This bill would deny a small family-type farmer a voice in the basic referendum which is provided for herein.

The wheat section, title I, calls for a referendum in which growers would decide by a majority vote between a program of high price supports and strict controls and a program without controls and unlimited acreage with lower price supports. Such a referendum would obviously be of vital concern to the small wheat producer; yet some 70 percent of all wheat producers are denied the right to vote because they produce 15 acres or less of wheat. It seems utterly ridiculous to exclude these small wheat producers from participating in a referendum that could possibly head the Nation's wheat program in a direction in which both the producers and consumers want to go. Such a provision can only be intended to favor the large commercial wheat producer, who produces a type wheat which is causing our surplus, and assure him a dominant voice in the wheat referendum.

We also have discriminated against the small producer in the feed-grain provisions of this bill.

Under the feed-grain title, after a program has been drafted by a farmer committee, a referendum of feed-grain producers would be held to determine whether the program should take effect. The authors of this bill have denied a vote in this referendum to all farmers whose annual production of feed grains amounts to less than \$500, unless the feed grains total more than 50 percent of his farm output.

This provision not only would deny many farmers the right to vote on a program that would vitally affect their family livelihood, but it would involve a cumbersome and costly chore by government people in trying to determine voting eligibility.

Lack of fairness in voting eligibility is only one of the many undesirable features of this proposed legislation. It would increase the amount of export subsidy and would create many new, costly administration problems. It could conceivably resurrect the discredited Brannan plan.

In short, the wheat and feed-grain sections of this bill would aggravate—not eliminate—our farm problem.

This bill continues the unrealistic approach to the wheat problem by failing to take cognizance of the fact that all classes of wheat are not in surplus and for this reason should not be treated in the same manner as the classes of wheat which are in surplus. Let me now direct your attention to the chart which I have prepared showing the wheat carryover by classes since 1952 to date. It is obvious to anyone examining this chart that could we eliminate but one-half of the surplus of one class of wheat, we would go far in solving this problem.

Notwithstanding the fact that our normal carryover of Soft Red Winter wheat since 1943 has been 19 million bushels and that the carryover of this class of wheat on July 1, 1960, will be but 8 million bushels—not 10 million bushels as shown on this chart according to new figures to be released on June 28, 1960, by the Department of Agriculture. This bill would apply the same reductions to this class of wheat which would be applied to the Hard Red Winter class. In view of the fact that Hard Red Winter is used primarily for the making of bread, and that Soft Red Winter wheat is used primarily for pastries, there is no justification for applying these reductions similarly as contemplated in this bill.

Another feature of this bill which does not show up on its face which is detrimental to the consumer of Soft Red Winter wheat is the fact that the 15-acre farmer who produces most of this type wheat is asked to take a larger reduction in his production than are the large farmers of the West who are producing Hard Red Winter wheat—the type wheat which is causing the lion's share of our surplus. On this hastily sketched map, I have attempted to divide the United States by the classes of wheat grown in the various regions. From examining this map, one can easily determine where the greatest production has been and

which class of wheat will be reduced the most. For example, in my State of Ohio, 123,000 of the 153,000 wheatgrowers operate under the 15-acre exemption; in Indiana, 99,000 of the 121,000 wheat farmers operate under the 15-acre exemption; in Illinois, 108,000 of the 137,000 wheat farmers operate under this exemption; in Arkansas, 18,000 of the 19,000 wheat farmers operate under this exemption; in Tennessee, 33,000 of the 35,000 operate under this exemption; in Pennsylvania, 80,000 of the 88,000 wheatgrowers operate under this exemption; in New York, 32,000 of the 38,000 operate under this exemption; in Virginia, 46,000 of the 49,000 operate under this exemption; in North Carolina, 77,000 of the 79,000 operate under this exemption; and so on throughout the entire eastern half of the United States. Yet these are the farmers who are growing the class of wheat which is not contributing to our surplus but are asked to take a greater reduction than the growers of Hard Red Winter wheat which is causing our surplus. Does such a proposal make sense?

Mr. ABBITT. Mr. Chairman, will the gentleman yield?

Mr. LATTA. I yield to the gentleman from Virginia.

Mr. ABBITT. I want to commend the gentleman for the fine statement he is making. Will you agree with me that the little 15-acre farmer is not the one that is producing these surpluses?

Mr. LATTA. I agree with the gentleman, and I want to show the committee at this time a map to substantiate that statement.

Mr. ABBITT. And will you not also agree with me that this bill should be known as the big producer bill, a bill to take care of the big producers?

Mr. LATTA. The gentleman is absolutely correct.

Mr. POAGE. Mr. Chairman, I yield 4 minutes to the gentleman from Kansas [Mr. BREEDING].

Mr. BREEDING. Mr. Chairman, at the outset of my remarks, let me say that I represent one of the largest wheat-producing districts in the Nation. The economy of the 33 counties comprising the Fifth Congressional District of Kansas are based primarily upon wheat. What happens to the wheat farmer affects the fortune of every man, woman, and child in the district.

Therefore, my great interest in the legislation now before the House is understandable. What the House does here today can, in great measure, affect the welfare of all the people of my district.

I have insisted since first coming to the Congress that the overriding consideration of any wheat legislation should be the protection of the income of the wheatgrower. I plead with you to keep that consideration in mind as we debate H.R. 12261 by the gentleman from Texas [Mr. POAGE] and the various amendments which will be offered under the 5-minute rule.

There has been a lot of loose talk, particularly by persons and publications

outside the wheat areas, about the earnings of wheatgrowers. We are told they are riding the gravy train, that wheat farmers are making a killing each year at the expense of the U.S. taxpayer.

This is dangerous talk—because many well-meaning people who know absolutely nothing about the facts believe it. That explains in great part, I believe, the demand in some quarters for a drastic downward revision in support levels and, as a consequence, a decline in the income of the wheat farmer. People look at the present supply of wheat in Government warehouses and they demand Government action—without any thought given to what possible effect alternative programs might have on wheat producers.

Wheatgrowers have not insisted that the present program be continued. In fact, they recognize that changes must be made to reduce the cost to the taxpayers. Last year, wheatgrowers almost unanimously supported legislation that would have reduced production and cut about \$250 million from the cost of the program during a 2-year program.

Unfortunately, the President, upon the advice of Secretary Benson, vetoed the bill.

Earlier this year, the National Association of Wheat Growers took the lead in drafting legislation to revise the wheat program. The National Grange, the Farmers Union, and a number of other farm and commodity groups approved a marketing plan under which producers could have achieved full parity and at the same time taken the Government out of the wheat storage business.

This was a bold, new proposal—the type of thinking we must have to solve a most difficult problem. Mr. Benson opposed the proposal. Unfortunately, neither the House nor the Senate Agriculture Committee saw fit to report this bill.

The House committee instead reported H.R. 12261 by the gentleman from Texas [Mr. POAGE]. I make no claims that H.R. 12261 is the answer to all wheat problems. Frankly, I would much prefer the wheat marketing plan of the national association as I introduced it in H.R. 11011.

But as an interim measure, to help us over an extremely difficult period, wheat farmers can live with subtitle A in the Poage bill. This subtitle calls for reducing the national wheat allotment of 55 million acres by 25 percent. The support level would be increased from 75 to 85 percent of parity and farmers would receive a payment in kind from CCC stocks equal to 55 percent of the average production on the idled acres.

I realize full well the Department of Agriculture and the White House have both let it be known they oppose increasing the support level. During the course of the debate I am sure we will hear threats of a veto.

My answer to that is simple. The House should do what it thinks is right for the country and for wheat producers. Then if the President in his judgment believes the legislation is unsound he should exercise his constitutional prerogative and veto the bill. But let us not legislate under the threat of a veto.

H.R. 12261 provides for a referendum at which qualified wheatgrowers will choose between two alternatives.

The first alternative is subtitle A which I outlined earlier in my remarks. Subtitle B—the second alternative—would tie the price of wheat to the support level for corn and pegging it at 120 percent of the corn price support for 1961, which means \$1.27 per bushel or 50 cents per bushel below today's price.

Frankly, Mr. Chairman, I have no doubt that if this bill becomes law and wheat producers are permitted to vote, they will choose plan A instead of plan B. They will so choose because of cold, hard economic necessity.

Plan B would cut the price of wheat to ruinously low levels. Farmers in my part of the country simply could not survive. If farmers in commercial wheat areas are to continue in business they must have a higher price than plan B offers them.

Also, Mr. Chairman, I would like to comment on the bill the Senate passed last week. It is my understanding that opponents of H.R. 12261 will offer the Senate bill as a substitute for the Poage bill.

In all honesty, Mr. Chairman, I must say that the Senate bill, calling for a reduction of 20 percent in acreage with supports to remain at 75 percent of parity, is wholly unacceptable to wheat producers in my area.

This formula—including payment in kind of 50 percent—would drastically reduce farm income, already at the point where it can hardly support the ever increasing costs of doing business. For example, on a 100-acre wheat allotment, farmers would receive a gross income of \$3,916 under the present program.

Under the Senate bill, this gross income would be reduced to \$3,523.40—a decline of almost \$400. That may not sound like much, but to a wheat farmer who is hard pressed to make ends meet, it can mean the difference between profit and loss.

Under the Poage bill, the farmer's income would be protected. He would have a gross income of \$3,900 on the 100-acre allotment.

I plead with you not to be misled by propaganda about all the money wheat farmers are making. The truth is that all through the western wheat area people by the dozens are selling out and leaving the farm. I hold in my hands 25 sale bills advertising auction sales, all of which were collected by one man in a week's time in one county of my congressional district. I ask you, is this the sign of unprecedented prosperity? Are forced sales the sign of good times?

Mr. Chairman, I urge this House to accept the Poage bill as reported. It will protect the farmer's income. It will reduce production substantially, and remove almost 170 million bushels of wheat from CCC stocks. This means less cost to the taxpayer.

This is interim legislation. It offers protection for the farmer as we work off our surplus stocks and approach the time

when supply will permit larger plantings and a free market. But we simply cannot abandon the wheat farmer to ruinously low prices while he waits for the law of supply and demand to provide him once more with a decent price for the product of his toil.

If you strike out subtitle A—which affords income protection while it reduces supply—or if you substitute the Senate bill, you will have seriously injured the wheat farmers of my area. I plead with you not to do this, but instead to support the Poage bill.

Mr. HOEVEN. Mr. Chairman, I yield 5 minutes to the gentleman from Minnesota [Mr. NELSEN].

Mr. NELSEN. Mr. Chairman, we have heard a good deal of talk about the family farm. I presume that in the Midwest the family farm is one where they milk the cows, feed the pigs and the steers, and the entire crop is produced on the farm and fed on the farm. My farm is exactly that type of operation. I have never sealed a bushel of grain in my life. I never negotiated a loan of any kind, and I have operated my farm successfully.

There are 156 million acres of land in the United States where the crops are produced and they are retained on the farm. We have a little better than 187,000 farmers in the State of Minnesota, and 75 percent of them have never participated in any crop price support program whatever. It seems to me that when we are dealing with the farm program we spend a lot of time talking about individual commodities like wheat or corn or tobacco or cotton or whatever it may be and we forget that actually the thing we must do is consider the total tillable acres that produce the crops that produce the surplus. If we have 156 million acres of land that produce crops to be fed on the farm, it seems to me here is an area in which we should move with a voluntary payment-in-kind program.

I regret that in this committee bill, when all commodities were included, little by little items were taken out, and finally we are having forced on us in the feed grain areas a bill that nobody else wanted.

I should like to suggest at this time that we give some thought to amendments that will be offered later. The gentleman from Minnesota [Mr. QUIE] and myself have an amendment patterned after our payment-in-kind bills. The gentleman from Minnesota [Mr. ANDERSEN] has a bill, associating himself with the gentleman from Iowa [Mr. JENSEN], in the payment-in-kind approach. I believe in the payment-in-kind approach especially for the small dairy farmer as I have mentioned. If he could idle acres and then take from surplus what he would have raised he then would not have to sell off his dairy cows. He could continue to operate as he has in the past. If he takes 20 percent of his acres out of production, he at the same time will be replacing that 20 percent out of surplus, and you have gained 40 percent in the overall picture.

I am of the opinion we are spending too much time talking about support

levels, especially since 75 percent of the average family farms in an average agricultural State like Minnesota get no direct benefit whatsoever from crop supports.

I think more time should be spent in trying to figure out a plan to reduce the surplus that is producing, as the aviator says, "a low ceiling" that we cannot penetrate. The farmer never gets an opportunity to enjoy some of the surges we find in a normal economy.

I believe the payment-in-kind amendments that will be offered have greater merit than some of the provisions that are in this bill. But I also believe the committee has worked hard, and I compliment the committee whether they agree with my point of view or not. I think it is high time we recognize that something must be done.

When we talk about the family farm, I would like to call attention to the fact that one of our problems is the cost of operation. When I started farming, way back in 1935, I bought a three-bottom plow for \$140 brand new. I thought I was really going into business in a big way. Last year I bought a four-bottom plow—\$918. Tractors and equipment and taxes have risen year by year by year, and the little family farm has received very little benefit under the legislation that we have had in the past and that we are talking about at this moment. The only way you can help them is to replace what the little family farm loses in idle acres so that they can continue their normal operations. Then I think you will have voluntary participation that will be more effective than all the policing you can put into any kind of bill, because here is an area where you can make headway.

The CHAIRMAN. The time of the gentleman has expired.

Mr. COOLEY. Mr. Chairman, I yield myself the balance of the time remaining.

Mr. Chairman, I think this debate has been very well conducted. I think the bill before us has been very well discussed and presented. I want to say that the Committee on Agriculture has worked faithfully and diligently trying to solve some of the problems of agriculture.

Our committee brought the wheat bill before the House in the last session. The bill finally went to the White House and was vetoed. Still we continued our efforts.

The gentleman from Oklahoma [Mr. ALBERT], as chairman of the wheat subcommittee, held extensive hearings. On the bill we have before us, which started out as the Poage bill and ends up as the Poage bill in a different form, the Committee on Agriculture held hearings for about 15 days. Everybody desiring to be heard was given an opportunity to be heard. All of the farm organizations presented their views and their plans and their programs.

The Poage bill before you now is quite different from the original Poage bill, which was a very comprehensive and all-embracing bill. Actually, it originally offered to the producers of just about all of the agricultural commodities grown in the country to develop

programs to stabilize their production and income. It offered to crops that could use it advantageously a national marketing order provision. We eliminated one commodity after another. As the original bill became very controversial, we eliminated the national marketing order provision.

Now we are dealing with agriculture's problem No. 1, to wit, wheat. And we are dealing with the second most troublesome problem: the growing and costly surplus of feed grains.

The President has time and again reminded the Congress of the great magnitude of the problem presented to the American people by virtue of the manner in which the wheat program has operated. Most of you know we now have more than \$3 billion invested in wheat. Something must be done about it. The President says so. Everybody else says so.

Mr. POAGE. Mr. Chairman, will the gentleman yield?

Mr. COOLEY. I yield to the gentleman from Texas.

Mr. POAGE. Would the gentleman point out that this bill, as it now stands, deals with 85 percent of the total surplus commodities that the U.S. Government holds and it deals with 59 percent of the tilled acres of the Nation?

Mr. COOLEY. I thank the gentleman for that contribution, and that makes this a national farm bill because it does deal with the greatest problems of agriculture.

Mr. Chairman, I do not want to get into any politics about this thing.

Mr. ANDERSEN of Minnesota. Mr. Chairman, will the gentleman yield?

Mr. COOLEY. I yield to the gentleman from Minnesota.

Mr. ANDERSEN of Minnesota. The bill would really, in my opinion, be a pretty fair bill if there were another alternative so that the farmers could choose between them on the feed-grain portion of it.

Mr. COOLEY. I want to say to my friend, I have considered his green acres proposal. I have no devotion to the language in this bill to the exclusion of alternatives which might improve the bill. What our committee had in mind was to try to provide some alternatives for the farmers so that they could present their views to the Congress of the country.

Mr. ANDERSEN of Minnesota. I think that is good procedure.

Mr. COOLEY. Speaking only for myself, I have no objection to having the green acres proposal placed in the bill, but I cannot speak for the committee.

Mr. ANDERSEN of Minnesota. I thank the gentleman.

Mr. SCHWENGEL. Mr. Chairman, will the gentleman yield?

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

Mr. SCHWENGEL. I have listened all afternoon to this discussion, and I am impressed with the fact that the committee has worked diligently. I noticed what you said about hearing the people who wanted to be heard. You said every farm organization was heard on this legislation. You mean the Farmers Union, and so forth? Can you tell

me which of those organizations support this legislation?

Mr. COOLEY. Unfortunately, the farmers' organizations have not been able to agree on any legislation in the last several years. It is difficult for us to say which organization recommends and approves any particular provision of this bill, but I will say this, that the bill does provide that the Farm Bureau proposition on wheat shall be submitted to the farmers in a referendum, and if two-thirds of the farmers approve the Farm Bureau provision, then they come back to the Congress and it becomes the law of the land.

Mr. POAGE. Mr. Chairman, will the gentleman yield?

Mr. COOLEY. I yield to the gentleman from Texas.

Mr. POAGE. It only requires a majority.

Mr. COOLEY. That is correct. I stand corrected.

Mr. SCHWENGEL. Does any one of these farm organizations support this legislation?

Mr. COOLEY. I am not in a position to say that any farm organization supports it in its entirety. We heard a lot of talk about the lack of leadership. The Congress has presented the leadership with at least one wheat bill which was vetoed. We are now presenting another one.

On February 18, the Secretary of Agriculture, Mr. Benson, presented a wheat bill in our committee room. I challenge any Republican in the House to stand up now and say that he is the author of that bill. Mr. Benson has shopped around for 7 years trying to get Members of Congress to introduce legislation for him. Never has he been able to get any Member to introduce legislation on general farm policy. Mr. Marvin McLain, the Assistant Secretary, presented Mr. Benson's wheat bill to us again on March 14. Why has not some faithful Member of the minority party placed his name on this bill? Where is the administration bill? Where is the bill of my friend the gentleman from Iowa [Mr. HOEVEN]? He criticizes everything under the sun, but he has not presented a bill.

You can talk about bills and sending this bill back to the committee and recommitting the bill, but you know this late in the session you either take this to begin with or we will have no wheat legislation at this session.

I am not wedded to this bill. I am willing to consider every amendment which may be constructive.

But as to the Eisenhower-Benson wheat bill, why is it not here? It has not even been introduced, and yet we are to be criticized because we have not enough votes to override a Presidential veto. The only reason we have not already dealt effectively with the wheat problem is that we have too many Republicans and not enough Democrats. We do not have enough Democrats to override a veto.

Now let us get down to the bill. The bill is here. It has three major parts dealing respectively with wheat, feed

grains, and the distribution of protein foods, as follows:

WHEAT

Farmers would be offered in title I of the bill a choice between (A) a wheat program, developed by the committee, based on strict production controls—75 percent of present allotments—with price supports at 85 percent of parity and payment in kind for retiring cropland at 55 percent of normal production and, (B) a program of no production controls with the support price of wheat at approximately the feed grain level.

The (A) program follows the lines of the bill which was reported by the Committee on Agriculture last year and approved by both Houses of Congress, but was vetoed by the President. It makes substantial changes in that bill, however, by reducing the level of price support from 90 to 85 percent—approximately \$2.03 per bushel—increasing the payment in kind for retiring cropland from one-third to 55 percent of the average yield per acre, and providing acreage allotments for the 15-acre growers, those not now subject to marketing quotas, making them subject to marketing quotas, but permitting them to participate in the acreage retirement and payment-in-kind program and to vote in the referendum which will be held on the approval of marketing quotas.

The (B) wheat program was proposed by the American Farm Bureau Federation. It would repeal all acreage allotments and marketing quotas on wheat and would depart from the parity formula in determining a fair price for wheat and set the level of price support at the level of price support for corn, adjusted for the relative feed value of wheat and corn. It carries a proviso that the level of support for wheat, for the 1961 crop only, will not be less than 120 percent of the level of price support for corn, adjusted for feeding values. This means about \$1.27 per bushel for wheat in 1961 with about \$1.15 per bushel in 1962 as compared with the present level of \$1.77 a bushel under existing law. This wheat proposal also extends the conservation reserve part of the soil bank for another 3 years, authorizes the expansion of this program to 60 million acres, with payments to be made in cash rather than in kind, and emphasizes that the greater part of the expansion is to be achieved in the first year of its operation.

FEED GRAINS

The feed-grain provisions—title II of the bill—authorizes the election of a farmer committee to develop, with the assistance of the Department of Agriculture, a program for feed grains—corn, grain sorghum, oats, barley and rye—which would bring production into balance with demand, return feed grain producers between 85 and 100 percent of parity, and authorize the retirement of up to 50 percent of cropland on the farm in return for payment in kind in feed grains. A salient feature of the feed-grain part of the bill is that it would prohibit any program entailing Government purchase or storage of grains and

would limit the overall cost of any such program to not more than 10 percent of the value of the crops involved.

PROTEIN FOOD

Title III of the bill authorizes a substantially increased program for distribution of dairy, poultry, and meat products to the needy, to charitable institutions, and through the school lunch program. The program would be carried out under the general direction of the Secretary of Health, Education, and Welfare, but supplies would come not only from stocks of the Commodity Credit Corporation but also from purchases made in local markets by CCC as the agent for HEW. The cost would be charged to the Department of Health, Education, and Welfare and not to Agriculture.

The bill directs that this program be carried out in such a manner as to assist and effectuate the price support programs established under other portions of the bill. Recognizing the close interrelation between feed grains and livestock products, the bill authorizes the sale of 1 bushel of feed grains from CCC stocks for each \$2 expended in the procurement of livestock products for distribution under the protein food distribution program, but the bill does not in any way authorize any controls on the production of livestock or poultry.

Mr. Chairman, H.R. 12261—the Farm Surplus Reduction Act of 1960—opens the way for effective farm programs on 198,206,000 acres, or approximately 60 percent, of all the 324,892,000 acres devoted to cultivated crops in the United States. Wheat and feed grains, which are dealt with directly in this legislation, accounted on January 1, 1960, for 80.8 percent of all Government investments in farm commodities—or \$7,385 million of a total of \$9,154 million of such investments.

This bill proposes to bolster the whole farm economy, at a time when farmers, caught in a depression while the remainder of the economy is experiencing unparalleled prosperity, are confronting desperate circumstances.

It seeks to reduce Government holdings of farm commodities.

It will bring down the cost of farm programs.

It adheres to the principle that farm income be protected and improved while Government surpluses and Government cost are reduced. It incorporates the principle that existing income protections must be continued until the producers themselves work out improved programs for stabilizing supplies and prices of their various commodities.

It sets up the machinery whereby wheat and feed grain producers, with the help of Government, can balance their supplies with markets available and exercise a degree of bargaining power in the marketplaces.

It seeks to remove unneeded land from production and in that way contribute to the balance of production and demand and save soil fertility for future generations.

It will provide for distribution of additional high protein food to needy people, to public institutions, and to school-children.

It improves the status of the family farm through greater bargaining power, resulting from a balance in the supply and demand of farm commodities.

The bill, with these accomplishments, is not a complete answer to all the hard circumstances that again have settled upon our farm people. The committee, at the outset of its considerations of general farm legislation, sought to offer the producers of all major crops opportunities to develop programs enabling them to adjust their output to effective market demand and to command reasonable prices in the marketplaces. I regret to report that in this undertaking the committee received no cooperation from the Secretary of Agriculture who, with others who oppose the parity principle for agriculture, created such misunderstanding and confusion among farmers and friends of farmers that the committee cannot at this time develop wide agreement upon an overall commodity-by-commodity approach to the general farm problem.

However, H.R. 12261 deals directly with major surplus and cost problems of agriculture, and it establishes the guideposts on the road back to general farm stability and prosperity.

The bill is built upon the principle that any successful farm program must be fair to farmers and consumers alike. It embraces, as a pattern for the future, faith in the ability of farmers themselves to develop or select programs based upon this principle.

Mr. Chairman, with special reference to wheat, I must point out that during the last 7 years, 1953-59 inclusive, American farmers have produced less, not more, wheat than in the previous 7 years. The 1946-52 inclusive production amounted to 8,217 million bushels, whereas in the last 7 years the output has totaled 7,637 million bushels. Meanwhile, both domestic use and export of wheat have declined in the last 7 years.

During these most recent 7 years, while there has been a severe reduction in the price supports for wheat farmers, domestic use of wheat has declined to 4,269 million bushels, from the total of 4,936 million bushels consumed in the previous 7 years. A lower price has not brought about greater use of our wheat.

During the last 7-year period U.S. exports of wheat amounted to 2,708 million bushels, a drop of 138 million bushels from the total of 2,846 million bushels exported in the previous 7-year period.

World movement of wheat from 1946 through 1952 amounted to 6,524 million bushels and 44 percent of the total was American wheat; in the 1953-59 period exports of wheat by all countries amounted to 8,036 million bushels, and our share of the world movement of this food grain declined to 34 percent.

The decrease in our share of the world's market has occurred despite the fact that in 1954 the Congress gave to the Secretary of Agriculture virtually unlimited and unprecedented authority

(a) to deliver wheat abroad for the currency of the country receiving the wheat, (b) to barter wheat for strategic materials needed in our own country, and (c) to donate wheat to friendly and needy peoples in other nations.

Meanwhile, Russia's wheat production now again has surpassed the United States' production and U.S.S.R. exports of wheat, although still small by comparison to ours, have increased substantially in the last 3 years.

Now, the statement has been made in this debate that so-called soft wheat, used in crackers, cookies and such, is not in surplus supply, and the acreages of the producers of soft wheat should not be reduced. I have checked the Department of Agriculture on this point.

The Department advises that production of soft wheat has been running at 160 million to 200 million bushels a year, while domestic consumption amounts to 130 million to 140 million bushels. We export from 20 to 40 million bushels of this wheat annually, most of it under the Public Law 480 programs which amounts to virtually a giveaway proposition.

There recently has been a drift away from soft wheat production, entirely apart from any production control program, largely because the small farmers are finding they get better yield and price in the production of hard wheat. An improvement of price for soft wheat no doubt would bring about the production of any amount of soft wheat that ever may be needed in the United States and for export.

Mr. Chairman, in conclusion, I feel it to be my duty to review briefly for the House the distressful conditions now prevailing in agriculture.

Farmers' net income in 1959 dropped to the lowest level, in relation to volume of their sales, of any year since the Department of Agriculture began keeping records in 1910. A further decline is predicted for 1960.

Average farm prices in December 1959 reached their lowest, in terms of parity with other prices, for any December since 1933.

The per capita annual income of people living on farms in 1959—including Government payments and, also, their earnings from off-farm work—again dropped to less than one-half that of nonfarm people. The per capita income of farm people totaled \$960, compared to \$2,202 for nonfarm people.

Farm net income in 1959 was 24 percent below 1952, while in this 7-year period the national income increased by 35 percent.

In 1959, farmworkers (operators and labor) received an average of 71½ cents an hour. Farmworkers' hourly earnings were down 13 percent from 1952. Farm operators actually paid their hired help 80 cents an hour which was more than they themselves received. In contrast, hourly earnings of industrial workers in 1959 averaged \$2.22 an hour, up 33 percent over 1952, and corporation dividend payments in 1959 exceeded such 1952 payments by 47 percent.

The net income of farmers in the last 7 years has been \$20 billion less than in the previous 7 years.

Mr. Chairman, the conditions in agriculture demand action. I hope that we may have the wisdom here today to reaffirm our faith in the parity principle for agriculture, so that the farm families of America, now so hard pressed, may make a start on the road back to recovery and stability, so that they may look forward again to sharing equitably in our economy where their contribution is so large and is such a blessing to all of us.

The CHAIRMAN. The time of the gentleman from North Carolina has expired.

All time has expired. The Clerk will read.

The Clerk read as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Farm Surplus Reduction Act of 1960".

Mr. DIXON. Mr. Chairman, I offer an amendment in the nature of a substitute. The Clerk read as follows:

Amendment offered by Mr. DIXON: On page 1, line 3, strike out all after the enacting clause and insert:

"That this Act may be cited as the 'Wheat Act of 1960'.

"TITLE I—PRICE SUPPORT AND ALLOTMENTS

"SEC. 101. Title I of the Agricultural Act of 1949, as amended, is amended by adding the following new sections:

"SEC. 107. (a) Notwithstanding the provisions of section 101 of this Act, for each of the 1961, 1962, and 1963 crops of wheat price support shall be made available as provided in this section. The support price for each such crop shall be 75 per centum of the parity price therefor. Price support under the foregoing provision of this section shall be made available only to cooperators, only in the commercial wheat-producing area, and only if producers have not disapproved marketing quotas for the crop. In case marketing quotas are disapproved, price support to cooperators shall be as provided in section 101(d)(3).

"(b) If marketing quotas are in effect for the particular crop of wheat, wheat of any such crop, and any other commodity produced on a farm to which a wheat marketing quota is applicable and in the calendar year in which wheat of any such crop is normally harvested, shall be eligible for price support only if—

"(1) the farm is in compliance with the farm wheat acreage allotment for such crop;

"(2) the total acreage on the farm devoted to the production of nonconserving crops as determined by the Secretary which would normally be harvested in the calendar year in which such wheat crop is normally harvested does not exceed the total average annual acreage on the farm devoted to the production of such nonconserving crops for harvest in 1958 and 1959, less an acreage equal to 20 per centum of the farm acreage allotment for such crop of wheat which would be in effect for the farm except for the reduction thereof as provided in section 334(c)(2) of the Agricultural Adjustment Act of 1938, as amended; and

"(3) the producers on the farm in accordance with regulations prescribed by the Secretary—

"(1) designate an acreage on the farm equal to the 20 per centum reduction in the

farm acreage allotment required under section 334(c)(2) of the Agricultural Adjustment Act of 1938, as amended, for the particular crop of wheat, and

"(ii) do not produce any crop thereon which is normally harvested in the calendar year in which the particular crop of wheat is normally harvested and do not graze such acreage during such year.

A farm shall be deemed in compliance with the requirements of clauses (1) and (2) if no crop not subject to acreage allotments is produced on the farm for harvest, and the farm is in compliance with the farm acreage allotments. In accordance with regulations prescribed by the Secretary, the acreage of such nonconserving crops for harvest in 1958 and 1959 may be adjusted to the extent the Secretary determines appropriate for abnormal weather conditions, established crop rotation practices for the farm, changes in the constitution of the farm, participation in soil bank or Great Plains programs, or to give effect to the provisions of law relating to release and reappropriation or preservation of history, and such other factors as the Secretary may deem appropriate. For the purposes of eligibility for price support a producer shall not be deemed to have violated any of the foregoing conditions unless the producer knowingly violated such condition, but the Secretary may provide by regulation for adjusting any payment in kind under subsection (c) or (d) on account of any violation of any such condition or any other condition of eligibility for such payment. For the purposes of this section a wheat marketing quota shall not be deemed to be applicable to any farm exempt from wheat marketing quotas under item (7) of Public Law 74, Seventy-seventh Congress, as amended (7 U.S.C. 1340(7)) or exempt from wheat marketing penalties under section 335(f) of the Agricultural Adjustment Act of 1938, as amended (7 U.S.C. 1335(f)).

"(c) Producers of wheat meeting the foregoing conditions of eligibility for price support for any calendar year shall be entitled for such year to a wheat payment in kind from Commodity Credit Corporation stocks equal in value to one-half of the average annual yield in bushels of wheat per harvested acre on the farm for the three years immediately preceding the year for which the designation is made, adjusted for abnormal weather conditions and as determined under regulations prescribed by the Secretary multiplied by the number of designated acres. Such wheat may be marketed without penalty but shall not be eligible for price support. The payment in kind shall be made by the issuance of a negotiable certificate which Commodity Credit Corporation shall redeem in wheat equal in value to the value of the certificate. The certificate shall have a value equal to the number of bushels determined as aforesaid multiplied by the basic county support rate per bushel for number one wheat of the crop normally harvested in the year for which the acreage is designated and for the county in which the designated acreage is located. The wheat redeemable for such certificate shall be valued at the market price thereof as determined by Commodity Credit Corporation. The Secretary shall provide by regulation for the sharing of a certificate among producers on the farm on a fair and equitable basis. The acreage designated under this section shall be in addition to any acreage devoted to the conservation reserve program.

"(d) If marketing quotas are in effect for the 1961 crop of wheat and the producers on the farm agree to meet the requirements of subsection (b) for 1961, 1962, and 1963, and, in accordance with regulations prescribed by the Secretary—

"(1) designate an acreage on the farm equal to not less than 20 per centum nor more than 100 per centum of the acreage allotment which would be in effect for the

farm for the 1961 crop of wheat except for the reduction thereof as provided in section 334(c)(2) of the Agricultural Adjustment Act of 1938, as amended, and do not produce any crop thereon which is normally harvested in the calendar years 1961, 1962, and 1963 and do not graze such acreage during such years, but devote such acreage to soil and water conserving uses;

"(2) reduce by the number of acres so designated the acreage of wheat on the farm in each such year below the acreage allotment which would be in effect for the farm for such year except for the reduction thereof as provided in section 334(c)(2) of the Agricultural Adjustment Act of 1938, as amended; and

"(3) reduce by the number of acres so designated the acreage of nonconserving crops on the farm in each such calendar year below the average annual acreage on the farm devoted to the production of such nonconserving crops for harvest for 1958 and 1959 adjusted as provided in subsection (b), such producers shall be entitled to a wheat payment in kind, in lieu of the payment provided by subsection (c), for each such year from Commodity Credit Corporation stocks equal in value to one-half of the average annual yield in bushels of wheat per harvested acre on the farm for the three years 1958 through 1960, adjusted for abnormal weather conditions and as determined under regulations prescribed by the Secretary, multiplied by the number of designated acres. Such wheat may be marketed without penalty but shall not be eligible for price support. The payment in kind shall be made by the issuance of a negotiable certificate which Commodity Credit Corporation shall redeem in wheat equal in value to the value of the certificate. The certificate shall have a value equal to the number of bushels determined as aforesaid multiplied by the basic county support rate per bushel for number one wheat of the crop normally harvested in the year for which the payment is made and for the county in which the designated acreage is located. The wheat redeemable for such certificate shall be valued at the market price thereof as determined by Commodity Credit Corporation. The Secretary shall provide by regulation for the sharing of a certificate among producers on the farm on a fair and equitable basis. The share of any producer in certificates issued under this subsection with respect to any year and with respect to all farms in which he has an interest, based on the face value of the certificates, shall not exceed the greater of (1) \$10,000, or (2) such producers' share of payments made under this subsection for acreage required to be designated either in 1961 or in such year as a condition of price support. If such producers fail to comply with the requirements of this subsection for all or any part of the three year period, such producers shall forfeit or refund in cash all or such part of the payments provided for by this subsection as the Secretary determines to be fair and equitable and prescribes by regulation. The acreage on any farm which is determined under regulations of the Secretary to have been diverted from the production of wheat by reason of designation under this subsection shall be considered acreage devoted to wheat for the purposes of establishing future State, county, and farm acreage allotments under the Agricultural Adjustment Act of 1938, as amended (7 U.S.C. 1326(b)), relating to reduction of the storage amount of wheat that part of the acreage designated under this subsection in excess of the 20 per centum reduction required under section 334(c)(2) of the Agricultural Adjustment Act of 1938 on any farm shall be regarded as wheat

acreage on the farm of normal production as that term is defined in section 301(b)(9) of the Agricultural Adjustment Act of 1938, as amended (7 U.S.C. 1301(b)(9)).

"Sec. 108. Notwithstanding the provisions of section 101 or 107 of this Act or any provision of the Agricultural Adjustment Act of 1938, if marketing quotas are disapproved for the 1961 crop of wheat, the level of price support to cooperators and noncooperators for the 1961 crop and each subsequent crop of wheat shall be 50 per centum of the parity price of wheat and no national marketing quota or acreage allotment shall be proclaimed with respect to any subsequent crop of wheat: *Provided*, That if price support at 50 per centum of the parity price is in effect under this section, the current price support for wheat, for the purposes of section 407 of the Agricultural Act of 1949, as amended, shall be determined on the basis of a price support level for wheat of 75 per centum of the parity price thereof."

"Sec. 102. (a) Item (1) of Public Law 74, Seventy-seventh Congress, as amended, is amended, effective beginning with the 1961 crop of wheat, to read as follows:

"(1) If a national marketing quota for wheat is in effect for any marketing year, farm marketing quotas shall be in effect for the crop of wheat which is normally harvested in the calendar year in which such marketing year begins. The farm marketing quota for any crop of wheat shall be the actual production of the acreage planted to such crop of wheat on the farm less the farm marketing excess. The farm marketing excess shall be an amount equal to double the normal yield of wheat per acre established for the farm multiplied by the number of acres planted to such crop of wheat on the farm in excess of the farm acreage allotment for such crop unless the producer, in accordance with regulations prescribed by the Secretary and within the time prescribed therein, establishes to the satisfaction of the Secretary the actual production of such crop of wheat on the farm. If such actual production is so established the farm marketing excess shall be such actual production less the actual production of the farm wheat acreage allotment. Actual production of the farm wheat acreage allotment shall mean the actual average yield per harvested acre of wheat on the farm multiplied by the number of acres constituting the farm acreage allotment. In determining the actual average yield per harvested acre of wheat and the actual production of wheat on the farm any acreage utilized for feed without threshing after the wheat is headed, or available for such utilization at the time the actual production is determined, shall be considered harvested acreage and the production thereof in terms of grain shall be appraised in accordance with regulations prescribed by the Secretary and such production included in the actual production of wheat on the farm. The acreage planted to wheat on a farm shall include all acreage planted to wheat for any purpose and self-seeded (volunteer) wheat, but shall not include any acreage that is disposed of prior to harvest in accordance with regulations prescribed by the Secretary."

"(b) Item (2) of Public Law 74, Seventy-seventh Congress, as amended, is amended, effective beginning with the 1961 crop of wheat, to read as follows:

"(2) During any marketing year for which quotas are in effect, the producer shall be subject to a penalty on the farm marketing excess of wheat. The rate of the penalty shall be 65 per centum of the parity price per bushel of wheat as of May 1 of the calendar year in which the crop is harvested."

"(c) Item (3) of Public Law 74, Seventy-seventh Congress, as amended, is amended,

effective beginning with the 1961 crop of wheat, to read as follows:

"(3) The farm marketing excess for wheat shall be regarded as available for marketing, and the penalty and the storage amount or amounts of wheat to be delivered to the Secretary shall be computed upon double the normal production of the excess acreage. If the farm marketing excess so computed is adjusted downward on the basis of actual production, the difference between the amount of the penalty or storage computed on the basis of double the normal production and as computed on actual production shall be returned to or allowed the producer or a corresponding adjustment made in the amount to be delivered to the Secretary if the producer elects to make such delivery. The Secretary shall issue regulations under which the farm marketing excess of wheat for the farm shall be stored or delivered to him. Upon failure to store, or deliver to the Secretary, the farm marketing excess within such time as may be determined under regulations prescribed by the Secretary the penalty computed as aforesaid shall be paid by the producer. Any wheat delivered to the Secretary hereunder shall become the property of the United States and shall be disposed of by the Secretary for relief purposes in the United States or foreign countries or in such other manner as he shall determine will divert it from the normal channels of trade and commerce."

"(d) Item (7) of Public Law 74, Seventy-seventh Congress, as amended (7 U.S.C. 1340(7)), is amended to read as follows:

"(7) A farm marketing quota on any crop of wheat shall not be applicable to any farm on which the acreage planted to wheat for such crop does not exceed fifteen acres: *Provided, however*, That a farm marketing quota on the 1961 and subsequent crops of wheat shall be applicable to—

"(1) any farm on which the acreage of wheat exceeds the smaller of (1) twelve acres or (2) the highest number of acres planted to wheat on the farm for harvest in the calendar years 1956, 1957, 1958, 1959, or 1960; and

"(11) any farm on which any wheat is planted if any of the producers who share in the wheat produced on such farm share in the wheat produced on any other farm."

"(e) Item (12) of Public Law 74, Seventy-seventh Congress, as amended (7 U.S.C. 1340(12)), is repealed, effective beginning with the 1961 crop of wheat.

"(f) Section 326(b) of the Agricultural Adjustment Act of 1938, as amended, is amended, effective beginning with the 1961 crop of wheat, to read as follows:

"(b) If a farm is in compliance with its farm acreage allotment for any crop of wheat and the actual production of such crop of wheat on the farm is less than the normal production of the farm wheat acreage allotment, an amount equal to the deficiency may be marketed without penalty from wheat of previous crops stored by the producers on the farm to postpone the payment of marketing quota penalties."

"Sec. 103. The Agricultural Adjustment Act of 1938, as amended, is amended as follows:

"(a) Section 334 is amended by inserting '(1)' after '(c)' and adding a new subparagraph (2) following subparagraph (c) (1) to read as follows:

"(2) Notwithstanding any other provision of law, each old or new farm acreage allotment for the 1961 and subsequent crops of wheat as determined on the basis of a minimum national acreage allotment of fifty-five million acres shall be reduced by 20 per centum. In the event notices of farm acreage allotments for the 1961 crop of wheat have been mailed to farm operators prior to the effective date of this subparagraph (2) new notices showing the required reduc-

tion shall be mailed to farm operators as soon as practicable."

"(b) Section 334(e) is amended to read as follows:

"(e) If, with respect to any crop of wheat, the Secretary determines that the production of any kind of wheat will be inadequate to provide a sufficient quantity of that kind of wheat to satisfy the demand therefor, the wheat acreage allotment (and the number of acres which may be planted under item (7) (1) of Public Law 74, Seventy-seventh Congress, without making a farm marketing quota applicable to the farm) for such crop for each farm located in a county which has produced such wheat for commercial food products during one or more of the five years immediately preceding the year in which such crop is harvested, shall be increased by such uniform percentage as he deems necessary to provide for such quantity. No increase shall be made under this subsection in the wheat acreage allotment of any farm (or in the acreage which may be planted without making a farm marketing quota applicable to the farm) for any crop if any kind of wheat other than that for which the increase is made is planted on such farm for such crop. Any increases in wheat acreage allotments authorized by this subsection shall be in addition to the National, State, and county wheat acreage allotments, and such increases shall not be considered in establishing future State, county, and farm allotments. The provisions of paragraph (6) of Public Law 74, Seventy-seventh Congress (7 U.S.C. 1340 (6)), and section 326(b) of this Act, relating to the reduction of the storage amount of wheat shall apply to the allotment for the farm established without regard to this subsection and not to the increased allotment under this subsection, except that any farm in compliance with its increased allotment under this subsection shall be considered in compliance with its farm acreage allotment for the purposes of said section 326(b). Any farm receiving an increased allotment under this subsection shall be excused from complying with clauses (2) and (3) of section 106(b) of the Agricultural Act of 1949 to the extent deemed appropriate by the Secretary to provide for the increase in allotment under this subsection, and no farm on which acreage is designated pursuant to section 106(b) (3) or 106(d) of the Agricultural Act of 1949 in a greater amount than required as a condition of price support for any crop shall be eligible for an increased allotment under this subsection for such crop."

"(c) Subsection (f) of section 335 is amended by striking out the semicolon at the end of item (1) and adding 'and shall not apply to other farms with respect to the 1961 and subsequent crops;'

"(d) Section 336 is amended to read as follows:

"Sec. 336. Between the date of issuance of any proclamation of any national marketing quota for wheat and July 25 of the year in which the proclamation is made the Secretary shall conduct a referendum by secret ballot to determine whether farmers favor or oppose such quota. Farmers eligible to vote in such referendum shall be farmers who were engaged in the production of the crop of wheat normally harvested in the calendar year immediately preceding the calendar year in which the referendum is held on a farm in the commercial wheat-producing area for such crop and on which more than twelve acres was planted to wheat of such crop if such crop was the 1961, 1962, or 1963 crop, or on which more than fifteen acres was planted to wheat of such crop if such crop was any crop other than the 1961, 1962, or 1963 crop. Any acreage considered as being devoted to wheat in establishing future allotments under applicable provisions of law shall be considered as wheat-producing acreage for the purpose of deter-

mining eligibility to vote. If the Secretary determines that more than one-third of the farmers voting in the referendum oppose such quota he shall prior to the effective date of such quota by proclamation suspend the operation of the national marketing quotas with respect to wheat."

"(e) Section 362 is amended by deleting the second sentence thereof.

"(f) Subsections (b) and (c) of section 335 are hereby repealed and subsection (d) of said section is repealed effective beginning with the 1961 crop of wheat.

"(g) The first proviso of section 377 is amended by striking out 'Provided, That beginning with the 1960 crop' and inserting in lieu thereof 'Provided, That beginning with the 1964 crop in the case of wheat and the 1960 crop in the case of any other commodity'."

"Sec. 104. Section 101(d) of the Agricultural Act of 1949, as amended, is amended by—

"(A) striking out paragraph (5); and
"(B) amending paragraph (7) to read as follows:

"(7) No price support shall be made available for any crop of wheat for which acreage allotments are not in effect and no price support shall be made available for any crop of wheat in any State designated under section 335(e) of the Agricultural Adjustment Act of 1938, as amended, as outside the commercial wheat-producing area for such crop."

"TITLE II—AMENDMENTS TO GREAT PLAINS PROGRAM

"Sec. 201. Section 16 of the Soil Conservation and Domestic Allotment Act of 1938, as amended, is amended as follows:

"(1) Paragraph (3) of subsection (b) is amended to read as follows:

"(3) Insofar as the acreage of cropland on any farm enter into the determination of acreage allotments and marketing quotas under the Agricultural Adjustment Act of 1938, as amended, the cropland acreage on the farm shall not be decreased during the period of any contract heretofore or hereafter entered into under this subsection by reason of any action taken for the purpose of carrying out such contract and, under regulations of the Secretary, shall not be decreased, for such period after the expiration of the contract as is equal to the period of the contract, by reason of the maintenance of any change in land use from cultivated cropland to permanent vegetation carried out under the contract;"

"(2) Paragraph (4) of subsection (b) is amended to read as follows:

"(4) the acreage on any farm which is determined under regulations of the Secretary to have been diverted from the production of any commodity subject to acreage allotments or marketing quotas in order to carry out any contract heretofore or hereafter entered into under the program or in order to maintain, for such period after the expiration of the contract as is equal to the period of the contract, any change in land use from cultivated cropland to permanent vegetation carried out under the contract shall be considered acreage devoted to the commodity for the purposes of establishing future State, county, and farm acreage allotments under the Agricultural Adjustment Act of 1938, as amended;"

Mr. ABBITT (interrupting the reading). Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. ABBITT. Is this the Ellender bill which has already been passed by the other body?

The CHAIRMAN. That is not an inquiry the Chair can answer.

Mr. ABBITT. May I ask the gentleman from Idaho whether or not the bill has been printed and whether copies are available?

Mr. DIXON. This is the exact bill which the other body passed.

Mr. ABBITT. Mr. Chairman, I ask unanimous consent that the amendment be considered as read.

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

There was no objection.

The CHAIRMAN. The gentleman from Utah is recognized in support of his amendment.

Mr. DIXON. Mr. Chairman, I was very pleased to hear the gentleman from North Carolina, chairman of the Committee on Agriculture, say he was not wedded to any bill. I feel the same way. I do not think any of them is perfect. I do believe, however, that the bill which the other body passed is the best bill we have for consideration. I shall try to summarize briefly the reasons.

First, the Senate bill leaves price supports at 75 percent of parity, just as they are under present law, for the next 3 years.

Second, it reduces acreage allotments by 20 percent. It pays any man in kind who reduces his acreage by 20 percent, 50 percent of the amount of wheat he would grow on that acreage.

It will not pay any farmer more than \$10,000; there is a limitation here.

Then, this reduction in acreage will place the maximum at 44 million acres of wheat that can be planted instead of the present 55 million under present law. It reduces the total number of acres, therefore, that can be planted by 11 million.

To some extent the 15-acre exemption has done most of the mischief. The bill reduces it to a 12-acre exemption, or the largest number of acres that had been used for this purpose over the last 5 years. If the largest number of acres were eight, for example, then the farmer cannot have more than 8 acres under this exemption.

It increases the penalty for overplanting, makes penalties far more severe, so we will not have farmers deliberately violating the principle of the act.

It takes away the 30-acre limitation which the farmer can plant for feed. Under the present law he can plant only 30 acres to feed his own livestock. Under the Senate bill he can plant whatever he wants so long as it is fed on the farm.

Mr. ALBERT. Mr. Chairman, will the gentleman yield?

Mr. DIXON. I yield.

Mr. ALBERT. The points the gentleman is discussing at the present time are also in the committee bill.

Mr. DIXON. Yes; but I will proceed further. It will reduce the production, and that is what the committee bill will not do, approximately 1,270 million bushels to about 960 million bushels.

It will permit us to dip into and move some of the surplus wheat. That is what we want to do. It costs the taxpayers \$104 million less than the present law, and \$230 million less than the Poage bill provides. The Poage bill will raise the

price of wheat 25 cents and go that much further to price wheat out of the market in the export trade. If we export the wheat it will cost the Government 25 cents more so that we can compete with foreign countries.

It protects the consumer. The Poage bill is a bread tax. It will raise the baker's price by about 1 cent. It will raise the cost of flour to the thrifty housewives who make their own bread about 10 percent. There is not much else in bread than flour, except a little salt and a little yeast, and the housewife can profit by her own work, so if she is thrifty she can save this spread between 2.5 cents which the farmer receives, and 25 to 27 cents that a loaf of bread costs. That is what we ought to encourage our housewives to do.

It will not injure other branches of agriculture. The Poage bill definitely will. It will injure poultry and it will injure livestock; it will raise the price of wheat that we export under Public Law 480. Wheat already gets 65 percent of the money under Public Law 480 and if we have to tack another 25 cents a bushel on that to make it compete with foreign countries, wheat will get about 75 percent of all the money.

Where is that going to put cotton? Where is it going to put our other exports? It will just simply consume very nearly the whole appropriation and other commodities will not stand for such injustice.

The CHAIRMAN. The time of the gentleman from Utah has expired.

Mr. DIXON. Mr. Chairman, I ask unanimous consent to proceed for 5 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Utah?

Mr. ANDERSEN of Minnesota. Mr. Chairman, reserving the right to object, and I do not intend to object provided, Mr. Chairman, that this policy will prevail all the way through the consideration of this bill. I hope that consideration of this bill will go over until tomorrow so that we may have ample and full discussion of this very important situation. On that basis and on that assumption I withdraw my reservation of objection.

The CHAIRMAN. Is there objection to the request of the gentleman from Utah?

There was no objection.

Mr. AVERY. Mr. Chairman, I have a question. That is in respect to payment in kind. I would like to have the record be abundantly clear as to what might be done with the payment in kind. I think we are realistic enough to know that the farmer is not going to drive his truck down to the commodity bin and get his payment in kind in form of a commodity. Undoubtedly he will get a certificate. What can he do with that certificate? Can that be sold on the open market the same as the 15-acre wheat without a marketing penalty? In other words, would it go to the open market or must he sell that to a livestock feeder for feed?

Mr. DIXON. I will ask the gentleman from Oklahoma of our committee to answer that.

Mr. ALBERT. Mr. Chairman, will the gentleman yield?

Mr. DIXON. I yield to the gentleman from Oklahoma.

Mr. ALBERT. A negotiable certificate will be given the producer on the price of wheat in the county in which it is produced, No. 2 wheat.

Mr. AVERY. A negotiable certificate?

Mr. ALBERT. To be deliverable at the price of wheat at point of delivery.

Mr. AVERY. At his local point of delivery?

Mr. ALBERT. Wherever the certificate is negotiated for the wheat. If in a certain county in Kansas you get a certificate, if the gentleman will permit me, the value of that certificate will be the value of wheat in your county in Kansas, the No. 2 grade.

The Government from its warehouse in Chicago will deliver wheat upon the basis of the price of wheat at the point of delivery in Chicago.

Mr. AVERY. Now, as to the negotiable certificate, I would like to pursue that just a little further with the gentleman from Oklahoma, if the gentleman from Utah will permit.

Mr. DIXON. I should like to have the gentleman from Oklahoma take the "mike."

Mr. AVERY. As to this negotiable certificate, I presume that the same response that the gentleman is giving me now with respect to the Senate bill, as to payment in kind, would also apply to the House bill before the committee this afternoon.

Mr. ALBERT. The gentleman is correct. There is no difference in the procedure, as I read it, in the two bills.

If the gentleman would yield further, I would like to say that the amount of the payment in kind is 50 percent under the Senate bill for No. 1 wheat and 55 percent for No. 2 wheat under the House bill.

Mr. AVERY. I recognize that, but I am concerned about what happens to this negotiable certificate after it is issued by the Commodity Credit Corporation to the eligible producer. Then we are to accept the gentleman's statement as to this, that the negotiable certificate can be received and redeemed in cash by the wheat producer who has complied with the restrictions in this bill.

Mr. ALBERT. I think the normal manner in which it would be held, he would probably sell it to a miller or to some dealer in wheat, and he would redeem it in wheat at some point of delivery.

Mr. AVERY. Would he have to do that? Does it have a cash value?

Mr. JONES of Missouri. Mr. Chairman, will the gentleman yield?

Mr. DIXON. I yield to the gentleman from Missouri.

Mr. JONES of Missouri. I think what you are trying to say is that the Government will not redeem it in cash. The Government will redeem it in wheat. It is a negotiable instrument and he can get cash for it, but somebody will eventually have to take down wheat, and that is the good thing about both of these bills. It will take wheat out of the elevator eventually.

Mr. AVERY. I am not trying to say anything; I am trying to get the record straight.

Mr. DIXON. I refuse to yield any more time now. I think the matter has been well explained, and I thank the gentleman from Oklahoma [Mr. ALBERT].

Mr. JONES of Missouri. Mr. Chairman, if the gentleman will yield further, I wish the gentleman from Utah would explain one statement that he made. He left the impression that the Senate bill would bring about a 20-percent reduction in wheat; is that right?

Mr. DIXON. I conferred with the Department this afternoon relative to that.

Mr. JONES of Missouri. The bill says it will reduce it 20 percent.

Mr. DIXON. I have the statistics here that the bill would reduce the production from 1.27 billion bushels to about 960 million bushels.

Mr. JONES of Missouri. Well, that would be 20 percent.

Mr. DIXON. Yes; approximately.

Mr. JONES of Missouri. And you also left the impression—I do not think you did it intentionally, but you left the impression that the House bill would not reduce it that much, whereas the House bill calls for a 25-percent reduction and would actually reduce the production below consumption.

The CHAIRMAN. The time of the gentleman from Utah has expired.

Mr. JONES of Missouri. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I think that what we have to get clear here today is this: We are either going to solve the wheat problem, or we are not going to solve it.

Now, the Senate bill goes just part of the way. The Senate bill does not bring about enough reduction, and you are still going to pile up wheat in the Government warehouses regardless of how you interpret this bill, because with a 20-percent reduction over what we are producing now, we will still produce more wheat than we can eat or sell.

Now, what are we trying to do under this legislation? I think we have a correct title on the bill before us today. We have a farm surplus reduction bill, and we are trying to bring down the amount that we have in the surplus. Of course, both of these bills have this payment in kind, and the theory is fine. I think that is something that should have been done a long time ago, because if you can encourage a man not to produce wheat and still give him wheat that would have been produced on that land, you are giving him some incentive and additional wheat will not be produced. Under the Senate bill, the only maximum you are getting there is a 20-percent reduction.

A 20-percent reduction in the bill will not reduce the surplus that you have. It will add to the surplus we already have.

I am saying to you in all good conscience that if we want to do something to help the farmer in this crisis we are going to have to get rid of the unconscionable surplus; we have got to reduce it to a reasonable reserve. We have to have a reserve of wheat just as we have

to have a reserve of cotton. But whenever you have a surplus you are in trouble. Even a 5-percent surplus is enough to destroy the market price and to make these artificial supports necessary.

I am pleading with you today, if you really want to do something for the farmer, make this reduction sufficient to bring about some effect on the market. That is the reason I would have to oppose the Senate bill. I am here today not committed to any particular bill but unless we can do something to help somebody we are just kidding ourselves. We are not here to pass a political bill. We are here presumably today to try to help the American farmer—the wheat farmer; he is the one who is in the greatest trouble. But we have to recognize that the wheat farmer is tied in with the feed grain farmer. We are going to have to attack the problems of both at the same time. That is why your committee brought in a bill which tries to solve the two major problems facing us today.

The Senate bill will not do it. The Senate bill does not go far enough to do any good. It will not cure the evil. It will still cost you a lot of money without bringing you any benefits.

Mr. Chairman, I am saying to you in all sincerity that we would be making a great mistake to pass that bill. That is why I told you this morning, that if the Senate bill came to the Committee on Agriculture I feel sure that the committee would not report it. That is why I asked you to vote for this rule under which we are discussing this bill now. We have to do something to reduce the surplus and the Senate bill will not do it.

Mr. THOMSON of Wyoming. Mr. Chairman, will the gentleman yield?

Mr. JONES of Missouri. I yield to the gentleman.

Mr. THOMSON of Wyoming. The domestic consumption is only to 649 million bushels per year. The committee bill would fall far short of bringing production down to that level; would it not?

Mr. JONES of Missouri. It would fall short of bringing it down to the domestic consumption, but with the anticipated exports and the commitments that we have, I think we would still wind up having to take wheat out of surplus. Under the committee bill we will not produce enough wheat in 1961 to take care of all our needs. It would necessitate using a part of the surplus that we now have in storage. The Senate bill will not do that. That is why I oppose the Senate bill.

Mr. THOMSON of Wyoming. Of the over 400 million bushels exported, most of that would go into export under Public Law 480, or other Government-supported programs which amount to a subsidy. Would not the effect of the House bill be to increase the subsidy with a cost to the taxpayers on those 400 million bushels?

Mr. JONES of Missouri. No; I do not agree with the gentleman on that at all.

Mr. ALBERT. Mr. Chairman, will the gentleman yield?

Mr. JONES of Missouri. I yield to the gentleman from Oklahoma.

Mr. ALBERT. The gentleman would have to deduct from that every bushel of wheat taken out of Commodity Credit Corporation stocks on which the Government now pays storage. The Department figures on costs as explained here today apparently do not take that fact into account.

The CHAIRMAN. The time of the gentleman from Missouri [Mr. JONES] has expired.

Mr. ALBERT. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, it seems to me that the objections to the Senate bill, which is the amendment under consideration, are twofold. In the first place, the adoption of this bill would reduce the income of wheat farmers at a time when their income is already at a 10-year low. The second major objection is the one suggested by the gentleman from Missouri [Mr. JONES], that is, that it will not reduce the surplus. Unless we are willing to cut the national allotment by 25 percent, we are not going to start getting rid of the surplus. This point I think we ought to keep in mind in considering this aspect of the bill. Both of these bills provide for a payment in kind. This means that every year about 20 percent of the total production, or some 250 million bushels, is going to be taken out of the stocks of the Commodity Credit Corporation. This wheat is going out into the market. Farmers are going to sell it. It cannot be returned to Government warehouses. It is not subject to price supports.

What is that going to do with the wheat the farmer has grown during that year? It is going to mean that 150 million bushels, grown during the year, if the cut is 20 percent, must go back into Commodity Credit warehouses. The result will be that the farmer will simply be trading wheat with the farmers. This just does not make sense.

Mr. ANDERSEN of Minnesota. Mr. Chairman, will the gentleman yield?

Mr. ALBERT. I yield.

Mr. ANDERSEN of Minnesota. I think the gentleman will agree with me that the wheat bill as passed by the Senate is a very sorry thing for the farmers of America.

Mr. ALBERT. It will reduce their income, it will not take care of the surplus, it is an ill-considered bill, in my judgment.

Mr. ANDERSEN of Minnesota. The gentleman is absolutely correct; and beyond all else it reduces the income of the farmers.

Mr. ALBERT. It will unquestionably reduce the income of the farmers.

Let us now consider the house bill. Under plan A we have a high support, a strict control proposal. We have the farm bureau bill under plan B. The farm bureau bill takes care of this extra loss in income through an accentuated conservation reserve program of up to 60 million acres.

It seems to me that as we approach this problem we must first start cutting down production and, second, at the same time, we must try and not drastically curtail the income of the farmers of the country. The only way to do that is either by subsidies and a reserve program

or by price-support increases and drastic cuts. I think the two alternatives presented by the committee bill are the only sound alternatives. The Senate bill should not be enacted into law.

Mr. BELCHER. Mr. Chairman, will the gentleman yield?

Mr. ALBERT. I yield to the gentleman from Oklahoma.

Mr. BELCHER. The gentleman was talking about a 20-percent cut. Do not the figures show that in 1953 there were 78 million acres planted in this country and we produced 1,141 million bushels of wheat, and this year the allotted acres in the United States are but 55 million yet we are going to produce between 1,300 and 1,400 million bushels of wheat. While acres have gone down from 78 to 55 million, production has gone up.

The CHAIRMAN. The time of the gentleman from Oklahoma has expired.

(By unanimous consent (at the request of Mr. BELCHER) Mr. ALBERT was permitted to proceed for 4 additional minutes.)

Mr. BELCHER. While we cut acreage 23 million acres, we produced 200 million bushels more of wheat. Is there any reason to believe that a cut of 20 percent would affect any further reduction in view of those figures?

Mr. ALBERT. I would say to the gentleman that is based on averages and that is the best we can do. We do not know what the weather is going to be. We may have a bigger cut or we may have no cut at all. But based on averages, a cut of 20 percent will not get rid of the surpluses.

Mr. BELCHER. And that is on the averages for the past 5 years, and further the bill we are discussing does not prevent an extra 100,000 new farmers from planting 12 acres of wheat in addition to the number of acres planted this year.

Mr. ALBERT. That is true. The Senate bill, for those who think the 12-acre farmer should take more of the cut, certainly does not go as far as the House bill does in that respect. But the House bill will give the 15-acre producer more income, and it will give him a vote.

Mr. BELCHER. But under the Senate bill, is it not possible for a brandnew farmer to start raising 12 acres of wheat?

Mr. ALBERT. No, I think it is limited to 12 acres or the highest planted, if I understand it correctly.

Mr. BELCHER. I think not.

Mr. ALBERT. I have a copy of the bill here.

Mr. BELCHER. I think a new farmer can produce 12 acres of wheat next year even if he never produced any wheat at all.

Mr. ALBERT. It is a 12-acre exemption, or the highest planted.

Mr. BELCHER. That is the House bill, but I do not believe that is the provision of the Senate bill.

Mr. ALBERT. No; the House bill requires him to cut after he takes his allotment.

Mr. BELCHER. The House bill requires that, if he produced 15 acres of wheat to reduce that to 12 acres.

Mr. ALBERT. It requires him to cut it 25 percent.

Mr. LATTI. Mr. Chairman, will the gentleman yield?

Mr. ALBERT. I yield to the gentleman from Ohio.

Mr. LATTI. If we were to adopt this substitute, we could make amendments to the substitute to take care of the very thing that you are talking about; could we not?

Mr. ALBERT. You have to do that before you adopt it.

Mr. JENSEN. Mr. Chairman, will the gentleman yield?

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

Mr. JENSEN. I am sure the gentleman and I agree perfectly when he says we must reduce acres in order to cut down this great production capacity that we have. Your bill, as I understand it, will make a greater acreage reduction than the Senate bill; is that correct? Do I understand that the wheat producer will receive a sufficient price for his wheat to justify making this acreage cut?

Mr. ALBERT. The answer is definitely, "Yes." The 55-percent payment in kind and 85-percent supports should bring income just about even with or slightly above present income.

Mr. JENSEN. And the reason you want to make the additional cut in acreage is the fact that the minute you make this bigger cut, the price of wheat on the open market will immediately be increased?

Mr. ALBERT. Yes; there is no question about that. The payment-in-kind wheat under the House bill will sell for more.

Mr. HALLECK. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I suspect it might very properly be said I am in the position of rushing in where angels fear to tread because I cannot claim to be too much of an expert in this field although I have tried as best I could to become at least fairly well informed about some of the issues that are involved.

In all my time here I have been voting for farm programs of one sort or another, recognizing, as I have that some sort of farm program is essential to the well-being of our agricultural economy, since if our agricultural economy goes down, then sooner or later the whole economy suffers.

There have been differences of opinion through the years as to what was best to help the farmers, but by and large I have supported measures that have been brought before us. The bill that the committee has reported refers to the fact that it is an amendment of the Agricultural Adjustment Act of 1938. That was enacted during the years of a Democratic Congress. By the same token, the Agricultural Adjustment Act of 1949 was also enacted during a Democratic Congress. As I remember it, I supported both of those measures.

I would like to say also at this juncture there is no question but what the farmer, by reason of the cost-price squeeze, is the low man on the totem pole as far as our overall country is concerned. There is no one who does not want to do everything he can to improve

his situation and his lot. This particular legislation deals primarily with wheat. I realize that the wheat farmer, along with the cattle and hog and corn farmers in my area, have been caught in this cost-price squeeze. I wish we could guarantee the farmer by legislative action whatever he would like to have, but there are limits beyond which we just cannot go. I am supporting the bill that has passed the other body. It is before us.

I am sorry that the Committee on Agriculture did not see fit to report that bill. I want to tell you why. Everybody here is disclaiming any political motivation in connection with this measure, and I hope everybody who says that means it, because actually what we need is sound legislation and not just something for a political issue for next November. I think in the final analysis we are going to be measured in that regard.

Why do I undertake to point that up at this time? The substitute bill incorporates the exact provisions of the measure passed in the other body by a substantial vote. If it were to be adopted here today it would go to the White House tomorrow, and I am quite sure that as soon as the President got back he would affix his signature to the bill. Let us not say it is not any improvement over existing law. Reference has been made to overproduction. May I ask the gentleman from Oklahoma [Mr. ALBERT] whether it is not true that it represents a 20-percent reduction under existing law and it represents a reduction of the 15-acre allotment from 15 to 12 acres, which is about a 20-percent reduction?

Mr. ALBERT. If the gentleman will yield, I will answer his question in the affirmative, but it also represents a big cut in the farmer's income now, and a bigger one later when payment in kind runs out.

Mr. HALLECK. The gentleman refers to what might be a cut in the farmer's income. I agree that his income is low, but reference was made by the chairman of the committee to the \$3 billion worth of wheat we have. So we have got to begin to work out of it. I realize what I am about to say may not fall pleasantly upon the ears of some, but I cannot help but believe that when you raise the support price from 75 to 85 you have a built-in guarantee of production increases.

The CHAIRMAN. The time of the gentleman from Indiana [Mr. HALLECK] has expired.

(By unanimous consent, Mr. HALLECK was granted 5 additional minutes.)

Mr. HALLECK. So, unless we do something along the lines of this substitute proposal, whatever else we undertake here would be self-defeating.

I want to say further that earlier in the session—we are late in the session now—but earlier the President sent up recommendations which set up broad general guidelines. I believe the bill passed in the other body follows those guidelines and can become law.

I think it would be an improvement to the farm picture; I think it would be helpful all around. I have serious doubts

whether or not first of all if you pass the bill the committee has reported you can ever get it out of conference and get favorable action on the conference report. I am not at all sure you can pass the committee bill here in the House of Representatives. I am very sure that if the substitute prevails it will improve the existing situation.

We have been sending bills over to the other body, and it always pleases me to see them take the House version, not sending it to conference, in order to complete legislative action. They did that on the civil rights bill and on many others I might mention. So, I do not believe it would be out of order for us to take, on this occasion, the bill passed by the other body and hence complete legislative action and be sure, first, that the Congress will pass a piece of legislation which will be helpful and, second, that it will become law upon that enactment.

I asked for 5 additional minutes, but I think I have spoken my piece.

Mr. WOLF. Mr. Chairman, will the gentleman yield?

Mr. HALLECK. I will yield briefly, then I will yield back the balance of my time.

Mr. WOLF. What do you propose to do with the feed grains? Are you going to take no action on that this year or hope that something will be done about it later?

Mr. HALLECK. If the gentleman will permit me, I want to be as charitable as I can.

Mr. WOLF. I am all for charity.

Mr. HALLECK. I understand that, and the gentleman and I are good friends, and we are not going to fall out over this. Let me say to the gentleman that these recommendations for legislative action came up here in January, as I remember, or very early thereafter, and all this time until we are right down in what I hope are the closing days of this session, all of this time has elapsed before the committee brought the bill to the floor for action. In other words, I think everybody is hopeful at least, and expectant that this Congress will adjourn, if not July 2, then July 6, 7, 8, or 9. I want all of you Democrats to be able to go out to that convention. I am sorry you will not ask me to go along with you, but certainly we want you to get there for your convention, and I am going to be at mine. But I am simply saying that if this legislative process is complicated then we may well wind up with nothing.

Everybody has said there are many facets to the farm problem. The committee has not undertaken to deal with all of them. The debate here today indicates that the primary concern is with wheat, and this is heralded as a wheat bill. If that is the fact, let us deal with it by the adoption of this substitute.

Mr. Chairman, I yield back the balance of my time.

Mr. ANDERSEN of Minnesota. Mr. Chairman, I offer a preferential motion. The Clerk read as follows:

Mr. ANDERSEN of Minnesota moves that the Committee do now rise and report the bill back to the House with the recommendation that the enacting clause be stricken.

Mr. ANDERSEN of Minnesota. Mr. Chairman, I was of the opinion that I had better offer this amendment while the bill was still in such shape that I could honestly support it.

Mr. Chairman, I would like to refer to the remarks of the gentleman from Oklahoma [Mr. ALBERT]. It is entirely correct that unless we do something in some way to start chiseling away this huge surplus we are going to accomplish nothing. The green acres proposal that the gentleman from Iowa [Mr. JENSEN] and I plan to offer as an amendment to title II will supplement what is in the first title having to do with wheat. It will do what that particular title does not do too effectively; it will help to cut down production.

We in our green acres proposal say that the farmers of America, nationwide, who produce feed grains must reduce their producing cropland acreage by 20 percent, put it in alfalfa, pasture, or other green cover, and we protect the dairy and other cattlemen by saying that if they take that 20 percent completely out of production they can get payment-in-kind certificates to draw grain from the Commodity Credit Corporation at the rate of 25 percent of normal yield.

The amendment that will be offered by the gentleman from Iowa [Mr. JENSEN] or myself later in the day or tomorrow, if we can get the floor, will take 34 million acres of cropland that is now in production out of production.

If you will study it I believe you will see that that is one of the best plans that has been submitted. It is based in part on what is known as the "Virginia plan" and the "Illinois plan." It is not just CARL ANDERSEN's plan or BEN JENSEN's idea. It is a commonsense plan based on very practical principles. It would take 34 million acres of land out of production. It will help the entire situation. It will also help the wheat producer whose allotment will not be affected by this. It will be saying to the small 15- or 12-acre wheat farmers "If you have no place to put this wheat, you can put it into the green acres program and receive payment-in-kind. You do not have to grow that wheat."

It is just common sense, Mr. Chairman. We have to reduce this production. The proposal offered by the gentleman from Iowa [Mr. JENSEN] and myself will reduce it by 34 million acres according to the best estimates we can obtain.

Mr. COOLEY. Mr. Chairman, will the gentleman yield?

Mr. ANDERSEN of Minnesota. I yield to the gentleman from North Carolina.

Mr. COOLEY. Am I to assume that the gentleman is not in favor of the pending amendment, which is the Senate bill?

Mr. ANDERSEN of Minnesota. The pending amendment would be ruinous to agriculture in America. I know that. If you will look at the rollcall on the bill passed by the Senate you will see there was hardly a Senator from the upper Midwest who voted for that particular bill. You see gentlemen like CLINTON ANDERSON, Mr. HOLLAND, and Mr. ELLENDER voting for it, dictating to the wheat farmers what should be done.

The substitute would take away from the wheat farmers of America a certain amount of what they have today, and they have little enough already.

What are we trying to do? Are we going to reduce production and at the same time reduce the income of the farmers of America by hasty action? Let us not do that. Let us do something that amounts to common sense. Let us take the first section, the first title of the House bill as far as wheat is concerned, and give the farmers an alternative. Give them also an alternative under the feed grain provisions. Let them say whether they want Mr. JENSEN's and my proposal or whether they want the committee proposal. That is all we ask.

Mr. WOLF. Mr. Chairman, will the gentleman yield?

Mr. ANDERSEN of Minnesota. I yield to the gentleman from Iowa.

Mr. WOLF. I would like to ask the gentleman what provision he has in his proposal to take care of the small town that might be suffering?

Mr. ANDERSEN of Minnesota. We are providing for them under this method. Raise the general level of farm income and you do as much for small-town business.

Mr. Chairman, on the Subcommittee on Appropriations which studies these matters and which has studied them for 18 years, we have experienced members such as the original authors of the soil bank proposal, the gentleman from Minnesota [Mr. MARSHALL] and myself. I have argued with Mr. Benson on this very point. I told him he did the wrong thing when he said you must take 100 percent of any farm out of production. That was never our intention.

Mr. BROWN of Missouri. Mr. Chairman, I rise in opposition to the pending motion.

Mr. Chairman, I want to talk to some of my city friends who may not know too much about this problem and who may be confused with all this agricultural discussion.

First of all, most city district Congressmen I know support a bill now pending before the Rules Committee, which raises the existing minimum industrial wage from \$1 an hour to \$1.25 an hour. Fair-minded people who want to see Americans live and labor at decent wages and enjoy a decent living standard support that bill. Yet, let me tell you about some 5 million Americans who are not even making \$1 an hour for their labor. Net farm income in 1959 was 24 percent below 1952, while in this 7-year period the national income increased by 35 percent. Do you know that farm people who own their farms are making 71½ cents an hour for their labor? That is the average. In my area the dairy farmers, according to a study made by the University of Missouri, are making less than 50 cents an hour for their labor.

Now, legislators ask us to take the Senate version of a wheat bill that would cut the wages, the income of farmers another 20 percent. Now, is that fair? Do you really want to raise the industrial workers, even 15 percent to \$1.15, or 25 percent to \$1.25 and in the same

year, cut the wheat farmers in this country 20 percent in their wages, in their income? That is what you will be doing, because the Senate bill leaves the price of wheat at exactly the same level but cuts their volume by 20 percent.

Now, I think our House committee took the fair approach to this problem. They recognized that the cost of storing wheat in this country is absurd. We are piling up wheat in Government warehouses that is not necessary and that we cannot use. Storage alone is costing millions of dollars a year. So, we must cut down the volume of wheat production. But it can be done without forcing farmers to take a still further cut in their income. Here is the offer the House bill makes: Cut the acreage 25 percent, and we will give you a slight raise in price to 85 percent of parity, and at the same time we will pay you in kind for acreage not planted. In other words, we will take some of this surplus that we have stored up and give it back to wheat farmers to help supplement the income they have lost.

The question before the House is which is the fair thing to do for the 5 million American people who, as the gentleman from Indiana said, are the low men on the totem pole. Do you want to cut them another 20 percent, by adopting the Senate bill, or do you want to give them a fair deal, such as the House committee has done? I say that there is no comparison between the two bills. Our House committee did a fair job, a reasonable job, something we can go back to our people and support with pride, whether it is before city people or country people. This wheat bill will save \$155 million a year that the taxpayers are now paying in the wheat program plus what will be saved through the feed grain program. This is a good bill as the House committee has prepared it. I wish it had something in it for milk. I wish it had a long-range program that could be adapted to poultry producers in this country, because that is going to be a serious problem come this fall. I wish there were more in it, but as far as it goes, this is a good, fair, reasonable bill. I think it is an effective bill. I think the farmers will live up to it and they will be proud that this Congress passed it.

Mr. Chairman, I hope the Committee will give it careful, fairminded consideration, vote down the Senate version, and pass the House bill.

The CHAIRMAN. The question is on the motion offered by the gentleman from Minnesota [Mr. ANDERSEN].

The motion was rejected.

Mr. HAGEN. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I serve on the Committee on Agriculture. I represent a farm area, a farm area that is the most productive in the United States. And, I represent wheatgrowers. And, I would like to see legislation passed by the House, which will become law and do something about this wheat situation which has become a terrible burden to the taxpayers and threatens to tear down the whole structure of price support programs in this country.

Some statistics were quoted here on farm income. These statistics showing real farmers to have incomes under \$1,000 are false. Now, I do not know how many of you here in this Chamber know some farmers. I certainly do. And, I will say this, there are literally tens of thousands of farmers who make more money from subsidies than is conscionable and defensible. That is the simple fact of the matter. There are all kinds of farmers and these programs we have on the books do not recognize that fact. Until we make some effort to bring some equity into these programs, attempts such as H.R. 12261 to perpetuate them should be turned down.

The gentleman from Oklahoma [Mr. ALBERT], who is a very able Member of this body and who I know wants to write a fair wheat bill, pointed the finger at the Senate bill. He did not say this, but I will say it for him. He indicated that the only difference was a difference of 5 percent in this acreage cutback. If that is the only fault of the Senate bill let it be amended. But the Senate bill does not raise the price support from 75 percent to 85 percent and it will, therefore, produce a greater reduction of bushels of wheat than the higher House acreage reduction figure. It does not compensate the farmer at the rate of 55 percent of his average yield for cutting back, as compared to the 55 percent the House bill grants him. In referring to the wheat farmer, I do not say that there are no wheat farmers who are losing money. There are participants in any business who do not make money under the best sort of conditions. But I will say this: There are wheat farmers, and a great many of them, who are making money and who are making more money than you and I and more than many fine entrepreneurs who enjoy no Federal subsidy. In effect, we have a wartime wheat production plant in this country and a great many other commodities. Somebody has got to absorb the cutback to a peacetime plant. Is the Federal Government going to have to absorb all that burden, or are these people who made great amounts of money during the war going to have to absorb part of it?

Mr. Chairman, what I wish to say is this: I think it is absolutely vital that we pass some meaningful wheat legislation that has a chance of becoming law. If this committee bill is passed, I agree with the minority leader, it will not be accepted by the Senate. The whole issue will die. If we pass a wheat bill and get it down to the White House, if it is reasonably fair both to the Government—that is, the taxpayers, and to the wheat farmers, it will be signed. This is a matter of urgent necessity. H.R. 12261 does not meet this criteria.

This feed grain section is a mere Christmas card. I cannot visualize the producers of sorghums and corn and barley and oats, all sitting down together and devising a program that one group could vote the other into. I cannot see that. It is a Christmas card. As far as the protein section goes, we all know why that is in the bill. That is a sop to the city voters. It is supposed to gain votes for this basic wheat and feed grain proposition.

I say let us adopt the Senate bill and do something about wheat. If we fail to confine this bill to wheat or fail to make the wheat provisions reasonable we will have perpetuated the present failing program by inaction and the wrath of the taxpayers will pursue us. We know the kind of legislation which has a chance of becoming law; let us, then, provide it by adopting a substitute bill.

Mr. SMITH of Iowa. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, the gentleman just referred to title III of the bill. I am glad he did because I want to point out, too, that the amendment before us would also strike title III of this bill. The proposal is to substitute only a wheat bill. In this bill title III is an important part. Maybe the city folks would like to have it because, as he says, it is a sop. But the fact of the matter is anybody would like to have it if you believe in getting some of these storable goods into the stomachs of hungry people in this country. This is a provision that is properly labeled by some as a welfare provision.

As a matter of fact, this provision will give to the widows and orphans and the disabled and the blind and the elderly low-income people of this country some of this wonderful surplus we have. Most everybody talks about the surplus as if it is a curse, but we can do something about it here to make it something good.

We have heard a lot this afternoon about wheat. I want to remind the House here today there are more bushels of feed grains in storage than there are of wheat in the United States Government bins and in commercial storage rented by the U.S. Government. There is more money going out today to pay for storage on feed grains than on wheat. We cannot just slip away from this problem of feed grains lightly. We ought to deal with both of them because together they constitute 80 or 85 percent of the total Government investment in agricultural commodities today.

It was mentioned a while ago that Mr. Nixon made a speech last night in North Dakota. I notice he said we should have a program to distribute surpluses to the needy people in other countries. I say to you this is a worthy objective, but why not distribute some to the people in this country? If we can provide a way to get surpluses to the hungry people in other countries without hurting our markets, why in the world can we not do it in this country?

Mr. LEVERING. Mr. Chairman, will the gentleman yield?

Mr. SMITH of Iowa. I yield to the gentleman from Ohio.

Mr. LEVERING. If the Vice President's proposal for sharing our great abundance with hungry people around the world is a good idea, and I believe it is, having worked and spoken in favor of it for a long time, is it not also true that title III, which is a sort of a domestic version of the Vice President's idea, will be good for our own folks at home who are in need?

Mr. SMITH of Iowa. Exactly; that is what it is.

I have a press release here that I have received dated June 17, and it shows conclusively the Department of Agriculture is not now distributing to the needy people in this country the protein foods that could be converted from these feed grains that are in storage today.

Mr. ANFUSO. Mr. Chairman, will the gentleman yield?

Mr. SMITH of Iowa. I yield to the gentleman from New York.

Mr. ANFUSO. Do I understand correctly that title III would permit youth organizations and charitable organizations who have camps, for example, to give this food to the children?

Mr. SMITH of Iowa. Title III permits the Department of Health, Education, and Welfare to distribute to needy folks through the various welfare agencies. If they come within the categories described, within their purview, that would be true.

Mr. WOLF. Mr. Chairman, will the gentleman yield?

Mr. SMITH of Iowa. I yield to the gentleman from Iowa.

Mr. WOLF. I should like to have the gentleman read that telegram to which he just referred.

Mr. SMITH of Iowa. It was a press release issued by the Department of Agriculture on June 17, and I believe it was sent to every Member of the House.

Mr. QUIE. Mr. Chairman, will the gentleman yield?

Mr. SMITH of Iowa. I yield to the gentleman from Minnesota.

Mr. QUIE. I think we also ought to bear in mind that in 1953 only 100,000 people in this country received surplus food from the Department of Agriculture. Now more than 5 million people receive surplus food. As was said in the report from the Department of Agriculture, we have been disbursing through relief agencies certain substantial protein foods, beef and beef products, 280 million pounds, pork and pork products, 180 million pounds, and poultry and poultry products, 135 million pounds. We have been doing a tremendous job but we could do more. Why does not our present program provide for the distribution of surplus food for the needy people throughout the country?

The CHAIRMAN. The time of the gentleman from Iowa has expired.

Mr. SMITH of Iowa. Mr. Chairman, I ask unanimous consent to proceed for 3 additional minutes.

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

There was no objection.

Mr. SMITH of Iowa. I may say to the gentleman that regardless of what has been done in the past we are not today distributing these foods and at a time when we have more abundance than ever before. I recall an experience in 1956 when I was chairman of a welfare board in Iowa, I was authorized to come to Washington to get some meat and gravy for people in that area, and do whatever was needed and to pay for the transportation of those goods. I was told at that time at the Department of Agriculture that they were not going to purchase enough food for any of the needy people, that what they would buy would only

go to the school lunch program. At that time hogs were selling at 10 cents per pound and there was no surplus food for the widows and orphans and low income folks in this country. We can surely do better than that.

Mr. QUIE. The gentleman knows that when the price of hogs was down, the Department of Agriculture went into a purchase program not only on processed pork but also on frozen pork and distributed it through our various programs. Now when prices are up and there is a cutback on that program, do you feel the Department of Agriculture should continue buying pork and pork products and beef and beef products even when prices are at their present levels?

Mr. SMITH of Iowa. Under this program, they can buy any protein products which are converted from feed grains into protein food. Eggs, certainly, are not high. Cheese is not too high. There are plenty of high protein products available that needy people, people on welfare and relief, that widows and orphans and disabled people are never going to be able to buy in the amount needed in order for them to be on the kind of a diet that we think is proper in this country. We would not think of raising hogs in this country if they did not have a balanced ration. We give hogs a 10 percent protein diet. But do you know what? The needy people in this country do not begin to get that much of a protein diet. I want to point out also under this bill for each \$2 spent, we take one bushel of grain in Government storage and sell it because, in fact, we have created a new market for one bushel of grain. Some people are going to convert it and merchandise it into \$2 worth of protein food. As a result, that one bushel gets you more than a dollar back. In addition, the U.S. Department of Agriculture estimated it is going to cost us \$1.52 for every bushel of corn we have in storage before we get rid of it. So you see, we get \$2.52 back and actually we save future appropriations under this until the time when storable commodities are down to a normal supply.

Mr. FOGARTY. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I have sat here and listened to all of the debate here today. The longer I sit here, the more confused I get. The Committee seems to be divided. The Democrats on this side of the aisle, and the Republicans on the other side of the aisle are divided as to what kind of a program we should enact to help the farmers of our country. It seems that every speaker gets up and talks about this being necessary for all of the farmers of our country. But, it is my understanding that only 25 percent of the farmers of our country are affected by the subsidy program of our Government.

It seems to me that the bill before us today represents a pretty good example of how not to solve the farm situation. I could be wrong, but as I understand the situation one of our tremendous problems is a surplus of agricultural commodities, particularly wheat

and feed grains, and the other difficult aspect is a drop in the net income of farmers.

Now then, we come along and we say—in this bill—that the way to stop all this trouble is to increase the already too high price support on wheat and on feed grains. We attempt to say that we will compensate for that high support price by taking land out of production, but I am sure that all of us realize land is only one resource in the production of any crop.

If we are willing to raise the price support of wheat from \$1.79 to \$2.03 a bushel, we also must be willing to face up to the fact that a lot of wheat growers are going to be doing all they can to increase their wheat yield per acre. Would not all of us here do just that?

How will all this solve the tremendous surplus problem?

Earlier, I mentioned the lowering net income of farmers. This particularly concerns me because farmers in my State and in all of the Northeast—as well as in other regions—buy tremendous quantities of livestock feed. They would buy wheat, too, if we, the Congress, had not priced it out of the livestock feed market long ago.

As my colleagues know, I spoke about this entire farm problem on June 9—particularly with regard to the manner in which the bill now before us—H.R. 12261—would affect New England. I now have had the opportunity to study this legislation even further, and I am more convinced than ever that it will do nothing to solve our farm situation.

There can be no question about the need for legislation to correct the wheat situation. But I am convinced this bill will only further aggravate the problem.

It not only fails to solve the wheat problem, but it also threatens to create new problems for the producers of feed grains, livestock, dairy, and poultry products. As my colleagues know, I am vitally concerned with dairy and poultry production.

I feel it will be a tremendous mistake to move in the direction of increasing the price support on wheat by 25 cents a bushel. The additional cost to the taxpayer—in taxes alone—would be about \$114 million.

The payment-in-kind rates for cutting wheat acreage are fantastically high. It is obvious it would be more profitable not to grow wheat. It has been estimated that under this bill the average wheat farmer in Kansas would get a return of roughly \$22 an acre, and in the higher yielding areas like Illinois, the payment could run as high as \$33 an acre. All this money for not producing.

The feed grains provisions of this legislation provide for increasing price supports from 20 to 35 percent. If I understand the bill correctly, it could increase the price level on a bushel of corn from \$1.06 to possibly \$1.65. My farm constituents do not like this one little bit, and neither do my constituents who have to buy farm products.

I am for common sense in agricultural legislation—legislation that gradually gets the Government out of direct interference with production; legislation that

does not fix the prices of farm commodities.

Farmers in my State know of my keen interest in their affairs. They have not asked for any special favors, but, neither do they want special favors given to farmers of other areas.

My farmers compete, just like every other businessman does—like the grocer, the car dealer, the filling station owner, the hardware merchant, and so on. But, they do not want to have to compete against subsidized farmers elsewhere.

That is where I am, Mr. Chairman—for common sense in agricultural production. I do not believe that farmers anywhere in this country want to be thought of as a special class demanding special privileges.

Let us here in this Congress stop thinking of farmers as a special class. Let us give them the opportunity they desire—to compete, to grow, to prosper—not under the thumb of Government, but as a free and vital part of our private enterprise society.

Let us not add to our great domestic problem of our time—too much that consumers do not want.

The CHAIRMAN. The time of the gentleman from Rhode Island has expired.

Mr. ANDERSEN of Minnesota. Mr. Chairman, I ask unanimous consent that the gentleman from Rhode Island [Mr. FOGARTY] may proceed for 2 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. ANDERSEN of Minnesota. Mr. Chairman, will the gentleman yield?

Mr. FOGARTY. I yield.

Mr. ANDERSEN of Minnesota. The gentleman from Rhode Island has just made, I would like to read from a recent editorial in the Des Moines Register concerning "Naive Reasoning on the Farm Policy," and this is directed to the attention of the gentleman. I quote the following:

Opponents of Government farm income support program sometimes argue that farmers not receiving price support (or payments) for their products are "doing better" than producers of the major price-supported crops. Secretary of Agriculture Ezra Benson often has made this argument, and the Farm Bureau leaders frequently use it.

For example, Charles B. Shuman, president of the American Farm Bureau, recently said that about 80 percent of U.S. farm products are now sold on a relatively free market, and that producers of those products which are "Government priced" are generally in the worst situation.

It is like saying that people receiving medical care for, say, arthritis, are in worse shape than those receiving no treatment. The reason for the price support program is to help farmers who have been afflicted with surplus and low price problems beyond their control as individuals.

Mr. Chairman, the reason the farmers are in trouble now is because there is a surplus, brought about because they are producing too much, and they are producing too much because the price is too low. Under the bill we have before

and those farmers, to buy the products manufactured in the district of the gentleman from Rhode Island have got to be able to make a little profit. So I cannot see the reason for the attitude the gentleman takes in always being against anything that helps my farmers.

Mr. FOGARTY. I am against it because the programs that you are supporting today are driving the farmers in the northeastern section of the country out of business. That is why I am opposed to it. It is costing the farmers of the State of Rhode Island over a million dollars.

Mr. ANDERSEN of Minnesota. Would the gentleman want his poultry raisers to use feed produced in my district and not pay my farmers the cost of production?

Mr. FOGARTY. I do not expect anybody to produce anything at a loss, not at all.

Mr. ANDERSEN of Minnesota. I still think the gentleman from Rhode Island is a fine gentleman, but cheap feed and the inevitable cheap poultry and livestock is no answer for either his district or mine.

Mr. FOGARTY. I think under a good administration you can do a good job. If you have a poor administration we should not be made to suffer for it.

Mr. COAD. Mr. Chairman, I rise in opposition to the pro forma amendment.

Mr. Chairman, the gentleman from Rhode Island is one of the best friends I have in the Congress. I feel that he is one of the most philanthropic Members we have. He has fought more battles in the well of the House for the welfare of the people of this country than any other person I know who has ever served in the Congress of the United States, living or dead.

But because of the statement he has just made, I would like to read from a recent editorial in the Des Moines Register concerning "Naive Reasoning on the Farm Policy," and this is directed to the attention of the gentleman. I quote the following:

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It is like saying that people receiving medical care for, say, arthritis, are in worse shape than those receiving no treatment. The reason for the price support program is to help farmers who have been afflicted with surplus and low price problems beyond their control as individuals.

Mr. Chairman, the reason the farmers are in trouble now is because there is a surplus, brought about because they are producing too much, and they are producing too much because the price is too low. Under the bill we have before

us today there is to be a reduction in wheat production of 25 percent, but the price has moved up only 10 percent of parity. On this basis, the farmer actually is taking out of production a certain amount and getting a small increase in pay. In addition, to help make up some income deficiency a payment in kind is also made which comes out of the Government-held surplus.

I believe that the gentleman from Rhode Island has stated that he feels this kind of thing is necessary. He does not want farmers necessarily to go broke; he wants them to receive a decent and honorable wage. So we are going to cut back on the surplus that is Government held. We are going to increase the farmer's pay just 10 percent of parity, but for this he is going to cut production. The farmer is doing more than his share under the principles of the bill that we have before us today. In this bill the wheat farmers are contributing, and the consumers are contributing a small amount.

The feed grain aspect of this bill is merely a set of guidelines so that the grain people can come in and work out a program that is going to cut back on production, which will stabilize the farmer's income and keep all of the people—farmers and consumers—in a much more sound position than they were heretofore.

Mr. SMITH of Iowa. Mr. Chairman, will the gentleman yield?

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

Mr. SMITH of Iowa. Am I not correct that last year the average farmworker in the United States received about 80 cents an hour while the average farm operator received less than 70 cents?

Mr. COAD. That is correct. When we look at the complete aspects of farm economics, we find that the farmers are living off of inventories. They are not living off of income in the whole of the Middle West, and if that goes on it will force corporation farming. That is the kind of thing that makes for worse relations. It gets into a kind of socialism of farming by corporations, and that is certainly not a good economic system.

Mr. ANDERSON of Montana. Mr. Chairman, I move to strike the requisite number of words.

Mr. ANDERSON of Montana. Mr. Chairman, I rise to support the rule because it is in the best interest of all the people. Let me make one point quite clear. For the short term the American taxpayer will be the great gainer by passage of the Poage bill, H.R. 12261. Let us be frank. This bill is not going to make any big change in the wheat farmers' income in the next year or two. The bill will do what the people all over the country have been demanding—it will eliminate the production of wheat for storage—it will cut the costs to the taxpayer of our farm program. The wheat farmer is willing to go along, first, because he is a taxpayer, too, and interested in cutting Government costs, and second, because this legislation does protect him against a further cut in income.

Mr. FOGARTY. I am in favor of the farmers getting a decent annual wage, but I am not in favor of your farmers paying, as the gentleman from Missouri said a while ago, 35 cents or 40 cents an hour to farmhands that is being paid now. It just does not make sense to me. I do not think they have to pay that kind of slave wages in order to exist in that part of the country.

Mr. ANDERSEN of Minnesota. I may say to the gentleman that I have 42,000 farmers in my district, the most extremely agricultural district in America

We are faced at this point with a clear-cut choice between the Senate bill and the House bill. There are numerous reasons why the House should approve the carefully worked out House bill rather than accept the improvised Senate bill which was hurriedly put together on the floor of the Senate without hearings and without adequate consideration.

The Senate bill slashes the income of the wheat farmer.

The other cogent reasons are clearly evident from the discussions so far.

You talk about the subsidy to the farmer. The taxpayer is not subsidizing the farmer. For 7 years now the farmer has been subsidizing the economy of the country. For 7 years, a little more each year and most of all in the year just ended, the farmer, through the low prices he gets for producing this Nation's food and fiber, has subsidized every order of food the housewife has taken home to feed her family; every item of wool and cotton goods that she buys to clothe them. The farmer has produced more and better supplies of food and fiber than ever before in the history of the world. He has been absorbing about 25 percent of the Nation's grocery bill. His contribution has partially concealed the ever-rising prices and inflation in almost every other segment of agriculture.

How can less than 5 million farmers afford to subsidize the food for almost 175 million Americans? He cannot afford it, but I will tell you how he does it.

First, the American farmer subsidizes the food you eat because he is putting up almost \$200 billion; dollars he has invested in farm plant, land and equipment. On that \$200 billion, equal to about two-thirds of the national debt, he receives not a penny of interest.

Suppose all the millionaires and billionaires in the country said they would loan \$200 billion to the U.S. Treasury without interest. That will be the day. But just try to imagine it. Do you not think we would fairly say they were subsidizing the taxpayers of America? Sure we would, and in the same way the farmer is subsidizing every meal served in America. Of course, there are a few farmers who make interest on their investment, but they are a relative few, generally favored by circumstances and conditions which are not typical. And, for every one who is receiving a fair rate of return on his investment, there are several who are not only not receiving any return, but they are seeing their capital eroded by ever-increasing yearly deficits. Throughout America, the farmer receives no return on his almost \$200 billion investment, as I will make clear before I am through.

There is a second way in which the farmer is subsidizing every person who eats food or wears clothes. The farmer is working for less than half the wages of those in nonfarm jobs. Again, let us look at the whole picture. The total net income of America's farmers last year was less than \$11 billion. That is about \$2,400 per farmer, with the usual help from other members of the family, whose labors may be considered as another subsidy which helps account for the fact that an hour of the industrial

worker's time will buy more and better food than ever before.

You can talk about little bits and pieces, you can point out a farmer here and there who seems to be making a profit, but the Department of Agriculture statistics make quite clear what is happening to agriculture as a whole.

Almost 5 million farmers have invested close to \$200 billion so that they and their families may produce the food and fiber you eat and wear for a net return of less than \$11 billion. In other words, the average farmer, the composite farmer, has put up \$40,000 to buy a job; yes, that is just what it is. He has bought a job that will pay him and his family about \$2,400 a year.

In our economic world, the farmer is a second-class citizen, and we have found that when our neighbor is consistently hurt, sooner or later all of us are hurt. I have copies of the Wall Street Journal, headlining, "Farmers Cut Purchases of Equipment as Drop in Income Deepens," and "Rural Retrenching, Dealers Feel Profit Pinch." Thoughtful people all over are asking how long America can keep the economic squeeze on her farmers without injuring the rest of her economy. Most of them want to make at least a start in the right direction. The Senate bill, Mr. Chairman, is a move in the wrong direction. The Senate bill means disaster for many farmers who have just been able to hang on. It is an anti-wheat-farmer bill, for it will cut farm net income even lower than the present level which is causing so much distress. Let us not give the farmer another push down the Benson road to disaster.

The Poage bill, H.R. 12261, is the bill that this Congress should pass. It moves in the right direction, it meets all the criteria for agricultural legislation. It gives the farmer an opportunity to decide which way he wants to go. In open referendum, the wheat farmer himself will decide whether he wants to go Benson's way toward unlimited production and a cutthroat free market price, or if he wants to bring his production into line with requirements and assure himself of at least his present level of income.

I am confident, Mr. Chairman, that he will choose to follow the lead of every major segment of the American economy, producing ample supplies of food and fiber, but not indulging in that unrestrained and unreasoning production which will glut the market and bankrupt the producer.

If this is his choice, then H.R. 12261 will serve all of us—farmer, housewife and taxpayer. It will eliminate production of surplus wheat, it will reduce the amounts of wheat in storage, it will reduce the Government costs for the agricultural program, and it will assure the farmer against another drop in his income.

The feed grains section of the bill provides a field test of the principles of the Family Farm Act of 1960. It will permit feed grain producers to work out their own commodity program within the broad guidelines of the bill. Such a program cannot help but provide a

better program at less cost to the Government and more benefit to the farmer.

I hope my colleagues will support the Poage bill, H.R. 12261.

Mr. POAGE. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, as some of the previous speakers have said, I am thoroughly confused. I read in the newspaper this morning a statement which says:

A method must be developed whereby the farmers themselves have a greater opportunity to choose the kind of farm program they want.

I thought that was a remarkably fine statement. And it is in keeping with the plan which the committee brings you. But I do wish that somebody would explain the situation. Those words are the words of the Vice President of the United States delivered at a political rally in North Dakota last night, where he was seeking to get farm votes. That is why he was there. It was a farm speech calculated to influence the coming senatorial election in the State of North Dakota.

I am sure that the Vice President meant what he said in this respect. This committee agrees with the Vice President that there should be a greater participation of farmers in determining these programs.

But if you accept the suggestion made by the minority leader that we simply wipe out this bill and adopt something from the Senate, farmers will have no participation whatsoever in the program, because the Senate bill did not have any consideration for farmers. The other body wrote a program which was admittedly intended to attract Presidential support and nothing else. The reason we now find a growing interest in the Senate bill seems to be because the Senate bill proposes now to support prices at something less than the level of support in the original measure. It clearly outlines the question of adequate versus low supports, but it does not leave the decision up to the farmers, as the Vice President said we should. Instead, the minority leader would have us make a decision in favor of low supports without any expression from farmers.

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

Mr. POAGE. I yield to the gentleman.

Mr. GROSS. Did the Senate bill have the support of the Senate majority leader?

Mr. POAGE. I understand that it did not. I recall seeing that it did not have the majority leader's support. I do not know what the minority leader did, but I do know that the Senate bill requires a 20-percent cut in wheat acreage without one single compensating cent in the way of supports. I do know that it means the same thing as requiring a cut from an 8-hour day to a 6-hour day without 1 single cent of increase in wages if we may liken the payments in kind to unemployment compensation. That is what it means to the wage earners.

Mr. COOLEY. Mr. Chairman, will the gentleman yield?

Mr. POAGE. I yield to my chairman.

Mr. COOLEY. Does it not mean a 20-percent permanent cut?

Mr. POAGE. It means a 20-percent permanent cut; and I am glad the chairman has called attention to that. There is a phony proposition in that Senate bill; some of you do not know it, but that Senate bill makes a 20-percent permanent cut in production and gives support in kind for only 3 years, no longer. So that the effect of the Senate bill is permanently to seal upon the wheatgrowers of America a kind of serfdom Americans do not want.

Mr. ANDERSEN of Minnesota. Mr. Chairman, will the gentleman yield?

Mr. POAGE. I yield to the gentleman.

Mr. ANDERSEN of Minnesota. Mr. Chairman, the gentleman from Texas [Mr. POAGE], whom I have known for 22 years and whose work I have watched, I think is a real friend of agriculture. He and I differ very seldom. The gentleman has correctly stated that the first title of the bill does give an alternative, but the same title on food and feed grains gives no alternative.

Mr. POAGE. It allows farmers to work out their own programs. As the gentleman knows, and I have told him, I am perfectly willing to include in the bill the suggestion he has made of giving farmers a still further option, because I believe in what the Vice President said. I do not know how many of you believe it, but when we take a vote on this we will know who believes in this pronouncement by the Vice President and how many are endorsing it simply for political purposes.

Mr. COOLEY. Mr. Chairman, I ask unanimous consent that all debate on the pending amendment and all amendments thereto close in 15 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

The CHAIRMAN. The Chair recognizes the gentleman from South Dakota [Mr. McGOVERN].

Mr. BREEDING. Mr. Chairman, I ask unanimous consent to yield my time to the gentleman from South Dakota [Mr. McGOVERN].

The CHAIRMAN. Is there objection to the request of the gentleman from Kansas?

There was no objection.

Mr. McGOVERN. Mr. Chairman, I appreciate the fact that the substitute amendment before us, which is the bill from the other body, was offered in good faith, but if it should carry I know that I and I think many Members from the wheat-producing sections of the country would vote against it on final passage. We would rather have no bill at all than this inadequate proposal now pending as a substitute.

Mr. ANDERSEN of Minnesota. Mr. Chairman, will the gentleman yield?

Mr. McGOVERN. I yield.

Mr. ANDERSEN of Minnesota. Is it not a fact that regardless of party the great group of Senators from the upper Midwest voted against this bill?

Mr. McGOVERN. Yes. I think with one or two exceptions all the wheat-producing representatives in the country

opposed it in the other body, as I hope they will here.

Mr. Chairman, the Senate bill, as has been pointed out many times here this afternoon, has the effect of taking away from the wheat farmer 1 day's pay every week. It cuts off 20 percent of his earning power with no increase in the price per unit. We would have the same principle in operation if we went up and down Main Street 1 day a week at the end of the day and took all of the money out of the till and deprived the operator of that portion of his income for 1 day out of 5. That is exactly what this bill from the other body attempts to do to hard-pressed farmers who are already suffering from the cost-price squeeze.

There has been an argument raised here that if we were to give farmers a decent price on wheat and feed grain this would constitute a tax on bread, but, as the gentleman from Colorado demonstrated early this afternoon, when wheat prices were around \$2.50 a bushel, bread was selling at a lower price than it is today with wheat price supports at \$1.78. So if that inverse ratio were to hold, by raising the price of wheat maybe we will get cheaper bread.

It has also been suggested that to give farmers a fair price on wheat, or even 15 percent less than a fair price, would produce more surpluses, but here again, when we had wheat selling at 100 percent of parity and supported at 90 percent of parity, we had only 267 million bushels in surplus, which is really just a safe reserve, whereas today with wheat supported at 75 percent of parity we have accumulated surpluses of Government stocks of 1.3 billion bushels.

I want to conclude my remarks by saying that I have offered some criticism here of my Republican friends but I want to remind the Members of my party of our pledge in the platform of 1956 to support the basic commodities at 90 percent of parity.

Mr. BREEDING. 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. BREEDING. Mr. Chairman, I rise in opposition to the amendment.

Before the House votes on this proposal to substitute the Senate bill for the Poage bill, I wish to repeat some figures I cited earlier in general debate.

Under the Senate bill a 100-acre wheat allotment would produce a gross income of \$3,524.40 for the wheatgrower.

The Poage bill would maintain his income at \$3,900—just \$16 below what it would be under the present program.

Let me emphasize this point. With the cost-price index as unfavorable as it is now, the decline of almost \$400 in gross income could have disastrous effects in the wheat area. It could mean nothing but red ink for thousands upon thousands of farmers.

The Poage bill will actually reduce production more than will the Senate bill. Production and supply is our great problem. We have too much wheat. The Poage bill calls for a reduction of 25

percent in acreage. It would take about 170 million bushels of wheat out of CCC stocks. This means substantial savings in storage and carrying charges.

The point to remember about the Poage bill is this. It will carry the wheat producer through this interim period without letting his head sink below the water. It will keep him going until we can achieve the balance between consumption and supply which we all so earnestly desire.

Speaking as the representative of a great wheat producing area and as a man who was active as a wheat farmer until elected to Congress, I urge you to vote for the farmer the added protection which the Poage bill offers.

I urge you to defeat this amendment.

The CHAIRMAN. The Chair recognizes the gentleman from California [Mr. BALDWIN].

Mr. BALDWIN. Mr. Chairman, there are a considerable number of wheat-growers whom I represent. I have not received one single communication from any one of them in favor of the bill H.R. 12261. Most all of them are members of the Farm Bureau, which is an organization strongly opposed to this bill.

I do not think we are going to solve the wheat surplus problem by providing for an increase in wheat price supports. For that reason I am in opposition to the bill H.R. 12261.

Most of the wheatgrowers in my district actually would be much happier if they were relieved of Government controls of all types. Of the two versions, the Senate bill and H.R. 12261, I believe the Senate bill which has been offered as an amendment is at least an improvement over H.R. 12261 because it does not increase wheat price supports and, therefore, is not going to provide the same stimulus to increase present wheat surpluses which are a burden upon the American taxpayer and a burden upon the whole economy of this country.

The CHAIRMAN. The Chair recognizes the gentleman from Minnesota [Mr. MARSHALL].

Mr. MARSHALL. Mr. Chairman, in my work on the Committee on Appropriations for the Department of Agriculture, I have been intrigued with a few things in connection with our agriculture. The first thing is the tremendous cost of carrying the surplus stocks of the Commodity Credit Corporation. I am going to base my opinion in voting on this bill on one thing and one thing only because, with all due regard to my friends on the Committee on Agriculture, and they are a fine group of people on both sides of the aisle, the bills that are proposed and what we are talking about today in my estimation will not solve the farm problem. But when we come to the matter of costs of the program, I do not believe the taxpayers of this country can afford to put up with a bill that has been proposed in the other body for this reason. It is going to add more stocks to the Commodity Credit Corporation. It is going to cost more dollars. The cost of the Commodity Credit Corporation and the support prices have not, in a large measure, gone to the farmers. The losses have been incurred after Commod-

ity Credit has taken possession of the stocks. Storage, transportation, handling, maritime shipping and so forth, costs make up the lion's share of the loss.

The most economical way to vote on this bill is to vote against the Senate proposal offered as an amendment by the gentleman from Utah [Mr. Dixon].

The CHAIRMAN. The Chair recognizes the gentleman from Iowa [Mr. Wolf].

Mr. WOLF. Mr. Chairman, I take this time in order to propound a question to the ranking Republican member on the committee. Previously, when the gentleman was speaking in the well of the House, I asked him to yield. He did not yield so I thought I would ask this question now. The question arises, if we support the amendment which has been introduced here, what happens to the feed-grain farmer?

Mr. HOEVEN. As I understand it, the amendment offered by the gentleman from Utah [Mr. Dixon] is a substitute for the entire bill, which, of course, if adopted would be a substitute for the bill and would eliminate the feed-grain section.

Mr. WOLF. The answer to me, as I see it, is if I want to do something for the feed-grain producers in the Middle West in the Corn Belt, I will have to vote against the amendment.

Mr. HOEVEN. Not necessarily, because I pointed out earlier during the debate that there was no reason in the world why the Committee on Agriculture cannot promptly tomorrow pass out a bill which can be enacted into law.

Mr. WOLF. Does the gentleman from Iowa [Mr. Hoeven] have such a bill ready to go that would have the support of his administration?

Mr. HOEVEN. I do not have a bill myself. I do have a payment-in-kind bill, which the gentleman knows, but I am handicapped on the Committee on Agriculture, as the gentleman very well knows, being on my side completely outnumbered. We do not have the votes to enact the legislation that we would like to present.

Mr. WOLF. Would it not be a good place, right here and now, to amend the amendment and include your payment-in-kind bill for the feed-grain producers.

Mr. HOEVEN. That is the gentleman's privilege, if he desires to do so. I am just pointing out that the substitute proposed by the gentleman from Utah would supplant the committee bill.

Mr. WOLF. My feeling is that if the gentleman from Iowa truly is concerned for the feed-grain producers, he would introduce it. As the ranking minority member of the committee, his arguments might be quite persuasive.

I thank the gentleman for his help.

The CHAIRMAN. The Chair recognizes the gentleman from Wisconsin [Mr. Byrnes].

Mr. BYRNES of Wisconsin. Mr. Chairman, everybody in this House, I think, is agreed on the need for action in the field of wheat legislation and is agreed that there must be a change in the law. We also, certainly, must recognize the issue is a very controversial one. Even the wheat representatives here cannot agree on exactly what should be

done. I am not an expert in this field, and I am not going to discuss the merits of the Senate bill or the merits of any other bill, although I must suggest I am quite amazed at some of the language used by my colleagues on my right to describe a bill that was written in the Senate of the United States where they control that body. I just cannot understand how under these circumstances they could put out such a defective bill. But, I want to talk about the situation right now.

Each of us has his own ideas as to what should be in the bill. Let me suggest, however, that speeches and amendments are not necessarily going to get something down to the President's desk. There is only one way to get this legislation down to the President, and that is by adopting the substitute that has been presented here. It has passed the other body. If we adopt it here we send it down to the President.

Mark this well: If no bill gets to the President, let those who have turned down this opportunity remember that they did have the opportunity to send a bill down to the President which we have some assurance the President will sign.

The CHAIRMAN. The Chair recognizes the gentleman from Ohio [Mr. Levering].

Mr. LEVERING. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. LEVERING to the amendment offered by Mr. DIXON: On page 12, line 11 of said amendment strike out all of subsection (d) of section 102.

Mr. LEVERING. Mr. Chairman, the effect of subsection (d) under section 102 of the substitute amendment is to strike a real blow, in my opinion, to the family farmers of America, because it strikes at the very heart of the traditional 15-acre exemption which applies to the great multitude of small family farms throughout America. In other words, this provision reduces the 15-acre exemption down to 12, or the highest planted acreage over the past 5 years, 1956, 1957, 1958, 1959, and 1960, and then makes that permanent.

I say to you that if you are interested in preserving the interests of the small farmer in America adopt my amendment which strikes subsection (d) of section 102 from the substitute. This will permit us to continue under existing law that gives our family farmers a 15-acre exemption. I hope my amendment will be adopted.

The CHAIRMAN. The Chair recognizes the gentleman from Iowa [Mr. Hoeven].

Mr. HOEVEN. Mr. Chairman, I would like to ask the gentleman from Ohio [Mr. Levering] a question: Do I understand that the gentleman from Ohio is now changing his position? Did he not vote in committee for the 12-acre proposition?

Mr. LEVERING. The gentleman is incorrect when he says that in committee I voted for the 12-acre limitation. If the gentleman recalls, I worked very hard to get the 15-acre exemption back into the bill which was reported out by the committee.

Mr. HOEVEN. Mr. Chairman, just let me say in the remaining time that I want to emphasize what the gentleman from Indiana, the minority leader, and the gentleman from Wisconsin [Mr. Byrnes] have said: If you actually want a wheat bill in this session of Congress, in my humble judgment you should support the substitute as proposed by the gentleman from Utah [Mr. Dixon]. The substitute may not be to everyone's liking but it seems to afford the best possibility of being enacted into law.

Mr. HALLECK. Mr. Chairman, will the gentleman yield?

Mr. HOEVEN. I yield.

Mr. HALLECK. I would just like to say with regard to the 15-acre exemption that in my district I could not very well call upon my large wheat producers to accept a reduction of 20 percent and not ask my small farmers to reduce by the same percentage.

I shall vote against the Levering amendment.

The CHAIRMAN. The gentleman from North Carolina [Mr. Cooley] is recognized to close the debate.

Mr. COOLEY. Mr. Chairman, we are in a rather unusual situation, because if we adopt the pending amendment that is the end of it; we are then, in effect, adopting the Senate bill which we have never seen. We have not even heard it read. No member of the Committee on Agriculture has spoken in behalf of the pending substitute except the gentleman from Idaho [Mr. Dixon].

Conspicuous by his absence from this debate is the distinguished minority leader of our committee, the gentleman from Iowa. At the last minute he comes in and says: "Yes, if you want to have a bill you must adopt the substitute and take the Senate bill." Just how stupid can we be to sit here and adopt a Senate bill that has not even been read?

Mr. HOEVEN. Mr. Chairman, will the gentleman yield?

Mr. COOLEY. Yes, but be quick, for I have very little time.

Mr. HOEVEN. The Senate bill has been in the Committee on Agriculture for several days, but the gentleman never held hearings on it.

Mr. COOLEY. Did not the gentleman say in the Rules Committee he was not for the Senate bill?

Mr. HOEVEN. I did not. I said I was ready to accept the Senate bill.

Mr. COOLEY. The Senate bill?

Mr. HOEVEN. The Senate bill; yes.

Mr. COOLEY. I understood the gentleman opposed the Senate bill. But he does not have and the administration does not have a bill to offer here. How can we be so naive in voting on one of the greatest problems we have today, wheat, and vote for a bill we have never seen?

If we pass the House bill I will call up the Senate bill and move to strike out everything after the enacting clause and substitute the House bill. Then the whole thing goes to conference. We shall work out our differences and bring back a bill that will be acceptable, I am sure, to both Houses of Congress.

We should defeat the amendment offered by the gentleman from Utah.

The CHAIRMAN. The question is on the amendment to the amendment offered by the gentleman from Ohio [Mr. LEVERING].

The amendment to the amendment was rejected.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Utah [Mr. DIXON].

The question was taken; and on a division (demanded by Mr. HALLECK) there were—ayes 85, noes 92.

Mr. HALLECK. Mr. Chairman, I demand tellers.

Tellers were ordered and the Chairman appointed as tellers Mr. POAGE and Mr. DIXON.

The committee again divided and the tellers reported that there were—ayes 92, noes 108.

So the amendment was rejected.

The clerk read as follows:

TITLE I—WHEAT

SEC. 101. (a) Notwithstanding the provisions of sections 332 and 336 of the Agricultural Adjustment Act of 1938, as amended, the Secretary of Agriculture shall conduct a referendum, by secret ballot on or before July 25, 1960, of producers subject to marketing quotas on the 1960 crop of wheat, to offer such producers a choice between the programs set forth in subtitles A and B of this title.

(b) Notwithstanding any other provision of law, if less than a majority of producers voting in the referendum conducted pursuant to subsection (a) hereof favor a program as provided by subtitle B, such subtitle B shall become inoperative, and the program as provided in subtitle A shall be in effect for the 1961 through 1965 crops of wheat. In such event, the Secretary shall, within thirty days thereafter, conduct a referendum, by secret ballot, of producers who will be subject to the marketing quota provided in said subtitle A to determine whether such producers favor or oppose such quota for the 1961 crop of wheat. If more than one-third of the producers voting in such referendum oppose such quota, the Secretary shall by proclamation suspend the operation of such quota with respect to the 1961 crop of wheat.

(c) Notwithstanding any other provision of law, if less than a majority of producers voting in the referendum conducted pursuant to subsection (a) hereof favor a program as provided by subtitle A, such subtitle A shall become inoperative, and the program as provided in subtitle B shall be in effect for the 1961 through 1965 crops of wheat.

Mr. AVERY. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I asked for the floor in order to propound two questions to the gentleman from Texas. Since it appears that the committee bill can possibly become law I think we should have something in the record to clarify the meaning of some of the language. For instance, on page 24 of the bill, line 5, it says:

Such products may be purchased on the local market in accordance with regulations promulgated by the Secretary.

What does "local market" mean? And how is he supposed to purchase these protein products?

Mr. POAGE. That means that the Secretary of Health, Education, and Welfare—not the Secretary of Agriculture—may from appropriated funds go on to any local market.

Mr. AVERY. What does "local market" mean?

Mr. POAGE. That means any market, whether it be in New York City or Emporia, Kans.

Mr. AVERY. Does that mean a retail market or a wholesale market?

Mr. POAGE. It means either market, a "local market," as we understand it, refers to the location and not the type. Presumably he would make purchases of the size he intended at the time. It would be rather inconsistent for him to go to the wholesale market to buy a side of bacon, and it would be equally inconsistent for him to go to the regular market to buy a carload.

Mr. AVERY. On the other hand, it might also be presumed from the quantities it is anticipated he would be buying, that it would hardly be in the public interest for him to go to a retail market, because he would not be buying only a pound of bacon at one time. Will the gentleman state for the Record at this point to indicate whether the Secretary of HEW is to do this by open competitive bids, or issue invitations to bid, or would he be compelled to go into the open market and buy at regular retail or wholesale prices, whatever they happen to be? This language is ambiguous on this point.

Mr. POAGE. I think it is rather clear that it is intended for him to go into the market, the same as any other purchaser would go. The purpose is to maintain the "local market" and it is contemplated that he would become a purchaser just the same as anyone else would become a purchaser.

Mr. AVERY. Then he is not to issue invitations to bid, is that the inference? I think there should be something said on the subject in the debate, so there would be some guidance to the Secretary. Does the gentleman wish to comment on this?

Mr. POAGE. I think it should be pointed out, of course, that the legislation as written does not prohibit him from securing whatever he can from the CCC, in which case he would do just as he does today. But neither does it prohibit him from going into local markets and making purchases just as you and I would do, nor does it prohibit him if he prescribes certain regulations that certain amounts will be purchased on competitive bids, on certain days, to follow that course. That would be permissible under the regulations he issues. But it is definitely not intended that he should bypass the local dealers.

Mr. AVERY. I have no particular feeling on this, just so there is some guidance in the bill. There should be something in the Record to explain what the intent is.

I call the attention of the gentleman to the next line which reads:

The Secretary shall obtain such assurance as he deems necessary that recipients will not diminish their normal expenditures for food by reason of such donations.

Is he supposed to go around to all the recipients and welfare agents and say, "How many pounds of bacon did you buy last year?" or, "How many eggs did you get?" and therefore he must buy that much and get this in addition? Or how is that determination to be made?

Mr. POAGE. He is supposed to determine it just as it is determined today. We have that provision in the existing law relating to the disposition of cereal stocks. The Secretary of Agriculture has to make that determination now in using these cereals. The Secretary of HEW would be required to use the same formula that is now imposed on the Secretary of Agriculture.

Mr. AVERY. For the distribution of surplus commodities held by the Commodity Credit Corporation?

Mr. POAGE. That is right.

Mr. COOLEY. 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. IKARD, 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. 12261) to amend the Agricultural Adjustment Act of 1938, as amended, and the Agricultural Act of 1949, as amended, with respect to market adjustment and price support programs for wheat and feed grains, to provide a high-protein food distribution program, and for other purposes, had come to no resolution thereon.

DEPARTMENTS OF LABOR, AND HEALTH, EDUCATION, AND WELFARE APPROPRIATION BILL, 1961

Mr. FOGARTY. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 11390) making appropriations for the Departments of Labor, and Health, Education, and Welfare, and related agencies, for the fiscal year ending June 30, 1961, and for other purposes, with Senate amendments thereto, disagree to the Senate amendments, 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 Rhode Island? [After a pause.] The Chair hears none, and appoints the following conferees: Messrs. FOGARTY, DENTON, CANNON, LAIRD, and TABER.

RECAPITULATION OF FEDERAL REVENUES

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

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

There was no objection.

Mr. PASSMAN. Mr. Speaker, intended for the particular attention of those who persist in believing, or pretending to believe, that anything and everything can be accomplished through the appropriation and spending of more and more money, a large portion of which is borrowed money, I wish to present a recapitulation of U.S. Treasury revenues since the beginning of our Federal system of government in 1789. This tabulation of Treasury receipts covers the period from

April 30, 1789, to June 1, 1960, and it is divided into three categories—154 years from the beginning of George Washington's term to the administration of President Truman, the 7-plus years of President Truman's incumbency, and 7 years, 4 months and 11 days of President Eisenhower's term. I certainly hope the Members will have an opportunity to study these figures, which I also mailed to them yesterday in the form of a letter. The facts of the recapitulation are self-evident, and do not require any further comment from me. Therefore, I submit at this time, and incorporate as a part of my remarks, the following verified tabulation:

U.S. Treasury receipts

157 YEARS (WASHINGTON TO TRUMAN)
Apr. 30, 1789, to Jan. 1,
1946: Total..... \$233, 124, 696, 392

7-PLUS YEARS—(TRUMAN)
Jan 1, 1946, to Jan 20, 1953:
1946..... \$42, 867, 772, 454
1947..... 42, 911, 827, 900
1948..... 43, 098, 474, 025
1949..... 39, 833, 226, 896
1950..... 40, 510, 854, 464
1951..... 56, 842, 879, 512
1952..... 69, 336, 974, 951
1953 (to Jan. 20)..... 2, 259, 855, 220
Total..... 337, 661, 865, 422

Total revenues received:
George Washington-Har-
ry Truman (inclusive),
164 years..... 570, 786, 561, 814

7 YEARS, 4 MONTHS, AND 11 DAYS—(EISEN-
HOWER)
Jan. 20, 1953, to June 1,
1960:
1953 (from Jan. 20)..... \$65, 811, 590, 850
1954..... 66, 894, 388, 427
1955..... 69, 613, 680, 692
1956..... 78, 233, 911, 713
1957..... 82, 091, 696, 351
1958..... 79, 285, 472, 618
1959..... 84, 515, 760, 844
1960 (to June 1)..... 45, 811, 318, 170

Total revenues re-
ceived: Eisenhower
(7 years, 4 months
11 days)..... 572, 258, 819, 664

Eisenhower revenues over
all other Presidents..... 1, 472, 257, 850

Is it not quite obvious that more and more unjustified spending on the part of Government does not provide the solution for our problems? Do not the facts make it clear that our Federal Government must return to the policy and practice of fiscal responsibility?

LEGISLATION RELATING TO FOREIGN COMMUNIST PROPAGANDA

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

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

There was no objection.

Mr. WALTER. Mr. Speaker, I have introduced a bill to plug certain loopholes in the law applicable to foreign

Communist propaganda which has been the subject of extensive investigations and hearings by the Committee on Un-American Activities.

During the past year, the U.S. Customs Service processed over 6 million packages of foreign Communist propaganda entering the United States. These 6 million packages contained over 10 million items of printed matter and constituted an 18 percent increase over the preceding year. This was exclusive of the millions of mail articles containing Communist propaganda which are received from overseas via first class mail which, of course, is not subject to inspection.

The studies of the Committee on Un-American Activities at the various ports of entry show that there is a steady increase in the volume of Communist propaganda entering the United States. One of the devilish aspects of this Communist propaganda is its subtlety. In very few publications do identifying data appear. In fact, as in most Communist operations, these publications present an appealing masquerade.

The material directed to youth in this country has increased almost 40 percent during 1959 over the preceding year. In 1959 there were 380,000 packages containing 580,000 items destined to youth groups in the United States.

The Foreign Agents Registration Act requires the registration with the Attorney General of those agents of a foreign power who disseminate political propaganda in the United States, and also requires a labeling of the political propaganda so that the American public can be on notice respecting it. The theory underlining the law rejects any concept of censorship, but is based on the same premise which undergirds the labeling provisions commonly found in food and drug laws which require the producers of poisonous drugs to label them as such.

While I am in thorough accord with the concepts of the existing law, the factual situations which our investigations and hearings have brought to light, compel me to conclude that the American public is not being given the protection which the law contemplates, because we have yet to find a port of entry where Communist propaganda is being processed, in which there is compliance with the labeling requirements of the law. In other words, the poison is being poured into the veins of our society without notice or warning of its nature.

In the studies which our committee has conducted at different ports of entry, we have found several different subterfuges used in order to avoid the impact of the law. We have found, first of all, that the existing exemptions in the law for certain commercial enterprises have been used as a conduit for evading the impact of the general statute. Likewise, we have found that certain of the criteria pertaining to the form of political propaganda subject to the provisions of the act are cumbersome and difficult to apply. We have, moreover, observed a pattern of evasion because of various interpretations of the term "foreign principal." In the enforcement of the law, furthermore, there has not been a

fixation of responsibility which would appear to be essential for effective control.

I have, from time to time, over the course of many months, been in conferences with experts on the subject matter relating to the foregoing principal loopholes requiring legislation, as well as some minor related defects which I believe could be handled administratively. Accordingly, the bill which I have just introduced amends the Internal Security Act of 1950 in order to expand the provisions of the Foreign Agent Registration Act by—

First. Bringing within the coverage of the definition of "foreign principal" an organization which is "supervised, directed, controlled, or financed, in whole or in part, by any foreign government or foreign political party," regardless of whether the organization is supervised by a foreign government.

Second. Including within the registration requirements of the Foreign Agents Registration Act persons who have used the existing exemption for certain commercial activities to disseminate propaganda.

Third. Eliminating cumbersome criteria pertaining to the form of political propaganda subject to the provisions of the act; and

Fourth. Establishing in the Bureau of Customs an Office of a Comptroller of Foreign Propaganda and fixing responsibility for the control of foreign political propaganda.

A NATIONAL LOTTERY

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

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

There was no objection.

Mr. FINO. Mr. Speaker, while some of the Members of this Congress, as well as some of our Government officials, express fear that a national lottery in the United States might raise economic, social, and moral issues, most of the foreign countries throughout this civilized world continue to capitalize on the natural gambling urge of their people.

In all of these foreign countries where lotteries are legal and proper and where their governments harvest fat and painless revenue, gambling, regulated and controlled, has had no adverse effect on the economic, social, or moral standards—if anything, it has improved their lot. In fact, gambling in these foreign countries is treated and respected as an instinctive and universal human trait and not as an evil.

Mr. Speaker, although these foreign nations are small and poor in comparison with the United States, they have shown themselves smarter by coupling the gambling spirit of their people with the need for revenue. This realistic and sensible approach toward the human urge to gamble has been most profitable to these countries. The governments in these countries know the fiscal facts of life and by adopting an understanding and

courageous attitude they have brought pleasure to their inhabitants and financial benefits to their government treasuries.

Mr. Speaker, I wonder whether the opponents of a national lottery in the United States would suggest that all of these foreign-run lotteries and the people who voluntarily participate in them are immoral and evil? None of these countries express any fear that there is evil in capitalizing on the gambling instincts of man. As a matter of fact, in none of these countries have moral, economic, or social arguments prevailed against the spirit of optimism.

On the other hand, Mr. Speaker, we in the United States by ignoring this gambling issue and by continuously and stubbornly refusing to recognize and control this deeply ingrained urge, have encouraged this evil—if we can call it such—to flourish and triumph. This, to me, represents hypocrisy at its best.

Mr. Speaker, I believe the time is now ripe for all of us to stop playing this game of hypocrisy and apply a common-sense, realistic approach toward this multi-billion-dollar gambling industry. The time has come for this Congress to take a good, long look at this entire gambling problem in the United States and realize that the American urge to gamble cannot be curbed nor stopped any more than we were able to prevent people from drinking during the sad, stupid, expensive, and illogical prohibition era.

Mr. Speaker, it is about time that we wiped out hypocrisy and started to treat this entire gambling question with common-sense. It is about time that we showed some courage and tied the gambling spirit of our American people together with the ever-growing need for additional revenue and the increasing demands for tax relief.

I believe we have reached the point where we can no longer be two faced about this whole problem.

Mr. Speaker, I would like to bring to the attention of the Members of this House some interesting figures which I have gathered from 43 countries where the wheels of fortune spin. In the foreign countries listed below, the gross receipts for the year 1959 were \$1,277,981,844 and, after payment of generous prizes and ample overhead expenses, the governments' share was \$412,765,883. Not bad for these financially hard-pressed foreign treasuries.

I hope that these startling revenue figures will help convince this Congress that a national lottery in the United States would not only satisfy the American people's appetite to gamble but would pump into our Treasury \$10 billion a year in added revenue.

Mr. Speaker, with a national lottery we would not only regulate, check, and control the gambling desire of our American people but we could with the additional revenue bring tax relief to our overburdened wage earners and help to reduce our mounting national debt.

Mr. Speaker, if we are honest with ourselves, we must admit that the situation that now exists in this country regarding a national lottery is in every way reminiscent of the one during prohibition.

When we found that that law became impossible to enforce, we wisely repealed it. As a result, the crime wave that existed diminished and the Government profits soared to the tune of upward of \$3 billion a year. I say the time has come for us to be equally sensible and realistic about a national lottery. The money, \$30 billion a year, is going to be gambled, whether we legalize it or not, and, by legalizing it, we can have it gambled honestly and to everyone's benefit—the Government and the people.

Mr. Speaker, I hope that this Congress will have the intestinal fortitude to tap this new source of revenue which can be ours just for the asking. Let us make Mr. and Mrs. Taxpayers' dreams for tax relief become a reality and relieve our people from what President Eisenhower has described, "the heavy burdens of taxation." It is worth a try—at least, for the sake of our American people. There is no question in my mind that a national lottery is the only profitable and satisfactory answer to the whole problem of gambling and the best solution to our taxpayers' demands for tax relief. Why not at least try it?

Country	Population	Gross receipts	Government's share
1. Argentina.....	20,613,900	\$19,630,265	\$10,464,003
2. Australia.....	10,166,000	71,578,409	21,981,419
3. Austria.....	6,933,905	14,300,000	4,100,000
4. Belgium.....	9,144,000	16,800,000	5,872,437
5. Bolivia.....	3,416,000	727,905	112,771
6. Brazil.....	65,000,000	17,465,000	6,090,000
7. Chile.....	7,550,000	18,700,000	5,250,000
8. Colombia.....	14,000,000	3,506,253	194,592
9. Costa Rica.....	1,099,862	9,437,036	2,874,897
10. Cuba.....	6,500,000	35,420,000	11,125,304
11. Czechoslovakia.....	13,500,000	11,000,000	9,000,000
12. Denmark.....	4,500,000	6,042,000	280,000
13. Dominican Republic.....	2,900,000	31,870,306	6,984,988
14. Ecuador.....	4,254,000	3,152,300	1,045,597
15. Finland.....	4,434,000	3,867,200	1,314,800
16. France.....	45,400,000	123,700,000	41,500,000
17. Germany.....	54,798,000	240,000,000	48,000,000
18. Greece.....	8,618,000	15,000,000	3,700,000
19. Guatemala.....	3,618,000	2,954,080	458,976
20. Haiti.....	3,500,000	1,628,800	100,000
21. Honduras.....	1,887,389	11,977,867	1,282,959
22. Ireland.....	2,894,822	46,056,680	19,500,000
23. Israel.....	2,089,000	7,111,111	3,666,666
24. Italy.....	50,600,000	71,200,000	58,100,000
25. Japan.....	93,050,000	11,467,000	4,366,000
26. Mexico.....	33,304,000	55,120,000	14,160,000
27. Netherlands.....	11,400,000	9,654,204	2,500,000
28. New Zealand.....	2,343,000	1,684,145	617,747
29. Norway.....	3,572,000	12,000,000	3,700,000
30. Panama.....	1,000,000	27,289,919	4,522,005
31. Paraguay.....	1,728,000	1,363,934	279,738
32. Peru.....	10,000,000	2,460,800	465,200
33. Philippines.....	23,662,900	17,827,335	7,554,778
34. Poland.....	29,500,000	53,364,417	17,236,958
35. Portugal.....	8,980,682	20,749,400	6,943,727
36. Puerto Rico.....	2,300,000	45,000,000	9,970,000
37. Spain.....	30,000,000	82,803,000	22,590,000
38. Sweden.....	7,475,000	51,200,000	29,400,000
39. Switzerland.....	4,714,929	5,916,353	1,549,367
40. Turkey.....	26,000,000	7,513,880	3,459,632
41. Uruguay.....	2,600,000	8,779,215	3,251,242
42. Venezuela.....	6,500,000	67,300,000	13,700,000
43. Yugoslavia.....	18,530,000	13,960,000	3,500,000
Total.....		1,277,981,844	412,765,883

¹ Only 1958 figures available.

CYRUS EATON: MERCHANT OF PEACE

Mr. PORTER. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the Record and to include extraneous matter.

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

There was no objection.

Mr. PORTER. Mr. Speaker, the question has been raised by several newspapers in Oregon and by a few individuals outside of Oregon in letters to me as to whether or not it was proper for me to permit Cyrus Eaton, Cleveland industrialist, to pay my way to a recent disarmament conference of parliamentarians in Stockholm.

This question was not raised last February when Cyrus Eaton paid my way to a similar but larger conference in London although the fact was duly publicized at that time.

It was not raised after I mentioned it in the Record—page 10993—May 24, 1960, and disclosed that Mr. Eaton had agreed to pay my way to the Stockholm conference.

The question was first raised by the distinguished chairman of the National Republican Congressional Committee [Mr. MILLER] in a press release made public on June 3, 1960, the day I left for Stockholm. I had expected the criticism to arise earlier because this is an election year and I knew that Cyrus Eaton was, to many people, a controversial person.

In late January 1960 a mutual friend relayed Eaton's offer to pay my expenses to the London Disarmament Conference of Parliamentarians. Before I accepted I obtained from the Library of Congress and the Department of State information about the conference and about Cyrus Eaton.

URGENCY OF ABOLISHING WAR

While it was clear that on many issues I did not agree with him, we definitely did agree as to the urgency of working earnestly and ceaselessly to abolish war before war abolished mankind. It was clear to me that no fairminded person could dismiss Cyrus Eaton as either Communist or crackpot although one certainly can disagree, as I do disagree, with various opinions expressed by him.

I emphatically agree in both the judgment and the determination set forth in the following statement which was included in a speech Cyrus Eaton made June 9, 1959, in Canada at the annual dinner of the Canadian Manufacturers' Association:

The stark and terrifying fact is that the use of only 5 percent of the atom and hydrogen bombs now in the possession of the nuclear powers would completely wipe out every last vestige of life on this earth. We businessmen cannot be called cowards if, to safeguard our families and the commercial and cultural institutions to which we have devoted our lives, we remonstrate with heedless statesmen for running the nuclear risk. For myself, I long ago incorporated into my personal philosophy Spinoza's advice to harbor "no regrets, no fears." I have lived a busy and productive life, and I shall labor to the end to enable my children and grandchildren to enjoy the opportunities that have been mine. I know that the United States cannot go on spending \$50 billion a year for military weapons without succumbing to annihilation or impoverishment, and I shall fight both awful fates with all my strength.

Cyrus Eaton is a rare bird on the contemporary scene but not in history. We can recall Andrew Carnegie, Henry Ford, Alfred Nobel, and other leading industrialists who turned their talents and

fortunes to the quest for peace. But how many such men are living today? Too few. I hope more will appear on the scene, and soon.

What made Cyrus Eaton embark on his stormy path? This question was put to him by a London reporter earlier this month. Here is a part of the interview:

Mr. Eaton then started to talk about the reasons that had made him, a dedicated capitalist, pursue his policy, in spite of all the troubles he has run into.

"First, there was the awareness of the annihilation that an all-out nuclear war would mean. Secondly, there is the crushing burden of taxation to carry out the cold war. And thirdly, there was the conviction that World War II didn't produce the results we have hoped for.

"I had two sons and six nephews in the war. Two of the nephews were killed. And then I saw so many of the most brilliant sons of cousins and friends who were killed, many of them in the Battle of the Bulge in the winter of 1944-45."

WHERE WE DISAGREE

In that same story Mr. Eaton told the reporter, "We have more of a police state than there is in those countries," referring to Eastern European countries. I do not agree with that opinion. What he saw in a brief visit is hardly adequate proof. I also doubt that he would be likely to see much of that side of these governments.

Nor do I agree with another statement he is supposed to have made at one time:

The only people in the United States who believe that communism is a menace—

Time magazine quoted him as saying—are the boys on the payroll of the FBI.

On the other hand, one must concede that extreme statements in the other direction are far more common, and equally erroneous.

In April of this year Cyrus Eaton made a ripsnorting, capitalistic speech to his fellow Chesapeake & Ohio Railway stockholders. Consider these statements:

A question of paramount importance to all of my fellow stockholders today is, I am sure, can we ever again have our stock selling for \$400 a share? My answer is, if all the railroads of America could be emancipated from the bondage of Federal Government regulations, and really be permitted to practice free enterprise, I am certain we could pursue policies that would again bring our stock to the \$400 level.

Our railroad has done well, it is true, because of the extraordinary dedication and devotion to our entire organization. The C. & O. probably has the most continuous record of success of any railroad in the world. But we can do infinitely better if the Government wraps are removed.

Such free enterprise might be fine, for a while, for the stockholders, but I know it would be hard on the employees and the public. Again I record my disagreement.

MAN MUST USE HIS BRAINS

These disagreements and others we may have do not matter. This is a free country. Where we agree and where we collaborate—his money and my time—has to do with our mutual conviction that man has to use his brains quickly if he is to survive his incredibly powerful weapons.

I have never met Cyrus Eaton. He has never tried to tell me what to do or say. He did commend the report I made to the House on the London East-West Disarmament Conference last February. He even requested reprints. And I commend him for his major role in improving East-West communication.

Before I studied up on Cyrus Eaton and his speeches I knew about and was grateful for the Pugwash Thinkers Conferences. In five of those Conferences up in Nova Scotia and in Europe, 112 leading international scientists from 23 nations of the East and of the West came together to consider ways of saving the world from nuclear, biological, and chemical warfare.

The first two such Conferences had much to do with the inspiration and support of the Geneva negotiations on nuclear weapons tests cessation. This is no small accomplishment.

It is seldom that any two people agree on all questions. This is particularly true with persons of wide experience, deep feelings, and aggressive character like Cyrus Eaton. Most thoughtful voters have reservations about their favorite candidates. I have reservations about Cyrus Eaton, but if there were a contested election for the title "The American Industrialist Doing the Most for Peace," I would vote for him. I wish there were such a contest. As it is, because there is apparently no competition, Cyrus Eaton wins the title by default.

Under unanimous consent, I am including hereafter editorials from Oregon newspapers and my replies; the full text of the interview I quoted in part from the London Evening Standard; the full text of the two speeches quoted; another longer speech; and a brief biography of this remarkable and most timely merchant of peace, Cyrus Eaton: [From the Eugene (Oreg.) Register-Guard, June 8, 1960]

CHARLIE, WHY DO YOU DO IT?

Political observers are saying that Representative CHARLES O. PORTER may be in for trouble this fall. They feel that Dr. Edwin Durno may give him his toughest race yet, and that the Medford doctor might actually unseat him.

This could be. However, the odds appear to be against it. First, there is a Democratic majority in every county in the Fourth Congressional District. Second, there is the matter of name familiarity that attaches itself to an incumbent, especially to one as active as Mr. PORTER. So, for those reasons the Congressman would seem to have the edge.

However, Mr. PORTER should not let himself forget that he has irritated a great many of his constituents since they returned him to office in 1958. This he has done courageously, true enough, clinging to the advice of Edmund Burke who told the electors of Bristol in 1774 that a representative should use his own judgment and not sacrifice it to the opinions of his constituents. He apparently believes, and we agree, that a representative should be more than a messenger boy. He should go to Congress as a free man. If, at the end of his term, the voters in his district do not approve of what he has done, they can call him home.

Nobody can doubt Mr. PORTER's courage, nor his intelligence, nor his industry. But we are entitled to doubt his judgment. "Quick." That is the word for the Congressman. He thinks fast and is given to acting

fast, sometimes when more considered judgments are called for. If we were asked to put a finger on his greatest single weakness, we'd settle upon his apparent inability to "play it cool."

He certainly didn't play it cool when he went down the tube for Castro 18 months ago. Even WAYNE MORSE, who is also given to shooting from the hip, played it cool on Castro. Time, an amazingly short amount of time, showed that Castro was certainly not the great liberator that Mr. PORTER had been telling us about. Even Mr. PORTER admits that—now, long after he had let himself be stampeded into a serious error of judgment.

Mr. PORTER's constituents have reason to wonder, as he continues to advocate closer relations with Red China, if his judgment today is as bad as it was the day Castro entered Havana.

Mr. PORTER's latest error in judgment was his acceptance of a no-strings-attached gift of \$1,000 from Cyrus Eaton, the Cleveland industrialist who is so often associated with party-line causes. Mr. PORTER will use the money to pay his way to a foothills conference on disarmament in Stockholm. Many voters will remember that the first time Mr. PORTER made headlines was by picketing the Nixon train in the Eugene train station in 1952. He objected to the fact that businessmen were helping Senator Nixon with his expenses. Voters now are entitled to ask how much difference there is in what Mr. NIXON did and what Mr. PORTER is doing. And, considering Mr. Eaton's record of espousing leftwing causes, Mr. PORTER certainly opened himself to criticism of another type. Too many of his enemies are already too willing to accuse him of being a radical of some sort. If his judgment were better, he would have avoided any and all association with Mr. Eaton. That he did not will accrue to his woe come fall.

Likeable, affable, energetic, bright, ambitious, articulate, a splendid companion, the Congressman keeps irritating his own friends by painting himself into corners. They, even more than his opponents, have reason to ask "CHARLIE, why do you do it?"

JUNE 13, 1960.

The EDITOR,
Eugene Register-Guard,
Eugene, Oreg.

DEAR SIR: Grateful though I am for the kind words in your editorial, "CHARLIE, Why Do You Do It?" (June 8, 1960) and conscious though I am of the fallibility of my judgment, I don't believe that I acted with too much haste in connection with the examples you mention.

What exactly you mean by "playing it cool" I am not sure. If it means sniffing the political winds, being cautious, then I'd say I don't try to play it cool.

Castro had my enthusiastic support for knocking over Batista and promising to establish democracy in Cuba. Castro lost my support as he broke his promises. No Member of Congress has criticized Castro more than I have. A lot of people changed their minds about Charles Van Doren.

If I acted too quickly and shot from the hip in advocating closer relations with China, then I've persisted in this error very publicly since 1954. Moreover, my fellow Democrats Jack Kennedy, Adlai Stevenson, Stuart Symington, Chester Bowles, and others are in the same boat with me.

You say that my permitting Cyrus Eaton, Cleveland industrialist, to pay my expenses to a Stockholm disarmament conference was an error in judgment. You say that voters can ask how this differs from what Nixon did in allowing businessmen to help him with his expenses. It differs, for one thing, in that I publicized this underwriting whereas Nixon's fund was kept secret. Mr. Eaton, by the way, paid my expenses to a 16-nation

peace conference of parliamentarians in London last February, a fact I included in my press releases at the time and nobody was at all disturbed.

Another obvious difference is the purpose of the money. The contributions to Nixon went for his personal and political benefit. Eaton's money went for expenses so I could be present at a conference where conferees from eight nations exchanged points of view in the interests of averting world war III.

Last January when Mr. Eaton offered to pay my way to the London conference I received reports from the Library of Congress and the Department of State on the conference and on Mr. Eaton before I agreed to go. I did not shoot from the hip. I wanted to attend these conferences to do what I could, however little, for world peace.

I'll soon be back in Oregon to discuss with my constituents why I continue to be active with regard to leaders like Castro, nations like China and active peace seekers like Cyrus Eaton. From the looks of my mail from Oregon, many of them emphatically approve.

Of course I don't like to irritate any of my friends, but my friends must come to understand, if they don't already, that I am dead serious about this job of being the U.S. Representative from the Fourth District of Oregon. I still believe that the gravest problem facing us all is whether or not we can survive our incredibly powerful weapons.

I believe everyone should do what he can and that those of us in public office have larger responsibilities. If this entails political risks, as you properly point out, well, so be it. Playing it cool on matters this critical is not my idea of worthwhile politics or a worthwhile life.

Sincerely,

CHARLES O. PORTER,
Member of Congress.

[From the Albany (Oreg.) Democrat Herald]

WHY THEY DON'T LIKE PORTER

Fourth District Congressman CHARLES O. PORTER evidently doesn't like newspapers, and we don't blame him much, for most newspapers don't like him, either. And neither do a lot of people.

It isn't that newspapers and people don't like PORTER personally—far from it. He is a personally likable guy. It is the things that he says and does that they don't like.

Most recent example is his implied acceptance of \$1,000 from Cyrus Eaton to help him finance a trip to Stockholm, Sweden. Objective of the trip is attendance at an East-West meeting of parliamentary officials.

Now there would be nothing wrong about this gift, in our opinion, were it not for the fact that Eaton has long since been nuzzling Nikita Khrushchev, though we suspect that if somebody else, say Harvey S. Firestone, should pay \$1,000 to First District Congressman WALTER NORBLAD, to enable NORBLAD to attend a conference of rubber plantation owners in Indonesia PORTER might make quite a noise about it.

Eaton's avowed goal is to establish trade between Communist countries and the United States. His motive is primarily mercenary and he seems to give little consideration to the intangible ideological conflicts between the two political systems—capitalism and communism, and the irreconcilable differences between them—irreconcilable because the Communists cannot tolerate any concessions that might become obstacles in the path of their program of world conquest. There is, to them, a movement that cannot be challenged on moral grounds for it is above morals, ethics, or humanism, of any kind.

It is PORTER's insistence on advocating compromises with the Reds, such as recognizing Red China and being kind to Fidel Castro, that makes many Oregonians dislike PORTER.

PORTER is not endearing himself to newspapers, particularly the smaller ones, in pushing for an increase in second-class postal rates only. His bill would, according to a National Editorial Association survey, increase publications costs to smalltown newspapers, including many small weeklies, by \$2,000 a year and that in some cases is just about their margin of profit. Since larger dailies distribute a smaller percentage of their circulation by mail it is not they that would be hurt the worst, though all would suffer some. Papers delivered by carrier would not be affected.

PORTER's bill says nothing about increasing rates for other classes of mail. When he was accused by the NEA of sponsoring "punitive" legislation he denied it but it can hardly be only coincidental that he singled out second-class mail for a rate boost.

At a hearing on his bill starting May 10 at Washington, D.C., PORTER, according to the National Editorial Association Bulletin, unnecessarily prolonged the examination of witnesses through excessive questioning. In fact, said the Bulletin, "the NEA witnesses felt they had been badgered or even filibustered" by PORTER. So long did he query witnesses that there was no time for reading two of three NEA statements, so the other two had to be inserted in the record without being read in full.

At the hearing PORTER alluded to the so-called "free in county" newspaper privilege as a subsidy. It is enjoyed mainly by weeklies, most of whose subscribers receive their papers through rural carriers within the county in which they are published. PORTER asked if NEA witnesses would support a bill for an outright subsidy to the weekly press, and when Edgar S. Bayol, executive vice president of NEA, remarked that "subsidy is a horrid word" PORTER offered sarcastically to term it "a consideration from Congress."

We would not have Representative PORTER be a habitual conformist, but when he becomes a nonconformist on so many things that the American people stand for he must expect to reap the harvest.

JUNE 10, 1960.

The Editor,
Albany Democrat Herald,
Albany, Oreg.

DEAR SIR: I thank you for saying, in your editorial, "Why They Don't Like PORTER," June 3, 1960, that I am "a personally likable guy." I hope, however, that you are not as wrong in that as you are elsewhere in that article.

You say I don't like newspapers. You are wrong. I like them. I value them. I don't always agree with them. Sometimes I deplore their editorial and news policies. As an institution, newspapers are essential in a free society. (I'm an old newspaperman myself.)

You say my accepting expenses for my Stockholm trip from Cyrus Eaton would be all right except for the fact that "Eaton has long since been nuzzling Nikita Khrushchev." Here you are up to your old tricks of making those of us who believe in communication between the East and West into "pals" of the Communists.

The purpose of my trip to Stockholm was to discuss peace and disarmament with parliamentarians of other nations and to plan a larger meeting for this fall. I can't see how you can believe that this resembles Harvey Firestone's giving \$1,000 to WALTER NORBLAD to go to a conference of rubber plantation owners in Indonesia. How would such a trip be in the public interest?

Your statement that Eaton's motives are "primarily mercenary" is ridiculous. Cyrus Eaton is 75 years old and worth more than \$100 million. His crusade for peace is no business enterprise. He believes we have to work hard if we want reason to prevail in

time to prevent a nuclear holocaust. I agree with this point of view.

According to the Postmaster General, the newspapers and magazines will be paying only 26 percent of their mailing costs after the final step of the 1958 rate increase goes into effect next January. The National Editorial Association at the hearing you mention offered no evidence to refute this figure. Their witnesses said they felt they were paying their way.

The record of the hearings will soon be printed and you can see for yourself that I did not badger or filibuster the NEA executive vice president, Mr. Bayol, about whether the NEA wanted a subsidy from the Government for part of their mailing costs.

Suppose we turn to the record. I asked Mr. Bayol if he thought that newspapers ought to pay the full costs of their mailings:

Mr. Bayol: "We do not agree with that theory; no, sir."

Mr. Esters: "No."

Mr. Bayol: "The Post Office is a public service, and it should not have to pay its way any more than the Agriculture Department."

Mr. PORTER: "Fine. Then you think that the second-class users ought to have a subsidy?"

Mr. Bayol: "Subsidy is, shall we say, a horrid word. Is that not the language?"

Mr. PORTER: "All right. But you deal in words; so do I. Let's find a word. You should have some sort of consideration from the Congress because you are achieving such great things for the public?"

Mr. Bayol: "Yes, that is right."

Mr. PORTER: "What does that add up to, though? That somebody has to pay what you do not pay, and that somebody is going to be the taxpayer."

Would you take a different position? I hope not.

Maybe some newspaper publishers don't want to pay their fair share of postal rates. I believe most of them will not object although they may not like us Congressmen who want to end at least part of their present subsidy.

Sincerely,

CHARLES O. PORTER,
Member of Congress.

[From the Portland Oregonian, June 8, 1960]

PORTER'S PEACE SUBSIDY

There should be some discussion among voters in Oregon's Fourth Congressional District about the propriety of Representative CHARLES O. PORTER's acceptance of \$1,000 from Cyrus Eaton, Cleveland industrialist and close U.S. pal of Nikita Khrushchev, to pay his way to an unofficial "foothills" conference of Communists and non-Communists in Stockholm.

Representative PORTER says no strings were attached to the cash. It may be assumed that Mr. Eaton did not feel it necessary to attach any strings because Representative PORTER has been advocating steps favored by Mr. Eaton—trade with and diplomatic exchange with Red China, admission of Red China to the United Nations, an open-arms policy toward the Soviet Union, etc.

But whatever the coincidence of their views on U.S. policy toward the Communist nations, we believe it questionable for a Member of Congress to accept expense money from a private citizen of the United States who has identified himself so closely, in business and in politics, with the Communist dictatorships. Also, in patronizing this so-called disarmament rally in Stockholm, Representative PORTER is lending his name as a U.S. Congressman to an activity not in keeping with U.S. foreign policy.

We do not challenge Representative PORTER's right to seek headlines in Castro's Cuba, where his ardent support of the "liberator" blew up in his face; to challenge the State

Department's right, though unsuccessfully in the courts, to refuse him a passport to Red China; to join in these international gatherings chiefly sponsored by Communists, Socialists, and pacifists which usually make propaganda for the Kremlin.

We do think the voters of the Fourth District should consider carefully whether or not Mr. PORTER is representing their interests and views accurately. One doubts they approve his acceptance of money from Cyrus Eaton to attend the Stockholm "peace" conference.

JUNE 10, 1960.

The Editor,
The Oregonian,
Portland, Oreg.

DEAR SIR: With regard to your editorial, "PORTER's Peace Subsidy," June 8, 1960, you are inaccurate in an important respect and you rival the late Joe McCarthy in your slurs.

You write that in going to the Stockholm "disarmament rally" I was "lending my name to an activity not in keeping with U.S. foreign policy." You are in error. Disarmament has long been a major aim of our foreign policy. Moreover, the President rightly continues to stress the need for East-West contacts at all levels.

You say you don't challenge my "right... to join in these international gatherings chiefly sponsored by Communists, Socialists, and pacifists which usually make propaganda for the Kremlin." The East-West Round Table was started by West Europeans, Socialists, yes, but most of them are. Meaningful discussion of disarmament and other problems having to do with peace requires the presence of your opponents. At Stockholm, of the eight conferees all came from NATO nations except our Swedish host and Ilya Ehrenburg from the Soviet Union.

The labor member of Parliament in attendance at the Stockholm committee meeting is, I suppose, a pacifist but then so are about half or more of the British people these days.

Your assertion that these groups "usually make propaganda for the Kremlin" is a snide slur. Any East-West contact can be used by the Kremlin to make propaganda. This is no reason why we should break off such associations. We can and do make our own propaganda.

You criticize my acceptance of Stockholm travel expenses from Cyrus Eaton. You call him "close pal of Nikita Khrushchev" with as much reason as you could put the President in that category prior to the U-2 incident. You compound this slur in the next paragraph alleging that Eaton and I want "an open-arms policy toward the Soviet Union, etc."

Like the President and many others, I want communication, contact at all levels, but not in any way to suggest that we approve police-state methods. This is the familiar formal handshake-warm embrace distinction which Mr. Nixon learned in Puerto Rico in 1958 from Governor Munoz-Marin.

You say it is "questionable" for me to accept money from Eaton because "he has identified himself so closely, in business and politics, with the Communist dictatorships." I say baloney. Eaton is a capitalist, make no mistake about that, and a firm believer in freedom. He believes that men of good will have to work hard to make reason prevail if we are to avoid disastrous nuclear war. So do I.

Where were you last February when Eaton paid my way, a fact I made public at the time, to London for a 16-nation meeting of some 60 parliamentarians in London? I had no protests then from you or anybody else. It would seem that blunders of Republican leadership have made you Republicans a little touchy about international

conferences. This is too bad because there is no other way to make peaceful adjustments.

As for the voters in the Fourth District, for whom you show concern, none has to date protested to me. It may be that, as in the 1956 and 1958 elections, they disagree with your pontifications, inaccuracies and slurs.

I hope you will read the enclosed pages from the CONGRESSIONAL RECORD. One of them has to do with Cyrus Eaton. The other is the report that I made on the floor of the House yesterday about the Stockholm meeting followed by a colloquy with Representative WALTER JUDD, Republican, of Minnesota.

Your attitude with respect to my trying to help in whatever ways I can, to further the cause of peace is deeply disappointing to me. I would like to think that you wrote the editorial out of sheer partisanship. I suspect, however, that the origins go deeper, namely, that you are ignorant where you ought to be informed and indifferent where you ought to be concerned.

Sincerely,

CHARLES O. PORTER,
Member of Congress.

[From the London, England, Evening Standard, June 8, 1960]

MR. KHRUSHCHEV'S CAPITALIST FRIEND ON POWER AND THE PENTAGON

(By Donald Edgar)

It is not often that you come away from an interview saying to yourself—"I think that was a great man."

I did last night as I went down the lift in Claridges after seeing Mr. Cyrus Eaton.

He is the 76-year-old powerful and rich North American industrialist who has been trying to build bridges between the East and the West.

Trying to build a bridge of peace. Needless to say, with the result that he has been vilified in his own country.

A MENACE

I asked him what he thought the situation was after the breakdown of the summit talks.

"There is a great change needed in the United States. The Pentagon is a power and a menace."

"The generals have been intoxicated by their successes in World War I and II. They have forgotten the part played by the British. They have a complex of omnipotence. It's a state of mind that they have got themselves into."

"As you know," he added, "at the moment the world is teeming with generals who are heads of state. We have had two fine generals who have exercised power in recent years. There was General Marshall, who was Secretary of State."

"He was a fine man. But the trouble of it was that he thought in terms of military power. And it was Marshall who laid down the basis of our postwar policy."

"And then General Eisenhower came later as President. And they can't escape the idea of military strength. They have a military complex."

"You remember we had a great general in our civil war, Ulysses Grant. He was a great general but he turned out a poor President. You had Wellington who was a great soldier—but not so good, it appears, as a politician."

"The trouble is we are relying too much on weapons of war. Not on a mentality of political thinking."

Mr. Eaton, who has spent some time with Mr. Khrushchev in the past, has just come back with his wife from a tour of eastern Europe—Poland, Hungary, Czechoslovakia, and Eastern Germany.

I asked him whether he had found many restrictions on liberty.

He became even more lively.

"We have more in the United States," he said. "Do you know that there are practically half a million people in the United States whose job in one way or another is to supervise the citizens?"

ALARMED

"There are in all 75 agencies. We didn't see policemen everywhere in the countries we have just visited. But if Ike came to Cleveland there would be 60 security men looking after him. We found nothing like that where we went."

"We have more of a police state than there is in those countries."

Mrs. Eaton nodded in agreement. She is a very attractive woman—many years younger than her husband. She was sitting in the wheelchair that is her life. She is a polio victim.

"How did you find it otherwise in Eastern Europe?"

"Well, they are worried. They are greatly alarmed over the rearming of Germany. They feel that the United States is encouraging the Germans."

"And I was greatly concerned over the lack of effective diplomatic activity on the part of the American diplomats and their allies."

OUT OF TOUCH

"They are all out of touch with the people. There is little or no contact with political leaders. The representatives of the English speaking world have a real hatred of communism."

"Therefore, it is not fashionable to mix. And therefore they are living in a world completely cut off from reality."

"They still repeat the old clichés and they still keep themselves to themselves."

I then asked Mr. Eaton why he thought the summit talks had broken down.

"In my opinion," he replied, "there was a great influence brought to bear on President Eisenhower after his meeting at Camp David with Mr. Khrushchev."

"I think at that time there was an honest desire to reach an understanding."

"But then pressure was brought. There was the Atomic Energy Commission. The Pentagon. The CIA—the Central Intelligence Agency."

"All people who have a vested interest in keeping tension between the East and the West."

"And of course, the Germans did their bit."

HIS REASONS

Mr. Eaton then started to talk about the reasons that had made him, a dedicated capitalist, pursue his policy, in spite of all the troubles he has run into.

"First, there was the awareness of the annihilation that an all out nuclear war would mean. Second, there is the crushing burden of taxation to carry out the cold war. And third there was the conviction that World War II didn't produce the results we have hoped for."

"I had two sons and six nephews in the war. Two of the nephews were killed. And then I saw so many of the most brilliant sons of cousins and friends who were killed, many of them in the Battle of the Bulge in the winter of 1944-45."

He mentioned then about his last meeting in Paris with Mr. Khrushchev. "What do you think of him?" I asked.

"Oh, he's a very clever man. He impressed me right from the start. He has a keen intelligence, blunt frankness, and an extensive knowledge of what is going on in the world."

"He astonished me by the width of his information. He is hard working and widely read. I told him that if he had come to America as a boy he would have been the head of one of our greatest corporations."

I felt the time had come to ask Mr. Eaton what he felt about the long-term development of capitalism and communism.

"I think that undoubtedly capitalism is going to undergo many changes and be influenced by the Socialist experiment. But I think that on the other hand Socialist countries will also change as they develop economically."

A CHANCE

"If we let time and evolution work, free from the threats of a hostile attitude by the Western World, then I think there would be a great chance of lasting peace. The emphasis must be on the progress of the human race."

"How are you able to think in these terms when you are a supremely successful example of high capitalism?" I asked.

"Oh," answered Mr. Eaton, "I don't think there is much in the prestige of wealth. You can only wear one suit. You can only eat three meals a day. What matters is the creativeness. That is the real distinction between one man and another."

We then talked about other Americans who have also tried to work for peace.

There was Ford with his Peace Ship which he sailed across the Atlantic to try to end the First World War.

There was Andrew Carnegie, the great steelmaster, who left most of his fortune in the interests of peace.

But is it altogether strange that Nobel, the explosives king, Carnegie maker of one of the materials of war—and now Eaton, who is also a great steel man, should devote themselves to peace?

CANADA'S CHOICE: LEADERSHIP OR ANNIHILATION?

(Address of Cyrus Eaton, Canadian-born chairman of the board, Steep Rock Iron Mines Ltd., and Chesapeake & Ohio Railway, at annual dinner meeting of the Canadian Manufacturers' Association, St. Andrews-by-the-Sea, New Brunswick, June 9, 1959)

My pleasure in addressing this distinguished group of Canadian business leaders is doubled because of your selection of my beloved Maritimes as the site of your 1959 meetings.

In nearby Pugwash, Nova Scotia, where I was born 75 years ago and where I still spend part of every summer, one readily gains a sense of the seaside glory of the Atlantic provinces. Look north from Pugwash across the Northumberland Straits, and the coast of Prince Edward Island fills the horizon. Turn your head but slightly to the west, and New Brunswick's Cape Tormentine quickly catches your eye.

I shall have something else to say about the Maritimes and their place in the Canadian economy later. First, however, I should like to have you share with me a broad view of the complex world in which we are living in this revolutionary new nuclear age, and a more particular look at the preeminent part Canada can play in it if she chooses.

MOOD OF WHOLE MODERN WORLD IS TO BUILD INDUSTRY

The keynote of this convention, "Build Industry—Build Canada," clearly states the ideal goal. The mood of the whole modern world, east and west, capitalist and Communist, is to build industry. The peoples of every race, creed and color are doggedly determined to secure for themselves a greater share of the good things of this earth.

Old Mother India, whose civilization dates back 5,000 years, typifies the trend. Some years ago I spent a weekend with Sir Rabin-drath Tagore, Bengal scholar and classicist whose poetry had won him the Nobel Prize for literature. Justifiably proud of India's ageless fame for art, poetry and philosophy, Tagore frankly expressed his scorn for Western industrialism. "In India," he asserted, "we do not want your automo-

biles, we do not want your locomotives. We are happy as we are." More recently there has been assurance from Prime Minister Nehru that India will not rest in her quest to rebuild industry. At the same time, I feel sure she will demonstrate that emphasis on the material need not result in neglect of matters of the mind and the spirit.

Those of us who dedicate the working part of our lives to industry and trade will find strong allies in many quarters. I have just been reading Faber's new life of Jowett, one of the greatest classical scholars and philosophers the English-speaking world has known. Jowett gave tremendous impetus to the growth of Oxford as a center of learning during the second half of the 19th century. Quoting a less orthodox but better known British savant as saying, "The greatest of evils and the worst of crimes is poverty," Jowett designated that as the one statement by Bernard Shaw with which he completely agreed.

NINETEENTH CENTURY CANADA LACKED ECONOMIC OPPORTUNITIES

The Canada of my boyhood, particularly the Maritime Provinces, offered limited economic opportunities for ambitious and industrious boys and girls. So it was around the turn of the century that I joined my footsteps with the countless others beating a path across the border to the better jobs that then beckoned there. My good fortune was to find my first American business association with the late John D. Rockefeller, the very model of creative and imaginative industrialism. At that time Mr. Rockefeller was receiving lavish praise for his philanthropies. Although he took satisfaction in the founding of universities and the building of hospitals and churches, I often heard him say that he considered his greatest contribution to the welfare of mankind the giving of gainful employment through the industry he created.

TWENTIETH CENTURY CANADA OFFERS LIMITLESS POSSIBILITIES

If I were a boy in Canada today, I would waste no time casting a covetous eye across the border. My native land, which was content to be little more than a colony in my youth, has attained sovereign status. Second in area only to Soviet Russia, Canada possesses rich and limitless natural resources, whose surface has barely begun to be scratched. Industry for the most part is in its young and vigorous beginnings.

Canada is blessed with a strong centralized banking system, for which I am impelled to say a special word of praise. The small and scattered banks of the archaic American system suffer sharply in contrast. Their impotence in times of financial difficulty have accentuated panics of the past. Sooner or later, banking in America is bound to be reformed.

Because of her comparatively small population, as contrasted with the gigantic and costly enterprises pressing to be undertaken, Canada must call on outside capital. The generally high character of her governments, federal, provincial, and municipal, under whatever political party, fortunately commands the confidence of the investors of the world. This is not to say that Canada will always automatically win the keen worldwide competition for capital. Other countries hold out great inducements. Chile, for instance, allows all machinery and equipment for new mines to enter duty free, in her eagerness to develop her iron ore deposits.

I spoke earlier of the colonial status with which Canada was so long content. Even more we were proud to do obeisance to Britain, and to follow her lead both at home and abroad. I must confess that I have never lost my nostalgic affection for England, and that I have made a conscious effort down the years to maintain daily contact with things

British. The Times of London and the Economist of London come regularly to my desk by airmail. In 60 years I have never missed an issue of Punch, the Illustrated London News, or the Times Literary Supplement.

BRITAIN SETS THE EXAMPLE IN WORLD COMMERCE

Four hundred years ago England dispatched her first trade mission to Russia. Within recent weeks she has concluded a promising new 5-year trade treaty with the Soviet Union. She is following up to bring about the broadest exchange of goods by making government loans to her industries that will conduct the trading. This makes better sense than our customary American and Canadian policy of direct foreign aid for the development of resources and industries in countries that will not permit our nationals to participate in ownership of any of their enterprises.

The British, very wisely in my view, have concluded that Russia is determined to occupy a prominent place in world commerce, and that Russia will accordingly make a policy of maintaining her credit at a high level. The Soviet Union, after all, is no feeble or faltering economy seeking a hand-out, but a front rank industrial power possessing vast resources and hard-working people, ambitious to excel in every field of modern life.

Even while we bow to Britain for her brilliant success in maintaining world leadership in commerce for more than four centuries, we must also recognize that her failure to encourage the upbuilding of industry in Canada, Australia, India, and South Africa not only retarded their development, but ultimately changed the empire into a loosely knit commonwealth. Through this oversight, England has become a "tight little island" in fact as well as in poetry.

Canada has cut the ties that bound with Britain as far as foreign policy goes. For her former deference to English judgment in this field, however, she has substituted hesitation to differ with the United States on international matters. Here I submit, as one who knows and loves both North American countries well, Canada is making a mistake. Her most favorable course, not only to further her own economic development but perhaps to help save all mankind from annihilation, lies in exercising complete independence in foreign policy.

America's late Secretary of State persistently proclaimed that we could not do business with the Soviets because they embraced ideologies that differed from ours. On the same grounds, he forced the United States to embrace the fatuous myth that Red China, with its 600 million citizens occupying the world's third largest land area, did not exist. These precepts have been repeated so frequently and so shrilly that burning hatred of everything Russian and Chinese has practically become a condition of political respectability in the United States. Hopefully the new head of the U.S. State Department will adhere to sounder and less fanatical doctrines.

VAST CANADIAN COMMERCIAL POTENTIAL LIES ACROSS PACIFIC

Whether or not this turns out to be the case, Canada cannot afford to wait and see, without sacrificing her tremendous potential for trade with the Far East. Opportunities for business with expanding Communist China have already manifested themselves. An examination of the ambitious Siberian development program in the new Soviet 7-year plan leaves no doubt of the thriving traffic that can be conducted across the Pacific between the west coast of Canada and the Russian Far East. The Siberian prison bastion of the storybooks should not be allowed to cloud the reality that here is a vast area, liberally endowed with rich mineral wealth and fertile soil, and destined to

become a busy modern industrial workshop. Certainly the Soviets have not inaugurated jet plane service to connect Moscow and Vladivostok by a vast 5,300-mile flight for the mere purpose of quickly transporting political malcontents into exile.

OPPOSING IDEOLOGIES POSE NO OBSTACLE TO COMMERCE

Let us examine the fallacy that peoples of opposing ideologies cannot do business with each other, that cold war or even hot war between them becomes inevitable. I speak as a dedicated capitalist and an incurable free enterpriser, who believes that the economic system under which I have enjoyed success is the best that man has been able to devise. Despite these unshakable convictions, I see no reason for the United States to declare cold war and to threaten to unleash hydrogen bombs on Great Britain because she has socialized all of her railroads, telephone companies, electric and gas utilities and coal mines.

As a director of the Cleveland Electric Illuminating Co. and the Kansas City Power & Light Co., I credit private ownership with providing the incentive that spurs these utilities to operations of unsurpassed efficiency in the electric power world. The Chesapeake & Ohio Railway, of which I am chairman, last year made more profit under private ownership than any railroad in the world, privately or publicly owned. These records of success incite no uncontrollable urge on my part to demand that the United States aim nuclear warheads at Canada to force her to give up Federal ownership of her largest railroad and airline, as well as provincial proprietorship of all but a fraction of her electric power facilities.

As long as the Canadian people support the able men who are employed to operate Government-owned enterprises, and as long as the Government companies satisfactorily serve their purpose, public ownership of them will continue. The United States would be regarded as guilty of unwarranted interference to suggest that Canada change her system. Does the American cold war on Russia constitute less of an impertinence?

CANADA SHOULD DISASSOCIATE HERSELF FROM AMERICAN OBEDIENTCY IN FOREIGN AFFAIRS

The insistence of the U.S. State Department on preserving the status quo, if not indeed harking back to the status quo ante, flies in the face of all recorded history. Change is inevitable; to attempt to stop it is to induce violence. Tremendous transformations are now taking place in standards and conditions that were established in Soviet Russia and Red China when they were backward countries. Success and prosperity stand to modify, while failure can only intensify, the more extreme and less desirable features of their political and economic systems. When and as the Communist countries make progress, the strong likelihood is for less dogmatism and more flexibility. By disassociating herself thoroughly from American obduracy, Canada can set a salutary example for her bellicose southern neighbor and, at the same time, lessen the prospect of a nuclear holocaust that will engulf all mankind if it ever happens.

U.S. SUCCESS IN WARFARE HAS LED TO MILITARY CONCEIT

In my lifetime, the United States has engaged in three wars—the Spanish-American War and World Wars I and II, all fought away from her shores. In both World Wars, America came in late with her great industrial resources, and contributed heavily to the success of the winning side. With the conceit to which human nature is given, she has subsequently claimed almost complete credit for the victories, and come to the conclusion that she is invincible.

The atom bombs that rained down on Hiroshima and Nagasaki at the end of World

War II marked a revolution in the nature of armed conflict. Civilians and soldiers alike, grownups, and children, wherever situated, become frontline combatants when the first nuclear warhead begins to describe its trajectory. American monopoly of nuclear weapons was transitory. In fact, while the U.S. State Department smugly sat back and taunted the U.S.S.R., Soviet scientists went earnestly to work and demonstrated the capacity to produce weapons of even greater deadliness than those created in the United States. In recent weeks, I have been heartened to observe Viscount Montgomery, the 20th century's ablest soldier, repeatedly warning the world to step back from the nuclear abyss and to work tirelessly for better understanding between East and West.

U.S. SCIENTISTS CALL FOR HALT IN NUCLEAR ARMAMENTS RACE

I have watched the evolution of nuclear weapons with intense concern from the start. The University of Chicago, of which I am a trustee, conducted the initial experiments that led to the production of the first bombs. Most of the leading scientists who participated in the early development work have subsequently been devoting their full energies to efforts to persuade the American Government to halt the armaments race. Through the Pugwash Conferences of international nuclear scientists, I have been trying to help. I fervently hope that history will support the famous French scientist who predicts that Pugwash will rank with Austerlitz and Waterloo as a turning point in the fate of the world.

ENOUGH NUCLEAR WEAPONS IN EXISTENCE TO WIPE OUT ALL LIFE

The stark and terrifying fact is that the use of only 5 percent of the atom and hydrogen bombs now in the possession of the nuclear powers would completely wipe out every last vestige of life on this earth. We businessmen cannot be called cowards if, to safeguard our families and the commercial and cultural institutions to which we have devoted our lives, we remonstrate with heedless statesmen for running the nuclear risk. For myself, I long ago incorporated into my personal philosophy Spinoza's advice to harbor "no regrets, no fears." I have lived a busy and productive life, and I shall labor to the end to enable my children and grandchildren to enjoy the opportunities that have been mine. I know that the United States cannot go on spending \$50 billion a year for military weapons without succumbing to annihilation or impoverishment, and I shall fight both awful fates with all my strength. Canada is caught in the same web, so I would hope that Canadian policy and Canadian opinion might be directed to bringing American statesmanship to its senses.

FORMULA FOR FULLEST CANADIAN DOMESTIC DEVELOPMENT

Let us turn now from the foreign scene to the leadership that must be provided at home if Canada is to realize her almost infinite potential to the full. It should go without saying that the people of Canada should be encouraged toward the highest physical and intellectual development. The new world in which we live is no place for weaklings of mind or body. The amazing advances in science throw down a tremendous intellectual challenge. Colleges and universities must pursue the truth relentlessly wherever it leads, even if it means modifying opinions that have been tenaciously held for centuries.

Even as better understanding and closer cooperation are needed among nations of the world, so are they essential between management and labor. This, I think, is industry's most crucial problem, and it is one that cannot successfully be delegated, but must be handled directly by constant

contacts between top management and the leaders of labor. Crossing the Atlantic last fall on the Queen Elizabeth, I heard from the commodore of the Cunard fleet a success story of labor relations that all businessmen could profitably ponder. Conducting the largest shipping operation on the high seas, the Cunard Line has not had a strike for 50 years. Problems that arise are discussed and settled at monthly meetings of high Cunard officers with top union officials. The two sides recognize the mutual benefit of finding some middle course of agreement. Thus, while the rest of the world's shipping has become notorious for labor troubles, Cunard has set a unique record in its freedom from destructive warfare between management and labor.

INDUSTRIAL LEADERS MUST TAKE INTELLIGENT INTEREST IN GOVERNMENT

Leaders of industry should, I believe, form a habit not only of making their views frequently known to Government leaders, but also of keeping in close touch with politicians, whether of the city, the province, or the Federal Government. This is not to go so far as to recommend that big businessmen attempt a wholesale invasion of the Cabinet, because I think we have demonstrated in the United States that the 1952 American Cabinet composed of eight millionaires and a plumber was not an unqualified success. In democracies like Canada and the United States, however, it behooves all citizens, including businessmen, to take an active and intelligent interest in government.

Finally, since this is a gathering of businessmen who have made their marks in their various fields, I am sure it would be in order to point out that a special moral and social obligation rests upon those of us who have prospered under the capitalistic system. If we exercise restraint in our conduct, and give loyal support to all that is highest and best in our civilization, then we can be confident that we have done our utmost to make this wonderful world of ours a better place in which to live.

May I add a postscript on the Maritimes to these remarks, even as you are adding a post-convention tour to these meetings you have held here.

MARITIME TOURIST POTENTIAL CALLS FOR BROAD DEVELOPMENT

Early in the season though it is, I hope your tour will give you some appreciation of the vast possibilities of the Atlantic Provinces for large and profitable tourist traffic. A look at the map will show you that the superlative summer attractions of this area could by adequate transportation be made easily accessible to the eastern American population numbering some 50 million.

Recently I made a brief visit to Puerto Rico, which makes tourism its principal and thriving industry. The government and the newspapers have worked hard to popularize Puerto Rico as a tourist paradise. Their efforts would have come to nought, however, if first class transportation had not been available. Flying the 1,600 miles from New York to San Juan, the tourist has his choice of magnificent modern planes owned by a number of strong airlines. New Brunswick, Newfoundland, Nova Scotia, and Prince Edward Island deserve as much.

There are other ways in which the Maritimes can and should be lifted economically. One would be the location here of a number of small industries to give year around employment to the present labor surplus. The problem belongs not to the Maritimes alone, but to all of Canada. In the interests of brevity, I shall not attempt to spell the subject out.

I could not be in New Brunswick without saluting Lord Beaverbrook, who has just celebrated his 80th birthday here, and who has made such generous contributions to the

Province's cultural institutions. In my own way, through the Pugwash Conferences and through Deep Cove Farms, with its Shorthorn cattle herd and its wild fowl conservation program, I am trying to give my native Nova Scotia a hand.

May I remind you that the only Canadian in the great American Hall of Fame in New York is Simon Newcomb, the noted astronomer who was born near Pugwash in Nova Scotia. I challenge any other part of the world to match the Maritimes' record for producing university president, scholars, physicians, statesmen, bank president, and business leaders.

In conclusion, I commend the Maritimes to you, and ask that you give them the earnest consideration to which they are entitled.

BACKGROUND DATA ON CYRUS EATON

Cyrus Eaton, Canadian-born chairman of the board of the Chesapeake & Ohio Railway, has been prominently identified with both Canadian and American industry and mining for more than half a century.

Mr. Eaton's largest present business interests in Canada are Steep Rock Iron Mines Ltd., of which he is also chairman of the board, the C. & O., which operates an important division from Windsor to Sarnia and Buffalo, and Ungava Iron Ores in far northern Quebec. On September 17, 1957, formation of Ungava Iron Ores Co. was announced in Montreal by Mr. Eaton and representatives of five leading West German steel producers. The joint development, to cost an estimated \$200 million, will tap vast iron ore deposits to supply world industry. As a director of Sherwin-Williams Co., Mr. Eaton is closely associated with another company doing a broad business in Canada.

Other basic segments of the economy in which Mr. Eaton is recognized as a leader are steel, coal, public utilities, and agriculture. Among his other corporate offices, he is chairman of Portsmouth Steel Corp., and West Kentucky Coal Co., and director of Cleveland-Cliffs Iron Co., Cleveland Electric Illuminating Co., and Kansas City Power & Light Co.

Mr. Eaton owns and operates the 3,000-acre Deep Cove Farms in Nova Scotia and the 860-acre Acadia Farms in Ohio, and specializes in the raising of purebred and registered Scotch Shorthorn cattle. PS Troubadour, the 995-pound Shorthorn calf that was crowned 1956 International Grand Champion over all breeds, was bred by Mr. Eaton at Acadia Farms. Troubadour brought the all-time record price of \$20.50 a pound at auction for a total of \$20,397.50 after winning this most coveted award of cattledom.

Mr. Eaton held his earliest business position with John D. Rockefeller, Sr., and through association with the Rockefeller family's oil and natural gas enterprises, gained his first experience in natural resources.

On December 28, 1954, Mr. Eaton announced he was turning his ancestral home at Pugwash, Nova Scotia, into a vacation place for authors, scholars, statesmen, labor leaders, and businessmen. His plan was to give thinking men from all over the world an opportunity to relax together, exchange views, sharpen their own thinking, and design formulas for us to live in this brand new world. Conspicuous among participants of first Pugwash sessions in 1955 was Julian Huxley, world-famed British biologist. In 1956, Mr. Eaton broadened the Pugwash plan to bring together Communist and anti-Communist, Israeli and Arab, in an atmosphere of comradeship.

The main 1957 Pugwash conference, for the first time in history, brought together international nuclear and other scientists, from East and West, to discuss nuclear perils to mankind. They issued a warning that misuse of nuclear energy could mean annihilation of mankind.

The New York Herald Tribune subsequently devoted a major part of its editorial page to an article by Mr. Eaton entitled, "A Capitalist Speaks: Let's Meet the Soviets Half Way." The newspaper backed the article with a leading editorial on the same page lauding Mr. Eaton on his stand. The editorial commented on an appeal by 195 Soviet scientists and a formal resolution by the Presidium of the Academy of Sciences of the U.S.S.R. for a "broad international conference of scientists" to discuss the dangers to mankind of a thermonuclear war.

In response to worldwide demand, a second international conference of nuclear scientists was held under the Pugwash name in Canada in March-April of 1958, while a third Pugwash Conference was convened in Austria in September, under the joint sponsorship of the Austrian Government and Mr. Eaton. An all-time record indoor crowd of 15,000, including Austria's President Adolf Schaerf, jammed Vienna's city hall auditorium to hear 11 of the world's leading scientists report the findings of the Third Pugwash Nuclear Conference, at its final session.

Three additional meetings of international opinion leaders took place in Pugwash itself during the summer of 1958. Greatest public attention was attracted by a conference of 14 leading American, British, and Canadian historians and men of letters, who concluded their deliberations with a call to their colleagues everywhere to "work in co-operation with scientists to help create an atmosphere of common understanding which can prevent the mass suicide of mankind."

Mr. Eaton's visit to leading European countries in late 1958 was marked by a history-making 90-minute interview with Soviet Premier Nikita Khrushchev in Moscow. The Soviet Government took occasion during Mr. Eaton's Russian sojourn to present him with a Troika, national championship team of three matched white Russian stallions, in recognition of his earlier service to Soviet agriculture. In 1955 Mr. Eaton had sent one of his prize Scotch Shorthorn bulls to Russia for improvement of Soviet beef cattle.

Mr. Eaton's vacations are always spent in Canada. Every winter he leads the older of his 13 grandchildren on a skiing expedition in the Quebec mountains, while the whole family joins him in dividing their summers between Deep Cove Farms and Pugwash in his native Nova Scotia.

Mr. Eaton is also noted for his literary and intellectual attainments. He is the author of many articles and essays on economic, philosophical, and political subjects.

ADDRESS TO STOCKHOLDERS

(By Cyrus Eaton, chairman of the board, Chesapeake & Ohio Railway, at meeting marking 175th anniversary of founding of C. & O. by George Washington, College of William and Mary, Williamsburg, Va., April 28, 1960)

Fellow stockholders, we can all take great satisfaction that George Washington, the founder and first president of the Chesapeake & Ohio Railway's predecessor company, excelled as a sound and successful businessman, as well as a superlative statesman.

Washington was a capitalist, both in theory and in practice. In 1785, when our predecessor company was chartered, he opened its stock subscription books at \$200 a share. The enterprise prospered, so that the stock was selling for \$400 a share within a few years.

A question of paramount importance to all of my fellow stockholders today is, I am sure, can we ever again have our stock selling for \$400 a share? My answer is, if all the railroads of America could be emancipated from the bondage of Federal Government regulations, and really be permitted to practice

free enterprise, I am certain we could pursue policies that would again bring our stock to the \$400 level.

Our railroad has done well, it is true, because of the extraordinary dedication and devotion of our entire organization. The C. & O. probably has the most continuous record of success of any railroad in the world. But we can do infinitely better if the Government wraps are removed. You, of course, appreciate that this is a family party, where one can speak with complete frankness.

Last week I devoted a day in Toledo, Ohio, to inspecting our modern docks and examining our matchless new coal-loading facilities. In Toledo we, in fact, have the most modern and most efficient coal docks in the world. We can put 300 cars of coal into a 20,000-ton ship in less than 4 hours. I am vastly impressed with what the Toledo installation represents in human intelligence, skill, and accomplishment.

From Toledo I went to Detroit for a day at the Ford Motor Co. I spent several hours in the Henry Ford Museum, a building that covers 8 acres, all under one roof. The museum displays models of all forms of transportation from the earliest times until now, and also exhibits replicas of material progress in many other fields of industry and science.

My visit to the museum was made in company with distinguished representatives of our Federal Government. All of us became acutely conscious of the vast progress that has been made from the days of the ox-drawn covered wagon to the miracles of modern-day transportation. I said to these Government representatives, "We are looking at a thrilling picture of American accomplishment in the fields of science, industry, and agriculture over the past 175 years. One is accordingly doubly depressed to realize that, in our political institutions and form of government, we are still back in the covered wagon era."

The system devised by our wise Founding Fathers was appropriate for the time when the Federal Government played only a small part in the affairs of the Nation, and when the individual States held most of the authority and made most of the decisions. In recent years, the power and size of the Federal Government have increased far beyond the point contemplated by the Founding Fathers. Let me just cite an example or two of outworn features of our Government.

A Congressman faced with a primary and a final election every 2 years has, in effect, an election every year. His mind must therefore be on what will get him votes, so he consistently appeals to the prejudices and whims of the moment. In this way, he substitutes expediency for sound, fundamental principles. With only 2 years between these congressional contests, as compared with 4 years between Presidential elections, frequent conflict is bound to arise between the legislative and executive branches of Government. Meanwhile, we are forced to witness the biennial spectacle of candidates from the same party fighting each other in the primaries, and furnishing fuel to the opposition by denouncing each other in undignified fashion. I submit that national elections should be held at 4, or perhaps even 6, year intervals, and that all Federal elective offices should be filled at the same time.

Let me give you another illustration that seriously affects our railroad industry. In recent years a total of 75 so-called independent governmental agencies have been created in Washington. The men who run these bureaus are not responsible to either the executive or legislative branches of the Government. The occupants of these offices are human, so they are constantly seeking an extension of their powers. Well-meaning though they are, they consume endless time

in efforts to interpret statutes. They feel that their main task is to crib, cabin and confine American industry and finance, and all of their ramifications. The railroad industry is the most completely regulated. Management is not permitted to use, on behalf of stockholders, the imagination and drive that are essential to success in the capitalist system. One of the weaknesses of our Government that demands sweeping changes is the vast system of bureaucracy represented by these Federal agencies.

I appeal to you stockholders to take a personal interest in these political problems. The main buttress of free enterprise and the capitalist system is the stockholder. If all stockholders of all companies would speak up at one time on a given subject, their voices would have a far-reaching effect on the politicians. In my economic philosophy, I believe every man and woman should be a stockholder in some corporation. I should like to see all men and women who work for companies have a personal stake in the ownership of those companies. This would bring labor and labor leadership into partnership with the management of corporations, big and small, and the combined influence would be irresistible.

We urgently need a revival of the spirit of George Washington, both as applied to business and to Government. We urgently need a new constitutional convention to bring our Federal Government up to date and put it in harmony with the marvelous progress of science, business, industry and finance. The Chesapeake & Ohio Railway, I may add, would be proud to extend the superb facilities of our Greenbrier Hotel for such a constitutional convention.

We have neglected George Washington's example and advice. The father of our country warned us against entangling alliances. He reiterated, again and again, that we should never let our foreign policies be influenced by prejudices against any other nation. We have flagrantly disregarded these two pieces of sound advice. We are now inextricably entangled with one-third of the nations of the world. We are angling for alliances with another third through a lavish foreign aid program. Finally, we are permitting prejudice to lead us into bitter wrangling with the remaining third. As Walter Lippmann wrote a few days ago, the ghost writers of the State Department and the Defense Department cannot compose a letter or issue a statement concerning any part of the Communist world without employing vulgar and opprobrious epithets.

These policies that flout the advice of George Washington are burying us under a crushing burden of taxation. If they are allowed to go to the length of flaring into open war, our people will be annihilated and everything that industry and science have created will be utterly destroyed. If the wise man who founded this transportation system and started his country on the road to greatness were alive today, he would move vigorously to restore us to commonsense and wisdom.

For my peroration, may I borrow a couple of lines from Wordsworth. "Washington! thou shouldst be living at this hour: America hath need of thee."

[From the Commercial and Financial Chronicle, Dec. 4, 1958]

IS THE GLOBE BIG ENOUGH FOR CAPITALISM AND COMMUNISM?

(By Cyrus S. Eaton, chairman of the board, Chesapeake & Ohio Railway; chairman of the board, Steep Rock Iron Mines, Ltd., at meeting of the Economic Club of Detroit, Monday, November 24, 1958; presiding officer, John S. Knight, editor and publisher, the Knight Newspapers)

As a dedicated capitalist, I recently went to Russia to try to see for myself what makes the rival system of communism tick. I

visited the Soviet Union for a relatively brief period, and I do not pretend to have come away with all the answers. But I saw enough to convince me that communism is not likely to crumble from within, despite all the wishful thinking of some of our diehard, sandy-headed, political and economic ostriches.

The Union of Soviet Socialist Republics occupies the largest land area of any nation in the world, and its 200 million people are moving swiftly to make the utmost of the broad array of resources that abound in their vast and varied terrain. You are struck with this sense of both distance and speed as you wing your fast way the comparatively short 1,000-mile journey from Copenhagen to Moscow by giant Russian jetplane in 2 hours.

Your impression of speed is reinforced as you observe the rapid pace with which the Russian people move, even as they walk along the city streets and country roads. You simultaneously observe that they must be ardent devotees of physical fitness, for they combine powerful physiques with abundant good health. Watch them at their jobs, and you conclude that love of hard work occupies a high place in their credo. Especially striking is the large number of women enthusiastically performing tasks that we normally consider the exclusive province of men.

RUSSIANS ARE EAGER TO LEARN

As you visit the Soviet schools and libraries, you are impressed with the obvious eagerness of both young and old to learn. From 5,000 to 10,000 people come each day to Moscow's All-Union Lenin Library, which contains 20 million books and pamphlets. You cannot fail to marvel at the almost universal literacy of a nation in which 40 years ago, 80 percent of the people could neither read nor write.

At the same time, one must not forget that Russia has traditionally held a position of prominence among nations in cultural fields. Some of the world's literary masterpieces have been produced by Russian writers, and the theater, the opera, and especially the ballet, today as in the past, flourish and excel in Russian hands. The museums, particularly in Leningrad, serve as a reminder of Russia's reverence for the arts.

RUSSIANS ARE FRIENDLY AND PEACE-LOVING

Throughout my stay in the Soviet Union, I made a determined effort to meet and talk to as many people of all ages and occupations as possible. Regrettably, I do not speak Russian, so I was obliged to communicate through an interpreter. I did not have to rely on my interpreter, however, to sense that one of the most marked characteristics of the Russians is their friendliness. With this pronounced trait, I feel there goes hand in hand an overwhelming desire for peace. Here, in my mind, lies great hope for the future harmony of the world, for I believe the people of America match the Soviet populace both in capacity for friendliness and in love of peace.

I met the editors of Pravda, Izvestia, and Trud, the three leading papers, as well as a number of magazine editors, and the head of Tass, Russia's wire service. I hardly need point out to this sophisticated audience that Soviet journalism differs markedly from American, but I do want to stress that I was impressed with the intelligence and ability of these leading editors. I also had private conferences with ambassadors and foreign correspondents of leading countries.

RUSSIAN LEADERS ARE ABLE

Able is also distinctly the word for the men who head Russia's Government, industry and banking. I met with seven cabinet members, numerous other government officials, a number of industry leaders and the head of the State Bank of Moscow. Let me say a word concerning Russian banking.

Deposits draw 3 percent interest, while only 2 percent is charged on loans. Credit is extended solely for the building of homes. A Russian can own his own house if he chooses to, but the land on which it is built belongs to the state. There is no rent for the land, but a property tax based on the value of the land. The Russian owns all the furnishings of his home and, if he has an automobile and a radio, those are his property, too. At present, he has to pay cash on the barrel-head for everything. If installment buying is ever introduced in the Soviet Union—and my hunch is that it will come eventually—the consequent increase in demand for consumer products will create a mass market well worth American attention.

RUSSIANS ARE SOLD ON THEIR SYSTEM

I would not know where to look for the American who would want to trade our system for the Russian way. On the other hand, I think we Americans must take full cognizance of the fact that the Russians are enthusiastically sold on their system. In the 40 years since their revolution, they have made immense material and intellectual progress on a mass scale, and they are determined to continue to get ahead. Furthermore, they are as imbued with devotion to Mother Russia as we are with respect for our beloved Stars and Stripes. The nation that succeeded in launching the first sputnik must be taken as seriously as the country in whose laboratories the first nuclear chain reaction was produced.

From my 90-minute interview with Premier Nikita Khrushchev, I believe I gained some insight into the Russian attitude. I hope I also left with him some notion of the intensity with which an American industrialist can and does believe in both capitalism and peace.

Mr. Khrushchev struck me as a powerful personality, utterly lacking in the pretense and pose associated with the stuffed shirt school of pompous politicians and statesmen. He is strong of body, intellect, and will. Short and stocky, he seemed hardly more than half as tall as I, but twice as broad. He looks as though he takes good care of his health. Natural and down-to-earth, he gives frequent evidence of enjoying a good sense of humor.

KHRUSHCHEV EXPLAINS WHY RUSSIANS WANT PEACE

Mr. Khrushchev expounded in detail the reasons why the Russians want peace. First he cited the colossal cost of armaments, and pointed out that, in these days of astounding scientific progress, today's effective weapons may well be obsolete 6 months from now. The more you spend on armaments, in fact, the more you have to spend. Then he quickly enumerated half a dozen programs, to which the Soviet Union has committed itself, and for the rapid accomplishment of which the maximum of money and labor are required.

At the top of his agenda was a broad expansion of schools, colleges, and other educational facilities, requiring hundreds of thousands of new buildings and additional teachers.

Second came an ambitious housing and home building program. "You will observe the great number of apartment houses that have been put up in Moscow," Mr. Khrushchev said. "We have only started. We want every citizen of the Soviet Union to have a comfortable modern home."

Next Mr. Khrushchev called attention to important developments under way in the agricultural field, in which he takes particular interest and pride because of his own farm background. He mentioned that he had opened up great areas of virgin territory. He wants to expand that program, while also introducing the most modern scientific agricultural methods on all farms, old and new.

Also prominent on Mr. Khrushchev's list was a transportation plan calling for new highways as well as substantial additions and improvements to existing railroad facilities. Large-scale expansion of Soviet electric generating and transmitting facilities is also in progress. Attention is also being turned to the chemical industry, and so on down the list.

MR. KHRUSHCHEV SUGGESTS UNITED STATES-U.S.S.R. TRADE AND FRIENDSHIP

"To take our country from its backward position of 40 years ago to the modern ideal we hold for it calls for unlimited capital and for the labor of all of our people," Mr. Khrushchev stated emphatically. He added that machinery, equipment, and materials from the United States could be used in these vast Soviet expansion programs, and that there should be profitable opportunities for trade between our two countries. By engaging in mutual trade, furthermore, he felt that we might find a way of establishing friendship between our two nations.

Then Mr. Khrushchev made the observation that I consider the most significant of the entire long discourse. If by some means, he said, genuine cooperation and understanding could be created between the Soviet Union and the United States, if these two most powerful nations the world has ever seen could come to work together in harmony, all of the political disturbances in every other part of the world would be adjusted by compromise and peaceful means, instead of becoming the occasion for fomenting renewed bitterness and hatred between the United States of America and the U.S.S.R. Both of these giant nations are so extensive geographically and so richly endowed in natural resources that neither needs have much incentive to impose on other countries. If the two giants agree, the rest of the world will pose no major problem. This suggestion, I believe, is realistic and offers promise of a workable peace.

MR. KHRUSHCHEV HEARS THAT CAPITALISM IS IDEAL FOR UNITED STATES

For my part, I told Mr. Khrushchev I thought capitalism had produced excellent results in my country, and would remain the ideal system for us. I reminded him that Andrew Carnegie, perhaps the most successful steel man in our history, had dedicated his large fortune to the promotion of peace and education, and I suggested that the Russians consider Carnegie as a typical American capitalist. I told Mr. Khrushchev that anyone who pictured the American businessman as encouraging war preparation in order to sell more iron ore, coal, and steel, misunderstood the United States. I stated that I had long advocated a working partnership between capital and labor, and that I liked to have the men and women who work for companies with which I am associated become stockholders, as I believed that the ownership of American industry should be widely diffused.

Mr. Khrushchev did not overlook the opportunity to inject good-humoredly at this point that while he considered this a commendable policy, in his country they did even better; the people owned everything. He went on to assert that he had no desire to try to change the form of government or the system of economics of America. He added that the Soviet Union was eager to live on good terms with the United States, and that he wished the United States would stop our worldwide denunciation of the Soviet system, and cease to try to ring Russia with missile and bomber sites. (Neither of us raised the point, but I had a graphic mental image of our own agitated state of mind if the Soviet Union were able to build similar installations in Canada and Mexico.)

DOES U.S. FOREIGN POLICY FOLLOW THE ELECTION RETURNS?

I told Mr. Khrushchev that I had been a lifetime student of Russian history and Russian literature. In recent years, I noted, I had enjoyed meeting Russian scientists, scholars, journalists, and others visiting North America and, from my visit to the Soviet Union, I had become convinced of the friendliness of the Russian people. I expressed the view that we ought to reach friendship and understanding, and that we should trade with each other, and I ventured to suggest that, in due course, the American industrialist, the American labor leader, and the American farmer would demonstrate that they agree with me. Meanwhile, I suggested patience and forbearance on the Russian part. I also invited Mr. Khrushchev to watch the election returns carefully in November, to see if the American voters did not express strong sentiment in favor of fresher and wiser foreign policies.

In the course of our discussion, when I commented on Mr. Khrushchev's ability to speak decisively for his country, he replied emphatically, "Any policy I announce must first be discussed with the cabinet and backed by it. Furthermore, we make no decision unless we are sure it will have the support of the people." Mr. Khrushchev added that the cabinet customarily meets several times a week, and holds daily meetings in times of emergency.

In reply to my question, How can our two countries move toward friendship and understanding?—Mr. Khrushchev said that a first and important step would be a good will visit from President Eisenhower to the Soviet Union. Mr. Khrushchev thought it would be fruitful for the President to determine the friendliness of the Russian people and their Government for himself, and to observe at firsthand the progress that the nation was making. For his own part, Mr. Khrushchev said he would like to pay a visit to the United States and Canada, to see for himself our great cities, our industrial companies, our railroads, and our agriculture. I told Mr. Khrushchev that this sounded like a good sensible program to me, and that, in my modest and unofficial way, I would encourage it.

U.S. SPECIALISTS TESTIFY TO SOVIET PROGRESS

On this subject of see-for-yourself trips, I should like to call attention to three distinguished delegations of specialists who have visited the Soviet Union and come away impressed, in recent months. The steel group was headed by Edward T. Ryerson, retired chairman of the board of Inland Steel Co. Walker L. Cislser, president of Detroit Edison Co., led the electric power group. Prominent among the educational delegation was my long-time friend, Dr. T. Keith Glennan, former member of the Atomic Energy Commission, who not long ago left the presidency of Cleveland's Case Institute of Technology to become head of the new National Space Agency.

No one can conceivably write these men off as being weak in the intellect or lacking in devotion to their country. The accounts they and those who accompanied them have given of what they saw certainly can be accepted as reliable by their fellow Americans. While their reports were issued with restraint, they all emphasize the great progress Russia has made in the respective fields of steel, electric power, and education. What is more, all of these men testify to the friendliness and kindness of the Russian people.

If visits like these can be productive, would it not be worth while to have a political delegation headed by the President go to the Soviet Union? With America spending \$50 billion a year for defense, and the fate of humanity at stake, surely the head of our

Government, with his fine personality and his infinite capability for friendship, can afford to make an attempt to deal directly with his Russian counterpart on the ground.

THE GLOBE IS BIG ENOUGH FOR BOTH CAPITALISM AND COMMUNISM

By this time, I think it must be abundantly clear to you that I emphatically believe the globe is big enough for both capitalism and communism. For capitalism to flourish as I am convinced it can, though, I suggest that rapid and radical changes are required not only in our international relationships, but also in our domestic industrial relationships.

I have already had considerable to say about our foreign policies. Let me go further and suggest that we urgently need a new Secretary of State. Mr. Dulles goes gaily on gambling with the destiny of the world, without restraint from any quarter. Rejected by the voters of his own State when he ran for office in New York, and then elevated to high office by appointment, he evidently is impervious to the 1958 election returns, which his inflammatory activities helped to render catastrophic for the Republican Party. He blithely courts the ultimate world catastrophe of the bomb, without consultation with even the Senate Foreign Relations Committee and the House Foreign Affairs Committee.

U.S. FOREIGN POLICY HAS LOST INTERNATIONAL FRIENDS

Let's take an objective look at the present state of our international relations. When I came to the United States from my native Canada at the beginning of the century, this was the only major nation in the world without a single enemy. Since then we have contrived to tread on the toes of practically every country on earth. We are constantly meddling in both the internal and external affairs of other nations, friendly and unfriendly.

Our critics are not confined to Communist nations. When I traveled through Europe recently, I was chagrined to discover that the newspapers of such countries as Denmark, France, Germany, Austria, and England were unanimously critical of our Formosa Strait policy. Our high Government officials can no longer visit the Republics of South America without inciting riots. In Canada, our near neighbor and best customer, the latest Federal election was won by the party that proclaimed its lack of warmth, if not its downright hostility, to the United States.

U.S. STATE DEPARTMENT SIMULATES THE OSTRICH IN CHINA POLICY

We have elected to invite the enmity of the 600 million Chinese on the mainland, and have substituted for our old friendship with that proud and powerful nation a futile alliance with Chiang Kai-shek, an exiled has-been whom we have installed and maintained on a neighboring island at fantastic expense to the American taxpayer. Thanks to the ostrich-like antics of our State Department, few Americans have been permitted to go see for themselves what is happening in the People's Republic of China. We can take the word of such reliable and distinguished Canadians as James Muir, head of the Royal Bank of Canada, and Dr. J. Tuzo Wilson, president of the International Union of Geodesy and Geophysics, who have been in China this year. Banker and scientist alike testify to the tremendous advances of the Chinese in all fields. Muir's injunction to his fellow businessmen, on his return to Canada, was to trade with China or miss the opportunity of a lifetime.

Now let's consider the alternatives to reaching a livable accommodation with communism. Through the Pugwash Conferences I have for several years been trying to promote understanding on a private and in-

formal level between scientists and scholars of East and West. The proceedings and conclusions of our several Pugwash Conferences of Nuclear Scientists have been made available to the heads of the world's major states, as well as the Pope and the United Nations. From President Eisenhower, India's Prime Minister Nehru, The Vatican, Canada's Prime Minister Diefenbaker, Yugoslavia's President Tito, to name just a few, have come letters endorsing the purpose of the conferences. When I was introduced to Premier Khrushchev in Moscow, his first words were, "I have personally read the proceedings of the Pugwash Conferences, and I want to thank you on behalf of the Soviet people for bringing the scientists of the world together. It is a highly constructive move."

PUGWASH SCIENTISTS WARN AGAINST NUCLEAR ANNIHILATION

At the recent Third Pugwash Conference of Nuclear Scientists, 80 experts gathered from 22 Eastern and Western nations to consider "The Dangers of the Atomic Age and What Scientists Can Do About Them." Bear in mind that all that united these participants was that they were scientists and that they had given much of their individual thought to the implications of modern science for the future of mankind. At the conclusion of their meetings, they reached the unanimous conclusion that enough atom and hydrogen bombs have now been stockpiled by both sides to blow all the cities off the face of the earth and to annihilate all their inhabitants. They further agreed that there is no defense, civil or military, against the bomb.

In the absence of an understanding between the capitalist and the Communist nations, both sides will go on increasing their lethal stockpiles. Twelve years of this cold war have already cost astronomical amounts. Ever increasing expenditures have been accompanied by ever increasing hatred and bitterness. Continuation of the cold war will create a crushing burden of taxation that will bankrupt us.

Meanwhile, make no mistake about this: every day that the arms race continues, the chance of mutual destruction grows greater. Any day, by accident or by design, some fool, some fanatic, even some fumbler, may touch off the explosion that will cause the holocaust. Consider the consequences from your personal standpoint. One hydrogen bomb dropped anywhere within 40 miles of Detroit, whether in the lake or on the land, will obliterate every form of life in this great city and reduce all its institutions to dust and ashes.

FRIENDSHIP WITH RUSSIA VERSUS COLD AND HOT WARS

Which course shall we choose? Certainly the risk in a treaty of peace and friendship with the Soviet Union is fraught with far less hazard to humanity than either the cold war or the hot war.

Assume that we do reach an understanding with Russia. What steps must we take at home to make sure that capitalism will flourish on the same globe that also holds communism?

First we will have to stop fussing about the progress of other countries. The Soviet Union, Red China, India, and Africa are determined to create their own successful industrial civilizations. We will have nothing to fear from any part of the world if we concentrate on upbuilding our own capitalist system.

At the same time, I should like to suggest that our Government quit subsidizing socialism in other countries. If a nation forbids American corporations or individuals to have a financial interest in one of its natural resources or any of its other business institutions, our Government has no business

turning the American taxpayers' money over to that nation to create state-owned enterprises to develop those natural resources or conduct those other businesses.

HOW WE CAN MAKE OUR CAPITALISM FLOURISH

To begin with, all of us, whatever our calling, are going to have to repledge our allegiance to the old-fashioned credo of joyful hard work that originally made America great. We must give close attention to the physical fitness and the mental development of every man, woman, and child in the United States.

Next we must search for further and surer ways to ward off the depressions and recessions with which our economy is periodically beset. Few if any of you will remember the financial panics of 1907, 1914, and 1921. Some of you will recall, and vividly, the depression that began in 1929 and took years to run its course. Our weak banking system was the root of our trouble then and, while we have strengthened it some since, we still have a distance to go.

Black Friday, October 18, 1929, has gone down in history as the fateful day when the stock markets started their downward plunge. The following Monday, October 21, when I was in Detroit for a celebration of the 50th anniversary of the invention of light, with such familiar figures as Thomas Alva Edison, Henry Ford and President Herbert Hoover, word came that panic had struck the markets. The banks started falling all over one another to see which could sell out their customers fastest, in an effort to keep liquid. This, of course, heightened the crisis. Before the ensuing debacle was over, the stocks of sound companies had shriveled almost to nothing, and business had ground almost to a standstill.

Two examples from among my own companies will suffice as illustrations. The stock of a great industrial like Sherwin-Williams, which today has a market around \$190 a share, sold down to \$7 a share. The stock of the conservative old National Refining Co., whose assets in 1929 consisted largely of cash and Government bonds, plummeted from \$50 to 25 cents a share.

I am not attempting to prove that there would have been no 1929 readjustment if our banking system had been stronger, but I do firmly believe we could have avoided the depths to which the combination of weak banks and our own emotionalism carried us. We still need larger and more powerful banks.

UNITED STATES NEEDS RAPPROCHEMENT BE- TWEEN CAPITAL AND LABOR

Now I come to what I consider the most important step we must take to give our capitalism fresh impetus. Just as we need a rapprochement between east and west on the international scene, we need a warmer understanding between capital and labor on the domestic front, with the full approval and cooperation of the farmer.

To get started in this direction, I suggest that, in every important industry in the United States, there should be a meeting at least once a month between top management and labor leaders, to discuss their mutual problems in a friendly spirit. Wisdom and restraint are required on both sides. The business leaders responsible for putting right-to-work legislation on the ticket this year hopefully learned some lesson from the defeat not only of this phony measure, but also of the candidates who went down with it.

NEW U.S. LEADERSHIP NEEDED FOR NEW ERA OF ENLIGHTENED CAPITALISM

Let me conclude on an optimistic note, for I fervently believe that we can carry American capitalism to new heights. We need additional leadership and, with all due credit to the politician, who must be elected,

and to the editor, who cannot get too far ahead of his constituency, I think we must look beyond these old sources. I should like to nominate the industrialist, the labor leader and the farmer, as representing the indispensable elements of dynamic capitalism. Let the teacher, the preacher and the scholar add their best thinking, and I know we can look forward to a new era of enlightened capitalism that will excite the admiration of the entire world.

SUPPLEMENTAL BIOGRAPHICAL INFORMATION ON CYRUS EATON

Born in Pugwash, Nova Scotia, Canada, December 27, 1883. Son of Joseph Howe and Mary Adelle (McPherson) Eaton.

Student Amherst Academy, Woodstock College; A.B., McMaster University, Toronto, Canada, 1905; D.C.L., Acadia University, Nova Scotia, 1946; LL.D., Mount Allison University, Sackville, New Brunswick, Canada, 1957; LL.D., Bard College, Annandale-on-Hudson, New York, 1958.

Married; 6 or 7 children living; 13 grandchildren.

Came to the United States 1900, naturalized citizen 1913.

Held earliest business position with John D. Rockefeller, Sr. Subsequently associated with East Ohio Gas Co.; later organized Canada Gas & Electric Corp. In 1912 began extensive activity in American utility industry and formed Continental Gas & Electric Co., which consolidated a number of electric and gas companies in the American West. Joined Otis & Co., 1916.

Principal business association has been with iron ore, steel, coal, railroads, paint, chemicals, rubber, and lake shipping, as well as public utilities. Also active in agriculture.

In 1929 formed Cliffs Corp. (now Cleveland-Cliffs Iron Co.), holder substantial interest in six important iron and steel companies. In 1930 organized Republic Steel Corp., has led in formation and reorganization many other corporations.

Present corporate offices are: Chairman of the board and director, Chesapeake & Ohio Railway, Steep Rock Iron Mines, Ltd., Portsmouth Steel Corp., and West Kentucky Coal Co.; director, Cleveland-Cliffs Iron Co., Cleveland Electric Illuminating Co., Kansas City Power & Light Co., Sherwin-Williams Co., etc. Past director, Republic Steel, Inland Steel, Youngstown Sheet & Tube, and other companies, including Cleveland Trust Co. and National Acme Co., in Cleveland.

Owner and operator: Acadia Farms, Northfield, Ohio, U.S.A., and Deep Cove Farms, Upper Blandford, Nova Scotia, Canada, specializing in raising purebred and registered Scotch Shorthorn beef breeding cattle, and breeder of record price 1956 International Grand Champion Steer over all breeds.

Founder and sponsor of Pugwash Thinkers Conferences to promote international understanding and stimulate renewal of intellectual life. More than 20 conferences have been held not only at Pugwash but also in the United States and Europe since 1954. Five Pugwash Conferences of international scientists have brought together 112 authorities from 23 nations of East and West to consider ways of diminishing the grave hazards of nuclear, biological, and chemical warfare. The first and second Pugwash Conferences of nuclear scientists in mid-1957 and early 1958 have been acclaimed for paving the way for the official 1958 Geneva conference of technical experts on detection of nuclear weapons tests, the first such official postwar deliberation to result in measurable agreement between East and West.

Since inception of Pugwash Conferences, has conducted a broad speaking campaign in major centers of North America to urge

rapprochement between East and West. After visiting leading European countries, including U.S.S.R. where he was received by Soviet Premier Nikita S. Khrushchev and also had private interviews with eight other leading Soviet Cabinet Ministers and Ambassadors to the Soviet Union from principal nations of the world, delivered a rapid series of major addresses with the common theme, "A Capitalist Speaks: Let's Meet the Soviets Half Way," to record-breaking audiences in key cities in the United States of America and Canada. These public appearances have been widely credited with softening the cold water spirit.

Active in educational and civic affairs. Trustee, University of Chicago, Case Institute of Technology, Denison University and Harry S. Truman Library. Cofounder and lifetime trustee, Cleveland museum of natural history. Director, Cleveland Metropolitan park board, 1930-39. Elector, U.S. Hall of Fame. Member, American Council of Learned Societies, American Historical Association, and American Philosophical Association.

In 1958 elected a fellow of the American Academy of Arts and Sciences. The academy, which is limited in membership to men of "genius and learning," was founded in 1779 to "advance the honor, dignity and happiness of the people."

Author of many articles and essays on international affairs, economics, philosophy, and politics.

Residence, Acadia Farms, Northfield, Ohio, U.S.A. Summer residences, Thinkers Lodge, Pugwash, Nova Scotia, Canada, and Deep Cove Farms, Upper Blandford, Nova Scotia, Canada.

Office, 36th floor, Terminal Tower, Cleveland, Ohio.

MEDICAL CARE FOR THE AGED

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

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

There was no objection.

Mr. LANE. Mr. Speaker, the two major issues of concern to the American people are:

First. Measures to strengthen the military, economic, and political position of the United States in order to improve its leadership of the free world, and;

Second. Legislation to provide health and medical care for the elderly, and to insure them against the costs of hospital, nursing home, and surgical services.

The Federal census will reveal that there are almost 16 million persons in the United States who are 65 years or older.

In the year 1900, they constituted only 4 percent of the population.

Today, they comprise 9 percent of all our people.

Older people have two to three times as much chronic illness as the rest of the population. Most of their illnesses are of the crippling, long-term type, needing extended periods of care or hospitalization.

They have reached the time of life when they need more medical care, but do not have the income to pay for it.

Most persons over 65 either cannot afford, or do not want health insurance policies that are available from

commercial companies and nonprofit organizations. About 45 percent of them do have some coverage under these plans, but the benefits are insufficient, especially in cases of long-lasting illnesses.

In its April 7, 1960, editorial summarizing the testimony given at the U.S. Senate hearings on the health needs of the aged, the Washington, D.C., Post observed:

The one practical way to provide insurance against the health hazards of retirement years is to let people pay the premiums in the form of social security taxes while they are earning wages and are able to do so. This is precisely how they now provide retirement income for themselves under the social security program . . . and this kind of protection is made compulsory because the lack of it would have a disastrous social impact. Those who denounce this proposal as socialistic without proposing any workable alternative, are foolishly doctrinaire. They might just as well oppose . . . as being socialistic . . . the Nation's public schools, fire departments, and parks because these represent communal efforts financed through taxation. One of the fundamental purposes for which the U.S. Government was established, was to promote the general welfare.

The United States is the only large industrialized country where the Government does not, in some form or another, provide medical care for all, or most, of its inhabitants.

Most of the 59 countries of the world which have such programs, provide medical benefits under a social insurance system.

But the United States, which is wealthier by far, than any other country, and which is proud of its ability to solve social and economic problems, is dragging its heels when it comes to providing health insurance for the aged.

Mr. Patrick A. Tompkins, commissioner of public welfare, Commonwealth of Massachusetts, spoke eloquently on this subject at hearings held by the Committee on Ways and Means, U.S. House of Representatives, last year:

H.R. 4700 . . . the Forand bill . . . represents a victory over the most growing, destructive, degenerating evil, experienced by any man or woman; victory over fear. Fear of pain unrelieved, fear of loneliness and rejection by society because of helpless invalidism, due to advanced age alone and to the sin or the virtue of growing old; fear of being unwanted, fear of being an anchor and a hindrance to one's children and grandchildren, fear of the charity ward and its too frequently impersonal, aloof, cold and unfriendly atmosphere, fear of becoming a statistic both in life and in death, fear of physical and mental torment alike, but most of all, fear of loss of intrinsic dignity, graciously and eternally given to man by God and richly and deservedly earned by all aged during their trial on earth.

More than the assured solvency of our voluntary and municipal hospitals and nursing homes, more than a strengthening of our free enterprise system in the purchase of drugs, glasses, and prosthetic appliances, more than the maintenance of the proper economic status of doctors, dentists, nurses, optometrists, and other professional medical practitioners by a reasonable fee for service payment, more than the guaranteed medical and surgical services of an insurance plan, H.R. 4700 becomes a burning flame of hope, a symbol of faith, and living testament to all men in all countries that in America, so

blessed and so enriched by the Almighty, men never need live in fear of anything, and least of all, in fear of growing old.

With all the skills and facilities available in the United States, our people should be the healthiest in the world. But the life expectancy of Americans who are 60 years of age and over, is less than in Canada, Cyprus, Denmark, West Germany, Iceland, Israel, Japan, the Netherlands, Norway, and Sweden.

The reason that many older Americans are not getting the medical care that they need is that they cannot afford it.

Ask the old people themselves and they will tell you that medical care and drugs are first among their unmet needs.

A great many people accept their symptoms, instead of having them treated, because of the expense.

A study of this problem in Boston discovered that people in the lower socioeconomic group cited expense as the reason for not seeking treatment—three times as frequently as those in the higher groups.

Or take the testimony of Mrs. Jennie Herbon, Detroit housewife, aged 69, who is a social security and old-age assistance beneficiary.

She gets \$129 a month. Her basic expenses for rent, utilities, burial insurance and drugs, come to \$79 a month. That leaves this elderly couple with only \$50 a month for food and all other expenses. By economical buying, which means that they have had no fresh meat on the table except chicken in 6 months, they can eat for about \$12 a week. This leaves practically nothing for incidental expenses, including transportation, clothing, recreation, and so forth.

Many times they had to "piece out" their food during the last week before their next social security check came in, so much so that she was blacking out from anemia until her doctor recommended vitamins to supplement the lack of protein in her diet; but of course this added more to her expenses for drugs. Even though she considers herself better off financially than many of her friends and neighbors, she asks the pointed question: "Where then, would they, or I, get the money for Blue Cross-Blue Shield, or even one of those 65-plus plans?"

After all—

As Mrs. Herbon said to the committee—

It is time that America recognized its responsibilities to us old folks. We built the country into what it is today. We furnished the manpower and the war machines to keep America free. We did most of the suffering associated with the troubles through which our country has come in the past 50 to 75 years . . . the hot wars, and cold wars, and, worst of all, the great depression and the hard times.

We raised our families and we contributed through our taxes and social security payments to our own old-age security. Our only real fault is that we seem to have lived too long. But, I ask you, gentlemen, what is wrong with that? We can still be independent and useful citizens if you only give us a chance. All we ask is an opportunity to live out our lives with a sense of personal dignity and self-respect. The Forand bill will help us to do this.

I believe that Mrs. Herbon, the little old lady from Detroit, was speaking for every "senior citizen" in the United States.

What is the Forand bill?

Sponsored by Representative AIME J. FORAND, Democrat, of Rhode Island, it proposes to add health insurance features to the old age, survivors and disability provisions of the social security system.

It provides for 120 days a year of care, including surgical fees, in hospitals and nursing homes. Hospital care alone would be limited to 60 days a year. A beneficiary would have the right to freely select the surgeon of his choice.

This insurance would be financed by an extra social security tax of one-half of 1 percent on employers and employees, and three-eighths of 1 percent on the self-employed. This spreads the cost of health insurance over the whole of our working population and assures a strong financial base for the program.

Opponents of this bill say that it will not help about 4 million persons over 65 who are not covered by the old age and survivors' insurance benefits of the Social Security Act. But this can be corrected by a special appropriation. Eventually, as coverage is expanded, all the younger people will come under the protection of the Social Security Act and no one will be without health insurance.

The administration, on the other hand, proposes a program that shall be financed out of compulsory taxes collected by the National and State Governments that shall pay health insurance does only to the aged who are very poor. This would be based on the means test which is repulsive to the dignity and self-respect of every person over 65.

One cannot say when the Forand bill, or legislation similar to it will be enacted into law.

But one can predict, without reservation, that nothing can stop it.

Walter Lippmann in his column of last Thursday in the New York Herald Tribune, wrote:

In 1798 Congress set up the first medical insurance scheme under the U.S. Marine Hospital Service. The scheme was financed by deducting from seamen's wages, contributions to pay for their hospital expenses. If that was socialized medicine, the generation of the Founding Fathers was blandly unaware of it.

To which I add my own confident belief that health insurance for the aged is on the way.

FITTING THE COMMUNIST PATTERN IN JAPAN

The SPEAKER. Under previous order of the House, the gentleman from Illinois [Mr. MICHEL] is recognized for 30 minutes.

Mr. MICHEL. Mr. Speaker, last fall our Agricultural Subcommittee on Appropriations capped its trip to the Far East with a visit to Japan. The subcommittee members were very impressed with what we saw in Japan. At the testimonial dinner given for me by my friends in Peoria last December 7 after my return, I devoted the greater part of my remarks to our future relations with

our new friend and ally comprising the great industrial complex of Japan. I predicted during the course of those remarks that when the new security treaty would come up for ratification, there would be "considerable trouble fomented by the left-wing elements in Japan." The recent turn of events have borne out my prediction in a much more forceful and effective manner than any of us would have dared to predict.

Mr. Speaker, what has been going on in Japan during the last several weeks should leave no doubt whatsoever in the minds of our people that a vicious Communist minority is responsible for this lawlessness. It fits the pattern and Communist design perfectly.

This is just one of the means by which the worldwide Communist conspiracy is implemented to impose its brutal will upon the entire free world.

V. I. Lenin once explained the methods by which the party could achieve its aims, by propaganda or agitation:

A propagandist * * * must explain the capitalist nature of crises, the reasons why crises are inevitable. * * * In a word, he must present "many ideas," so many indeed that they will be understood as a whole only by a (comparatively) few persons.

This tool of propaganda is used to recruit party members. To enlist mass support, however, the Kremlin, again in the words of Lenin, uses agitation:

An agitator * * * will take * * * a fact that is most widely known and outstanding among his audience * * * and, utilizing this fact, which is known to all and sundry, will direct all his efforts to presenting a single idea to the masses. * * * He will strive to rouse discontent and indignation among the masses.

Communist tactics, in every part of the world, have built the discontent into schemes that include provocative mass meetings designed to ultimately produce mob violence. The party has never deplored bloodshed as a means to gain its ends. God is denied and law and order laughed at as this obstructionist minority moves always to destroy every constitutionally created country and to enslave the free. This is the most serious aspect of the present cold war, as evidenced in the Khrushchev torpedoing of the summit and the incitement to riot of students and Red sympathizers in Japan.

All the while, the Communist Party cries, with tongue in cheek, for "peaceful coexistence." Mr. Khrushchev, in a speech in Leningrad in July 1957, described this as "a policy directed to the strengthening of our mighty socialist camp." He revealed more of the lie behind the cry when he spoke, in January 1959, before the 21st Congress of the Soviet Communist Party, stating that in the field of foreign policy "the fundamental problem of the coming 7 years is to make the most of the time factor in socialism's peaceful economic competition with capitalism."

Clearly, the Kremlin expected peaceful coexistence to last only so long as it desired it to last. Central Intelligence Agency Director Allen Dulles, in an address in December 1959, put a heavier finger on the way of the Soviet. In discussing the tactics the Kremlin had been

using in the recent past and would probably continue to use in the years immediately ahead, he said that in its messages to the West the idea of "coexistence" had been stressed. He then added:

However, to avoid any confusion among the Communist Party faithful, the latter have recently received clarifying directives which point out that: "In the ideological field there never was peaceful coexistence between socialism and capitalism and there can never be."

By this means, communism seeks to convey the impression that its world revolution has been called off, to delude and ensnare the free world into letting down its guard, to become easy prey for the monster.

American diplomacy has been criticized severely, and from many quarters, for the summit failure and the riotous Tokyo fiasco. Blame has been placed here, there, and everywhere, from the President to the State Department and even upon the Congress. We must accept some blame as justifiable, but let me say that, regardless of who sits in the White House, who heads the State Department and who controls the Congress, any diplomacy in dealing with the Communists is hazardous diplomacy.

Let us take a look, for example, at the evidence of Communist support for the recent turmoil in Japan, turmoil that is continuing and will continue.

June 5: At United States-Japan centennial ceremonies at Sakura City, Chiba Prefecture, Transportation Minister Narahashi stated that the then current demonstrations in Japan were directed by the Soviets and Chinese Communists in an attempt to divide Japan from the United States.

June 7: At a visit to the American Embassy, two top officers of the 7-million-member International Council of Youth Organizations in Japan identified the spearhead group of the present agitation as a "minor group manipulated by the Chinese Communists and the Soviets."

June 7: A meeting of the executives of the Federation of Employers Associations stated that the Socialist struggle against the Kishi regime has developed into an anti-American drive, testifying to the fact that the Socialists have fallen into a trap set by the Chinese Communists.

June 8: At the opening of upper House deliberations on the Security Treaty, Prime Minister Kishi stated that some opponents of the treaty advocate neutrality for Japan, but that their true goal is to bring Japan closer to the Communist bloc.

June 10: Refuting the Socialist-Sohyo claim that the Eisenhower visit would constitute interference in domestic affairs, the Yomiuri, one of Japan's big three national dailies, stated that, on the contrary, if the Socialist Party forced a suspension of the President's visit, the Socialist Party could be charged with employing the "influence of a foreign nation in order to deal a blow to our own Government."

June 11: Kishi directly blamed international communism for the demonstrations against Hagerty, saying that the

incident was closely linked with the international Communist infiltration strategy against democratic nations.

Straws in the wind? Certainly, and straws that smack of the old Bolshevik tactics; tactics which will be continued, I am sure, for some time to come.

And there is additional evidence. Tokyo's Japan Times reported in its June 16 English edition that—

A Government statement issued early this morning after an emergency Cabinet meeting describes yesterday's riot at the Diet as "nothing but a planned destructive action agitated by Communists in line with the international Communist principle of taking over the world."

And the Yomiuri, of the same date, reported:

The Communist Party, acting under direct orders from Communist China, is directing the wave of demonstrations against the Japan-United States Security Pact and President Eisenhower's visit to Japan. Liberal-Democratic Diet Member Kosaku said Wednesday * * * Kosaku strongly hinted that the demonstrations were financed by money from Russia and Communist China.

This is typical of the cold-war technique employed by the Communists. They wait for a suitable issue to arise on the basis of which they can cause democracy to lose face, or a basis on which they can successfully provoke mob excitement and violence. The U-2 incident gave them basis for the first, which, with vilification and vulgarity, Khrushchev used to undermine the summit. Fortunately, the reaction of the free world was such that the Soviets, not the Big Three, lost face. A basis for the second method of Communist action was given the Kremlin in the United States-Japan Security Treaty and the Eisenhower visit. On this occasion, the vicious minority was successful.

Let me point out, here, that the Communists are a minority. Even in Russia, with a population of 208 million, there are only 8 million Communists, and, in Japan, within its 92 million population, a mere 80,000. Should such a minority, whose aims are enslavement and domination of the free people of the world, force democratic Japan—or any other of the free nations—to bow to its brutal will? That is the issue at stake. That is the issue that must be decided, one which cannot be dodged by futile partisan debate over foreign policy.

America cannot leave Japan, or any other country of the free world, at the mercy of an arrogant Communist minority. To do so would pave the way to a Communist grab of all the Far East and a stepped-up program, undoubtedly inclusive of nuclear blackmail, against the rest of the world.

I do not profess to know all the avenues by which we can hold Communist aggression in check. We must be alert and we must be militant. We must take calculated risks, just as the President was willing to do in his visit to Japan. We must continue to explore every avenue of hope of freedom and lasting peace despite the fact that the ways of the Communists make such hope seemingly futile.

We must, of course, negotiate from our strength. This the Communists can and will understand. We cannot expect to contain communism from a position of weakness. Along with this, we need a fighting anti-Communist spirit at home, for we need to use our moral and spiritual power as well as our industrial and military as bulwarks against the ungodly threat that makes our present peace a precarious one.

Whatever our course of action, bearing in mind that the basic goal in all our policy is peace with dignity, we must have behind us an enlightened, alert and united people. Every citizen must understand that communism, as it denies God, also denies the very foundation of our civilization, and so destroys everything upon which human rights and the individual value of man have been built. The tragedy of communism is not only that it murders and seeks to destroy but that it considers such acts righteous and moral. And, when it has been successful in inciting bloodshed and riot, it goes merrily on its way to further such despicable acts.

In this year of 1960 alone, the Kremlin has used its satanic ways to incite a series of riots in Korea, Italy, Indonesia, Laos, Brazil, Great Britain and, in our own country, in New York and San Francisco. And then came the confusion and chaos and bloodshed in Japan which led to the request by Premier Kishi that the President cancel his planned visit.

We can expect the same for the immediate future and many years to come. But the infamy must some day run its course, for free men with the will and determination to remain free have always triumphed over tyranny.

THE SAVINGS BOND BONUS ACT

The SPEAKER. Under previous order of the House, the gentleman from Illinois [Mr. PUCINSKI] is recognized for 10 minutes.

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

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

There was no objection.

Mr. PUCINSKI. Mr. Speaker, I have today introduced legislation which will encourage thrift and at the same time will help the Treasury Department convert a substantial part of our Federal debt to non-interest-bearing bonds, thus reducing the annual expenditure of some \$9½ billion which we Americans are paying in the form of interest on the national debt.

The legislation which I have introduced today would be known as the "Savings Bond Bonus Act."

I am very deeply concerned with the fact that this Nation is now forced to appropriate in its annual budget the sum of \$9½ billion for interest alone on the national debt, which today stands at \$289 billion. The annual appropriation for interest on the national debt becomes

even more significant when we consider that the total cost of the Federal Government 20 years ago was only \$8½ billion. It appears, then, that we are now spending more money for interest on the national debt than we did 20 years ago for the total cost of our Government—and I should like to point out that two decades ago, when we were spending only \$8½ billion annually the Federal budget included such items as WPA, PWA, and many other projects designed to bring the Nation out of the prolonged depression.

It is not my purpose at this time to enter into any lengthy debate as to whether or not our Federal expenditures are too high. Certainly, it goes without saying, that Congress should make every effort to bring down the huge national debt. I, myself, am supporting legislation which would require an item in the budget every year to reduce the debt by at least 1 percent annually. Meritorious as the arguments may be for keeping Federal expenditures down, this is not a simple task in view of the present world and domestic situation. However, the fact remains that as long as this Nation has a Federal debt on which we are compelled to pay some \$9½ billion interest annually, we here in Congress should make every effort to find at least a partial solution to this problem. The bill I have introduced today is intended for just that purpose.

Stated in its simplest form, this legislation would permit the Treasury Department to issue a new savings bond to be known as "savings bonus bonds." These bonds would be issued at a face value of \$25 each and would bear no interest. Under provisions of this bill, no individual could purchase more than four of these bonds annually.

The immediate effect of this plan would be that every American could loan his Federal Government up to \$100 a year interest free. This principle was first introduced in America when the Civil War was financed with noninterest-bearing bonds issued by President Lincoln and frequently referred to as "green backs."

As an inducement to encourage people to do this very patriotic thing, under my proposal the Secretary of the Treasury, four times a year, or once in each quarter, would cause to be selected at random among the serial numbers of the eligible savings bonus bond holders the serial numbers of 1,003 bonds. The Secretary would pay to the owner of the first bond so selected a bonus of \$1 million. The second person so selected would receive \$750,000; the third person would receive \$500,000; and the next 1,000 savings bonus bond holders selected would receive a bonus of \$1,000 each.

Under provisions of my proposal, this bonus money would be exempt from income taxation imposed by the United States or any State.

It appears, then, that under my proposal, millions of Americans would be asked to invest in these non-interest-bearing bonds, and as an inducement, they would be eligible to share in these very attractive bonuses four times a year.

I want to point out that this is not a lottery because the legislation provides that these savings bonus bonds shall be redeemable on demand by the holder so that actually the owners of these bonds would continue to retain their money. They would merely be waiving the interest rate on the money they have loaned to their Government. The Treasury Department in turn would apply the revenue from these non-interest-bearing bonds to buy up outstanding interest-bearing bonds on which we are now spending such a colossal sum of money in interest.

I am aware that there might be those who will argue that waiver of the interest by the holder of the bond, which could amount to anywhere from \$3 to \$4 a year, constitutes a lottery, but after studying the various court decisions, I find that there is considerable variance of opinion, and it is my own firm belief that since the owners of these non-interest-bearing bonds could redeem them at any time, this removes this project from the strict sense of a lottery as most of us know it.

As you know, within the common definition of a lottery those who participate in it divest themselves of any further claim on their investment after the lottery has been concluded. This is not the case under the legislation which I am proposing today.

Mr. Speaker, I am aware that many bills have been introduced in Congress to permit a national lottery and many of these proposals would actually deprive our people of their investment once the lottery has been concluded. For instance, under the Irish Sweepstakes, in which thousands of Americans participate annually—and I might say that one of my constituents last year won \$140,000—the amount of money which a participant invests in a ticket is lost forever to this person unless he is fortunate enough to win.

I want to stress that under my legislation the participants would have constant access to their initial investment and could cash in their bonds at any time they needed the money.

One reason I have introduced this legislation and hope it will be approved by Congress is that under our present tax structure in America it is mathematically impossible for a person to accumulate \$1 million in cold cash during his lifetime. It would appear to me that my legislation could very well rekindle the dream of many an American to do the many things he would like to do if he were a millionaire. Since the bonus under my proposal would be tax free, perhaps this is one way to give America a new class of millionaires.

The only limitation in order to make a bondholder eligible for a bonus in any given quarter is that he must have purchased the bond at least in the preceding quarter. In order to eliminate violent fluctuations in the purchase and sale of these bonds, I have proposed that the bonuses be paid four times a year. Thus, while an owner of the bonds may withdraw the bond at any time, he automatically would remove that particular bond from consideration for the bonus in the following quarter.

I have also set a limitation that states each person can purchase only four such bonds a year because I do not want to affect the overall economy of our Nation in any adverse manner. If we did not provide for this type limitation, I fear that too many people in their enthusiasm to support this plan might withdraw large sums of money from conventional savings institutions, and this, of course, we do not want.

My other reason for limiting this to only four savings bonds a year per person is to give everybody in this country, wealthy or otherwise, an opportunity to share in this bonus program.

Under this legislation, once a purchaser bought one of these non-interest-bearing bonds, it would remain effective for as long as the purchaser did not redeem it. Thus every year a purchaser could add four additional certificates to those he had bought in previous years and they would all be eligible for the bonus if selected.

Mr. Speaker, I am advised that the Federal Government is now paying well in excess of 4 percent on all of its short-term bonds, that is, those which mature in less than 5 years. I am further informed that the average interest rate paid on all outstanding obligations which constitute our national debt is 3.3 percent. Since the overall trend seems to be toward the short-term market, it appears that more and more the Treasury Department will be forced to pay in excess of 4 percent interest on the short-term obligations, which in ever-increasing numbers are making up a major portion of our national debt.

On the basis of these figures, therefore, if every wage earner in America loaned Uncle Sam \$100 interest free, the Federal Government would take in during each calendar year approximately \$6½ billion. At 4 percent, this means that the Federal Government would save an estimated \$260 million annually, which it must now pay to borrow this amount of money or which it must pay on outstanding short-term obligations.

The bonus under my plan which would be paid to owners of these non-interest-bearing bonds would be \$13 million a year. Subtracting this amount from the \$260 million that the Government would save in interest, the net saving to the Government the first year would be \$247 million, less the cost of administering this project.

During the first year of this program the savings admittedly would be relatively small, even if every wage earner in the country bought the maximum of savings bonus bonds permissible. But this project takes on very significant meaning if we project it for the next 10 years. If during this next 10-year period every wage earner in this country were to buy four additional bonds each succeeding year, by 1970 there would be some \$65 billion worth of non-interest-bearing bonds outstanding, and the present interest-bearing Federal debt could be converted to a non-interest-bearing Federal debt by this amount. Since the annual bonus paid out by the Treasury Department in 1970 would be the same as in any other year, the total saving to the Federal Government in interest on the Fed-

eral debt by 1970 under my plan would be in excess of \$2½ billion annually.

Since I am mindful of the fact that various pension trusts rely on the interest they earn from their investments with the Federal Government, I am not sure that it would be a good idea to convert the entire Federal debt to a non-interest-bearing debt and, therefore, I believe that under the limitations I have written into this legislation, the likelihood of such a thing happening is highly remote.

I believe this is sound legislation.

Throughout my discussion so far I have used the figure 65 million wage earners, but there is nothing in this legislation that would prohibit a parent, for instance, from purchasing these savings bonus bonds for his children. Thus, we see that properly presented and properly promoted, this program conceivably might attract a good deal more people than I have suggested.

I believe this program would be good for the Nation. It would help people to be more interested in their Federal Government and the financial difficulties it is encountering, and I think it would also give the entire Nation a great deal of pleasure four times a year when the Treasury Department commences to select the fortunate recipients of the quarterly bonuses. I shall leave to the imagination of others an appraisal of the situation in America on the eve, four times a year, of the Treasury's announcement of the bonus recipients. I doubt very much that the press of America would be able to print enough papers to carry the news to the country with the listing of 1,003 recipients on those 4 days during the year, unless they vastly improve the potential of their presses.

Mr. Speaker, I hope this legislation will receive serious consideration by the appropriate committee. It is my firm belief that the tremendous cost of our national debt will plague us for many years to come. I feel confident that the American people, fully apprised of the situation, would be more than happy to loan their Federal Government \$100 a year interest free at a total loss to each such individual of only \$3 or \$4 a year, or at the end of a 10-year period, assuming each of these people bought an additional \$100 worth of bonds every year for a total of \$1,000 worth by 1970, a total loss of \$30 a year in interest, particularly when we consider the very enticing inducement.

There are two significant things I should like to stress:

First of all, any holder of these bonds could cash them in and get the face value of the bond at any time such holder desires to do so. In effect, therefore, under this plan, we are encouraging savings and thrift.

Second, I would like to emphasize that with every 4 additional bonds that a person bought, he would have that many more bonds making him eligible for the bonus. In other words, a person who bought 4 bonds every year would have 40 bonds eligible for a bonus at the end of 10 years, and at the end of 20 years would have 80 such bonds eligible for a bonus.

Under this legislation those who now hold series E savings bonds could, if they wish to waive the interest rate on these bonds, under proper procedures established by the Secretary, convert them to the savings bonus bonds.

I have discussed this legislation with literally hundreds of my constituents, and I can assure you, Mr. Speaker, that the immediate response from every single person to whom I spoke has been, "Put me down for the first saving bonus bond to be issued by the Treasury Department." There is no question in my mind that all of us in this country would not only have a great deal of pleasure—and heaven knows in this troubled world we need a little bit of diversion—but we, as Americans, would be making a great contribution to our Nation at a time when our financial difficulties are mounting.

Since I have limited this legislation to a maximum of \$100 a year invested by each participant, I can see no reason for any serious opposition from the conventional banking or savings institutions. As a matter of fact, I rather hope that the conventional banking and savings institutions of the country will support this legislation because under this plan the Treasury Department could take in billions of dollars annually which are needed for short-term financing and, in this way, perhaps get the Government out of the short-term market and bring down the entire interest structure so that our established banking and savings institutions would again be in a better position to compete for short-term loans.

Mr. Speaker, I am enclosing a copy of my proposed bill. I hope this legislation will get speedy consideration from Congress.

H.R. 12749

A bill to authorize the issuance of savings bonus bonds and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Savings Bond Bonus Act".

SEC. 2. For the purposes of this Act—

(a) The term "Secretary" means the Secretary of the Treasury.

(b) The term "quarter" means a period of three consecutive calendar months beginning on January 1, April 1, July 1, or October 1 of any year.

SEC. 3. (a) The Secretary is hereby authorized and directed to offer for sale to the people of the United States bonds which shall be known as savings bonus bonds.

(b) Each savings bonus bond shall be issued in the denomination of \$25, shall bear no interest, shall be redeemable on demand, shall be issued only to a natural person or persons, shall be registered in the name of the owner or owners, and shall be transferable only in accordance with such rules and regulations as the Secretary may prescribe. Such rules and regulations may permit the transfer of such bonds to fiduciaries (including corporate fiduciaries).

SEC. 4. (a) Once in each quarter, the Secretary shall cause to be selected at random, from among the serial numbers of eligible bonds (as defined in subsection (b)), the serial numbers of 1,003 bonds, which shall be listed in the order selected. Such list shall be known as the quarterly bonus list. The Secretary shall pay to the eligible

owner or owners (as defined pursuant to subsection (c)) of each such bond a bonus in accordance with the following table:

Amount of bonus	
Position on quarterly bonus list:	
1st.....	\$1,000,000
2d.....	750,000
3d.....	500,000
4th through 1003d.....	1,000

(b) The term "eligible bond" with respect to any quarter means a savings bonus bond outstanding at the beginning of such quarter and originally issued prior to the beginning of the quarter immediately preceding such quarter.

(c) The term "eligible owner" with respect to any quarter means a person who, at the beginning of such quarter, did not own more than four savings bonus bonds originally issued to him in any one calendar year. The Secretary may prescribe such rules and regulations as may be appropriate to carry out the purposes of this subsection and subsection (a) in the case of bonds held in individual ownership, coownership, ownership by a fiduciary, and such other forms of ownership as may be permitted.

SEC. 5. The savings bonus bonds authorized by this act shall be issued under the authority and subject to the provisions of the Second Liberty Bond Act. The provisions of section 22 of that act (31 U.S.C. 757c) with respect to utilization of, and compensation for, the services of the Postmaster General, the Post Office Department, the Postal Service, and nongovernmental financial institutions in connection with savings bonds shall be applicable to savings bonus bonds.

SEC. 6. The bonuses authorized by this act shall be exempt from income taxation imposed by the United States, any State, or any taxing authority subject to the jurisdiction of the United States or any State.

PENNSYLVANIA CHAPTER OF FBI NATIONAL ACADEMY ASSOCIATES

The SPEAKER. Under previous order of the House, the gentleman from Pennsylvania [Mr. BYRNE] is recognized for 10 minutes.

Mr. BYRNE of Pennsylvania. Mr. Speaker, I have received a most pleasant request to present some remarks relating to a resolution adopted by the Pennsylvania Chapter of the FBI National Academy in connection with the 25th anniversary of the FBI National Academy, which will be observed on July 29, 1960.

The resolution was proposed and adopted by the Pennsylvania Chapter of the FBI National Academy Associates on May 25, 1960, during their spring dinner held at Dugan's on the Boulevard.

The Pennsylvania Chapter of the FBI National Academy Associates is composed of those law enforcement officers who have graduated from the FBI National Academy, and numbers approximately 200 police executives and educators. The resolution commends the Director, J. Edgar Hoover, for having founded the Academy and for having guided it so successfully during the last 25 years.

The president of the Pennsylvania chapter is Chief John G. Good, of Williamsport; the first vice president is Capt. George W. Purvis, of Pittsburgh; the second vice president is Sgt. Harris

J. Wilson, of Fountain Hill; and the secretary-treasurer is Chief Lawrence H. Shores, Upper Moreland Township, Willow Grove, who forwarded the resolution to me.

Many of the associates are Philadelphia police executives, among them being Chief Inspector Albert J. Trimmer; Inspector Harry G. Fox; Staff Inspectors Edwin S. Shriver, William P. Britton, and Millard T. Meers; Capt. Edward J. Bell and Frank E. Nolan; and Police Academy Superintendent Harry G. Merker.

As a former U.S. marshal of the U.S. District Court for the Eastern District of Pennsylvania, I am well acquainted with the reputation of the FBI National Academy. The new booklet released on June 6, 1960, by the Federal Bureau of Investigation, entitled "Cooperation—The Backbone of Effective Law Enforcement," describes the FBI Academy located at the Marine Corps Schools, Quantico, Va., which is used for training both FBI agents and police officers, as follows:

The FBI National Academy, established in 1935, often is referred to as "The West Point of Law Enforcement." Its purpose is to reduce crime by teaching the most effective methods of combating it and by acquainting law enforcement officers with new and improved techniques. This is accomplished by preparing selected career police officers to serve as instructors and administrators in their own departments.

Two sessions of the Academy, each attended by approximately 60 men, are held every year. The FBI selects those who will attend from men nominated by the heads of their respective departments, and each officer must meet specific requirements in order to be considered. An intensive 12-week course of instruction is offered. There is no charge either to the individual officer or to the department he represents for this schooling, and FBI facilities, including the laboratory, gymnasiums, classrooms, firearms ranges, and training and identification equipment are shared with National Academy students.

More than 3,800 officers have been graduated from the National Academy. Of those still active in law enforcement, 28 percent hold the position of executive head of their respective agencies.

The resolution adopted by the Pennsylvania chapter of the FBI National Academy Associates is as follows:

Whereas July 29, 1960, marks the 25th anniversary of the FBI National Academy;

Whereas we, as graduates of the same, consider it to be one of the foremost forces in the establishment of law enforcement as a profession;

Whereas we are sincerely appreciative of the outstanding training, high prestige, and beneficial associations we have secured through attendance at the Academy;

Therefore, it is deemed most appropriate and timely that the Pennsylvania Chapter of the FBI National Academy Associates laud and pay well-deserved tribute to J. Edgar Hoover, Director of the FBI, for his foresight, sagacity, and outstanding administrative ability, so ably demonstrated in the founding of the Academy, and for the 25 years in which he has been a guiding force in accomplishing the intentions for which the FBI National Academy was created: Now, therefore, be it

Resolved, That on this day we wish to reaffirm our dedication to the ethics and pur-

poses of our profession and to pledge our continued cooperation and support of those principles for which the Academy was founded, namely, the training of police officers as instructors and executives in the profession of law enforcement;

Furthermore, it is directed that our secretary forward a copy of this resolution to William P. Rogers, Attorney General of the United States, and to John Edgar Hoover, Director of the Federal Bureau of Investigation.

GROWTH OF URBAN AREAS

Mr. CHAMBERLAIN. Mr. Speaker, I ask unanimous consent that the gentleman from New York [Mr. HALPERN] may extend his remarks in the body of the RECORD and may include extraneous matter.

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

There was no objection.

Mr. HALPERN. Mr. Speaker, one of the more serious challenges to the Nation is the uncontrolled growth of our great urban areas. About 85 percent of all Americans live entirely within or on the fringes of our cities. Inadequate urban planning in the past has left us with a residue of problems ranging from slums to outdated mass-transportation facilities.

Many of us are deeply concerned with the lack of coordinated guidance to what is actually a national problem. Some of us, including myself, have introduced bills to establish a Department of Housing and Urban Affairs in the Federal Government which could provide leadership to all levels of government in a total attack on the problems of urbanization.

On June 12, our distinguished junior Senator from New York, Senator KEATING, delivered an excellent, thought-provoking address on this subject in Boston before the National Society of Professional Engineers. Senator KEATING's bill to create such a Department was, I am pleased to say, recently reported out by the Senate Banking and Currency Committee—S. 3292.

Because this is a national problem—

The Senator stated—

it calls for a national solution.

The attack cannot be sporadic on the regional, State, or local level. It must be total. It must be a grand design. It must be given the stature and direction of a Cabinet responsibility.

The Department of Agriculture—

He said—

was founded at a time when 80 percent of the Nation's population lived on farms. Today, with that situation literally reversed, in terms of urban population, it seems to me that the time has come for the establishment, in our executive branch, of a new, cabinet-level department especially created and empowered to deal with the problems of expanding population.

Such a Department, he pointed out, could be viewed "as a means of assuring that the cities get a fair share of the substantial funds now being spent on housing, highway and similar problems. In close cooperation with State and local government, it could develop national programs for combating smog, slums,

and traffic snarls just as the Department of Agriculture has developed programs to combat drought, soil erosion and depressed farm income."

It is time, Mr. Speaker, that the House bestirred itself on the need to meet this direct challenge to the orderly development of our cities. A Department of Housing and Urban Affairs is more than just a subject for contemplation, it is a necessity. I appeal for consideration of the problem by the House and for the enactment of legislation which would provide for the responsible representation of urban matters in the Cabinet.

In this connection, Mr. Speaker, under unanimous consent, I include at the conclusion of my remarks the outstanding address on this subject by Senator KEATING, as follows:

Mr. Chairman, members of the National Society of Professional Engineers, it is a heartfelt pleasure for me to be here with you tonight, and to participate in this important meeting.

Tonight I should like to discuss with you the implication of one of the great social phenomena of this century—the unparalleled trend towards urbanization in America. We are all aware of an accelerated population movement from rural to urban areas, but the extent of the migration is not fully appreciated until we are confronted by the cold statistics of this mass displacement. Today 85 percent of Americans are city-dwellers, living either in cities or in the sprawling urban peripheries that have given rise to such a new designation as greater New York, greater Boston, or greater Philadelphia.

What has happened is simple to state, but it is born of a host of social and economic complexities. In our grandfather's day, the farmer hitched up and went to town on market day. In our day, he drives to town—and stays there. Mechanization of farms, consolidation of acreage, and big business marketing methods—have resulted in a massive reduction in farm population. Concurrently, the pressures, economic, social, psychological that urge men from the field to the city have been intensified as the industrial age increases its opportunities and its lures.

I think it is fair to state that the shifting of the population balance from farm to city has caught us all by surprise. Certainly, it is a phenomenon we continue to stare at, mesmerized by its magnitude, rather than to accept its implications and act vigorously upon them.

In a sense, one might say that the city is the little boy that suddenly grew up. His suit no longer fits him. It's bursting at every seam. He has put on weight, he has put on muscle, and he needs to be completely re-tailored, readjusted to the new and different world in which he lives.

I submit to you that the time for such re-tailoring is now. The problem grows as we continue to stare at it, and it's time we begin to cut our cloth and study our designs for a blueprint of the cities of tomorrow, not of yesterday.

It is, of course, true, that those closest to the problem have often appeared to ignore it, as though it were something that might go away if left alone. In far too many metropolitan areas there have been sins of omission and commission which have speeded the onset of urban decay and self-strangulation.

This log jam of neglect and out-dated thinking must be broken. We need to develop a fresh, creative attitude about the kind of city planning that responds to the needs of the times. There is much talk of the modern "design for living"—but the

designers seem more concerned with the fragments than with the whole. Sometimes I think we are plagued by a split-level mentality. Our homes are geared for the present. Our cities are geared for the past.

Our vocabulary is full of new words—urbanite, suburbanite, exurbanite, but our planning is tethered to the hitching post of horse-and-buggy days.

What we need is to initiate a bold and imaginative change in our whole concept of the demands of this new urban age. Only in this way will we be able to cope with the task of making our cities more liveable and of insuring their social and economic viability.

Last January, in his State of the Union Message, President Eisenhower drew attention to the explosive growth of our metropolitan areas. He cited the fact that by 1975 those areas will occupy twice the territory they do today. In my opinion, the fact of the President's underscoring of this vital problem augurs well for the prospect of his executive approval of the idea of a Department of Urbiculture.

Clearly, the crises which face all major cities today are of vast dimensions. They range from slums to juvenile delinquency, from crime problems to financing problems, from water and air pollution to the need for additional parking and recreation areas.

As you are aware, the Federal Government has already come to the assistance of our municipalities by means of a variety of important programs. This help is provided notably in the field of housing, but grants are being made also for urban and metropolitan planning, and public works projects are an integral part of Federal aid to communities.

Because this is a national problem, it calls for a national solution. The attack cannot be sporadic, on the regional, State, or local level. It must be total. It must be a grand design. It must be given the stature and the direction of a cabinet responsibility.

The Department of Agriculture was founded at a time when 80 percent of the Nation's population lived on farms. Today, with that situation literally reversed, in terms of urban population, it seems to me that the time has come for the establishment, in our executive branch, of a new, Cabinet-level Department especially created and empowered to deal with the problems of expanding urbanization.

To that end, I have formally placed before the Senate a bill authorizing the creation of a Department of Urbiculture in the Executive Branch of our Government. I intend to push it as strongly as I possibly can.

This projected Department could center attention on the many unique city and suburban problems of national scope and importance. It would allow the coordination of numerous existing Federal programs directed at the metropolitan areas of the country. It would promote consideration of the interests of the Nation's city dwellers at the highest levels of Government.

I look to a Department of Urbiculture as a means of assuring that the cities get a fair share of the substantial Federal funds now being spent on housing, highway, and similar programs. In close cooperation with State and local governments, it could develop national programs for combating smog, slums, and traffic snarls just as the Department of Agriculture has developed programs to combat drought, soil erosion, and depressed farm income.

I should like to emphasize that this Department would not seek out new means for Federal interference in urban affairs.

Its prime and constant function would be the task of providing guidelines, advice, programming and planning assistance, and overall cooperation and coordination intended

to assist our cities and localities in solving their own problems. In a word, the proposed Department of Urbiculture would subscribe fully to the philosophy that the best answers to the problems of the people lie as close as possible to the people themselves.

Already a first beginning has been made by official recognition of the need for action.

On September 10, of last year, the proposal for a Study Commission on Metropolitan Problems passed the Senate. It is presently under consideration in the House.

Wherever Americans live, the city is the very heartbeat of their social and economic lives. To the extent that any city is made a better, healthier, more productive place in which to live and raise one's family, the whole of our Nation is the benefactor. Conversely, inadequate urban planning, or no planning at all, robs the present of its opportunities and robs the future of its rightful heritage.

Surely no one group is more aware than you engineers are of the extent to which physical conditions constitute either the shaping forces of growth or the eroding forces of decay in our urban communities. A healthy, vigorous urban climate is the atmosphere of dynamism and prosperity. A climate choked by the weeds of neglect, of backwardness, of civic apathy, is not the garden where progress grows. It's all dressed up to be a graveyard—for opportunities that die a premature death.

The time is past when we can stand by in bemused fashion and watch the malady of our cities spread. This is not a remote challenge. It is a challenge of today—a challenge that confronts us wherever we turn. Let us meet it in the only way it can be met—with courage. And let us beat it in the only way it can be beaten—with action.

The entire problem is a challenge to all of us as Americans, but it represents a special and provocative challenge to you and to the members of your profession throughout the Nation. The modernization of our city agglomerations is not a mere matter of spending money. It is, above all, an exercise in imagination, in vision—a projection of trained minds beyond the doorway of the present into the vistas of the future. Only the gifted and dynamic forces of your intellects and talents can create the physical America-to-be—can untether us from the past and build the setting proper to a new, expanding and evolving national life.

In this exploding new era, we must look to men equipped to handle the kind of urban explosions that challenge us—that cry for attention and solution.

As engineers, you are, in the truest sense, shapers of history. No one group of professional men has changed the economic and social fabric of our Nation to the extent that you have. The creative work of your minds is the yeast of ferment that has transformed, remolded, revolutionized the daily lives of millions of people. You have brought the gifts of work, of achievement, of opportunity, of happiness, to an entire population.

This tremendous influence of your imagination, your discoveries, your amelioration of conditions of life must be more than a source of gratification to you. It must carry with it, as well, a sense of the responsibility that develops upon you, precisely because of the magnitude of your influence.

In this connection, I am referring to the added responsibility of your role in the direction—the political direction—of the Nation whose pattern of life you have been so instrumental in creating and developing. Government must not be conceived as in-

cidental in your careers—as a kind of fringe interest that commands your attention periodically. Good government—effective government, the best possible government, must be a constant preoccupation of men like yourselves. It must be conceived by you—not as an automatic democratic process that will run forever with the occasional oiling of new ideas and new approaches—but as a living democratic process that has to be nurtured, enriched, improved, if its full benefits and blessings are to be assured to the people.

For this reason, I would urge an intensification of your personal interest in the political life of your community and of your Nation. Do not isolate yourself from the forces that determine the course of history, be it local history or national history. Cultivate an interest in the issues, in the candidates, in the platforms that are placed before your minds, that compete for your favor. Accord them the personal commitment of time and analysis that they deserve. Remain immersed in, rather than isolated from, the stream of history that must affect so many lives, not the least of all your own.

To the extent that we Americans consider politics as a kind of occult science, with participation of a limited number of practitioners, we miss the whole point of true democracy.

DETERMINATION OF STOCKOWNERSHIP OF PERSONAL HOLDING COMPANIES

Mr. JOHNSON of Colorado. Mr. Speaker, I ask unanimous consent that the gentleman from California [Mr. KING] may extend his remarks at this point in the body of the RECORD.

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

There was no objection.

Mr. KING of California. Mr. Speaker, on June 16 I introduced H.R. 12691, a bill relating to the determination of stock-ownership of personal holding companies.

The following statement is to briefly outline the purpose of the legislation.

ATTRIBUTION OF STOCKOWNERSHIP FOR PERSONAL HOLDING COMPANY PURPOSES

A corporation cannot be classified as a personal holding company under the Federal tax laws unless more than half its stock is owned by five or fewer individuals. The Internal Revenue Code, at section 544(a)(1), provides that stock owned by a trust or estate "shall be considered as being owned proportionately by its beneficiaries."

This amendment clarifies this rule by providing specifically, as was originally intended, that the ownership be divided among the beneficiaries of the trust or estate in proportion to their actuarial interests.

The amendment is necessary at this time because of recent indications that the Internal Revenue Service may attempt to attribute the entire value of trust stock to the income beneficiary—even though the actuarial value of the interest of the remainder beneficiary was as great or greater than that of the income beneficiary. This attempt may be based on statements in a 1943 opinion of the Tax Court—*Steuben Securities*

Corp. (1 T.C. 395)—which go beyond the issue submitted to the court in that case, and on a Service ruling under the stock option provisions of the code—Revenue Ruling 58-325—which was itself based on the same statements in the Tax Court opinion. These statements were rejected in a subsequent decision of a U.S. court of appeals—*Phinney v. Tuboscope Co.* (268 F. (2d) 233)—and are clearly contrary to the intent of the Congress.

In providing that ownership be proportioned among beneficiaries, it was certainly never intended to exclude beneficiaries holding remainder interests. An apportionment in such cases on the basis of an actuarial determination obviously reaches the proper result, and is in accord with the principle followed for determining ownership under other provisions of the code.

Being of a clarifying nature, the amendment is made applicable from the effective date of the 1954 Code.

DISCLOSURE OF COUNTERPART EXPENDITURES

Mr. JOHNSON of Colorado. Mr. Speaker, I ask unanimous consent that the gentleman from Wisconsin [Mr. REUSS] may extend his remarks at this point in the RECORD.

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

There was no objection.

Mr. REUSS. Mr. Speaker, the other body last night added to the legislative appropriation bill, 1961—H.R. 12232—an amendment requiring the public accounting of counterpart expenditures of Members and employees of either body. The amendment was adopted by a roll-call vote of 56 to 31. The entire bill, as amended, passed by a roll-call vote of 81 to 0.

The amendment is substantially identical with measures offered by myself and by other Members of this body over the last 4 years designed to bring about public accounting of congressional foreign travel expenditures.

Recent press stories have complained of alleged abuses in congressional travel accounting. I have great confidence in the integrity of the Members of this body. In my opinion, the best way of vindicating that integrity is to make full and straightforward disclosures of travel expenditures. This House has rightfully opposed secrecy in the executive branch of the Government. Secrecy should likewise have no place in congressional travel expenditures.

Accordingly, Mr. Speaker, I hope that the conferees on the part of this body will go along with the amendment made by the other body. If they do, I am confident that the House will approve the bill, containing the counterpart reporting provision, just as unanimously as did the other body.

News accounts of last night's amendment report that "the Senate put the House on the spot." We can get off the spot readily and with dignity by accepting the amendment.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to Mr. HOGAN (at the request of Mr. ALBERT), for today, on account of official business.

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. FLOOD, for 1 hour, on Thursday.
Mr. RHODES of Pennsylvania, for 60 minutes, on Friday, June 24, and 60 minutes, on Tuesday, June 28.
Mr. MACHROWICZ, for 60 minutes, on Monday, June 27.
Mr. PUCINSKI, for 10 minutes, today.
Mr. BYRNE of Pennsylvania, for 10 minutes, today.
Mr. BROCK, for 10 minutes, tomorrow.
Mr. SCHWENGL (at the request of Mr. CHAMBERLAIN), on June 22, for 30 minutes.
Mr. BRAY (at the request of Mr. CHAMBERLAIN), on June 29, for 15 minutes.
Mr. CHAMBERLAIN, on June 24, for 30 minutes.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the CONGRESSIONAL RECORD, or to revise and extend remarks, was granted to:

Mr. METCALF.
Mr. BOLAND and to include extraneous matter.
Mr. FEIGHAN in two instances and to include extraneous matter.
Mr. LINDSAY and to include extraneous matter.
(At the request of Mr. CHAMBERLAIN, and to include extraneous matter, the following:)
Mr. CUNNINGHAM.
Mr. SCHERER.
Mrs. DWYER.
(At the request of Mr. JOHNSON of Colorado, the following Member was granted permission to revise and extend his remarks in the CONGRESSIONAL RECORD and to include extraneous matter.
Mr. ANFUSO in two instances.

ENROLLED BILLS AND JOINT RESOLUTION SIGNED

Mr. BURLESON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills and a joint resolution of the House of the following titles, which were thereupon signed by the Speaker:

H.R. 1543. An act for the relief of Angela D'Agata Nicolosi;
H.R. 2007. An act for the relief of May Hourani;
H.R. 3242. An act for the relief of Mrs. Virginia Lee Sage;
H.R. 5530. An act for the relief of Lella Bernstorff Grauert;
H.R. 5738. An act to authorize the Secretary of the Army to transfer to the Waukegan Port District the commitment of the city of Waukegan, Ill., to maintain a public

wharf in Waukegan Harbor on land conveyed to the city in 1914, and for other purposes;
H.R. 5850. An act for the relief of the Borough of Ford City, Pa.;

H.R. 6149. An act for the relief of Wesley C. Newcomb;

H.R. 6456. An act concerning payment of debts out of compensation for trust land on the Lower Brule Sioux Reservation taken by the United States;

H.R. 6498. An act concerning payment of debts out of compensation for trust land in the Standing Rock Sioux Reservation taken by the United States;

H.R. 6529. An act concerning payment of debts out of compensation for trust land on the Crow Creek Sioux Reservation taken by the United States;

H.R. 7480. An act to amend the Federal Food, Drug, and Cosmetic Act, with respect to label declaration of the use of pesticide chemicals on raw agricultural commodities which are the produce of the soil;

H.R. 7847. An act to make the uniform law relating to the record on review of agency orders (Public Law 85-701) applicable to the judicial review of orders issued under the Federal Aviation Act of 1958 and the Food Additives Amendment of 1958;

H.R. 8457. An act for the relief of Richard Schoenfelder and Lidwina S. Wagner;

H.R. 9028. An act to provide that certain funds shall be paid to the Kickapoo Tribal Council of Oklahoma;

H.R. 9226. An act for the relief of Pietro Mela;

H.R. 9552. An act for the relief of Lt. Col. Alonzo C. Tenney;

H.R. 10631. An act for the relief of George T. Moore, Carl D. Berry, and Dr. Harold J. Heck;

H.R. 10639. An act to amend section 3(b) of the act of May 9, 1958 (72 Stat. 105) relating to the preparation of a roll of the members of the Otoe and Missouri Tribe and to per capita distribution of judgment funds;

H.R. 10840. An act to amend Public Law 85-626 relating to dual rate contract agreement;

H.R. 11161. An act to donate to the pueblos of Zia and Jemez a tract of land on the Ojo del Esprit Santo grant, New Mexico;

H.R. 11615. An act to amend section 4 of the Watershed Protection and Flood Control Act;

H.R. 11706. An act to authorize an extension of time for final proof under the desert land laws under certain conditions;

H.R. 11952. An act to repeal the act of May 29, 1958, which authorized and directed the Administrator of General Services to provide for the release of restrictions and reservations contained in an instrument conveying certain land by the United States to the State of Wisconsin;

H.R. 11985. An act to make American nationals eligible for scholarships and fellowships authorized by the National Science Foundation Act of 1950;

H.R. 12115. An act to extend the minimum national marketing quota for extra-long staple cotton to the 1961 crop; and

H.J. Res. 696. Joint resolution to provide for the designation of the month of September 1960, as "National Wool Month."

ADJOURNMENT

Mr. JOHNSON of Colorado. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 57 minutes p.m.), the House adjourned until tomorrow, Wednesday, June 22, 1960, 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:

2280. A letter from the Assistant Secretary of the Interior, transmitting a draft of proposed legislation entitled "A bill to make nationals, American and foreign, eligible for certain scholarships under the Surplus Property Act of 1944, as amended"; to the Committee on Government Operations.

2281. A letter from the Assistant Secretary of the Interior, relative to drainage works and minor construction, and submitting a draft of contract relating to proposed drainage work exceeding a total cost of \$200,000 on the Wellton-Mohawk Division, Gila project, Arizona, pursuant to the act of June 13, 1956 (70 Stat. 274); to the Committee on Interior and Insular Affairs.

2282. A letter from the Assistant Secretary of the Interior, transmitting for approval drafts of contracts covering drainage works and minor construction required for completion of the drainage construction program on the Roza Division of the Yakima project, Washington; to the Committee on Interior and Insular Affairs.

2283. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, Department of the Army, dated May 27, 1960, submitting a report, together with accompanying papers and illustrations, on a cooperative beach erosion control and interim hurricane survey of the south shore of Long Island from Fire Island Inlet to Montauk Point, N.Y., authorized by section 2 of Public Law 520, 71st Congress, approved July 3, 1930, as amended and supplemented, and Public Law 71, 84th Congress, approved June 15, 1955 (H. Doc. No. 425); to the Committee on Public Works and ordered to be printed with six illustrations.

2284. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, Department of the Army, dated June 1, 1960, submitting a report, together with accompanying papers and an illustration, on a review of reports on Vermillion River and tributaries, South Dakota, requested by resolutions of the Committees on Public Works, U.S. Senate and House of Representatives, adopted on February 29, 1956 and June 13, 1956 (H. Doc. No. 426); to the Committee on Public Works and ordered to be printed with one illustration.

2285. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, Department of the Army, dated May 27, 1960, submitting a report, together with accompanying papers and an illustration, on an interim report on Texas City Channel, Tex., requested by a resolution of the Committee on Public Works, House of Representatives, adopted April 21, 1960 (H. Doc. No. 427); to the Committee on Public Works and ordered to be printed with one illustration.

2286. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, Department of the Army, dated June 1, 1960, submitting a report, together with accompanying papers and an illustration, on a review of reports on Brazos Island Harbor, Tex., requested by a resolution of the Committee on Public Works, House of Representatives, adopted on July 29, 1955 (H. Doc. No. 428); to the Committee on Public Works and ordered to be printed with one illustration.

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. WALTER: Committee on the Judiciary. H.R. 7209. A bill to amend the Immigration and Nationality Act to accord Korean war veterans equal naturalization privileges, and to authorize the Attorney General to admit certain aliens who have served in the Armed Forces of the United States for a period aggregating 5 years as permanent residents; with amendment (Rept. No. 1925). Referred to the Committee of the Whole House on the State of the Union.

Mr. PORTER: Committee on Post Office and Civil Service. H.R. 8424. A bill to amend section 505 of the Classification Act of 1949 with respect to positions in the Library of Congress; without amendment (Rept. No. 1926). Referred to the Committee of the Whole House on the State of the Union.

Mr. THOMPSON of New Jersey: Joint Committee on the Disposition of Executive Papers. House Report No. 1927. Report on the disposition of certain papers of sundry executive departments. Ordered to be printed.

Mr. LANE: Committee on the Judiciary. H.R. 5435. A bill to extend the Federal Tort Claims Act to members of the National Guard when engaged in training or duty under Federal law, and for other purposes; with amendment (Rept. No. 1928). Referred to the Committee of the Whole House on the State of the Union.

Mrs. GRANAHAN: Committee on Post Office and Civil Service. H.R. 12595. A bill to clarify the law with respect to transportation of airmail, and for other purposes; with amendment (Rept. No. 1929). Referred to the Committee of the Whole House on the State of the Union.

Mr. DAVIS of Georgia: Committee on Post Office and Civil Service. S. 2575. An act to provide a health benefits program for certain retired employees of the Government; with amendment (Rept. No. 1930). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ANDERSEN of Minnesota:

H.R. 12741. A bill to provide a reduced third-class (bulk) mail rate for local mailings of small business; to the Committee on Post Office and Civil Service.

By Mr. BOGGS:

H.R. 12742. A bill to amend the definition of a small business corporation for purposes of subchapter S of chapter 1 of the Internal Revenue Code of 1954; to the Committee on Ways and Means.

By Mr. CUNNINGHAM:

H.R. 12743. A bill to prescribe policy and procedure in connection with construction contracts made by executive agencies, and for other purposes; to the Committee on the Judiciary.

By Mr. DOWDY (by request):

H.R. 12744. A bill to repeal the provisions of the Reorganization Plan No. 5 of 1952 relating to the Real Estate Commission of the District of Columbia; to the Committee on the District of Columbia.

By Mrs. DWYER:

H.R. 12745. A bill to amend section 701 of the Housing Act of 1954 (relating to urban planning grants), and title II of the Housing Amendments of 1955 (relating to public facility loans), to assist State and local governments and their public instrumentalities in improving mass transportation services in

metropolitan areas; to the Committee on Banking and Currency.

H.R. 12746. A bill relating to the reporting of expenditures from the contingent fund of the House of Representatives and of expenditures of counterpart funds by Members of Congress; to the Committee on House Administration.

By Mr. FOLEY:

H.R. 12747. A bill to increase the salaries of assistant U.S. attorneys and certain other attorneys appointed by the Attorney General; to the Committee on the Judiciary.

By Mr. McMILLAN:

H.R. 12748. A bill to authorize the Commissioners of the District of Columbia on behalf of the United States to transfer from the United States to the District of Columbia Redevelopment Land Agency title to certain real property in said District; to the Committee on the District of Columbia.

By Mr. PUCINSKI:

H.R. 12749. A bill to authorize the issuance of savings bonus bonds, and for other purposes; to the Committee on Ways and Means.

By Mr. ROOSEVELT:

H.R. 12750. A bill to authorize an appropriation for the special milk program for children for the fiscal years 1962 and 1963; to the Committee on Agriculture.

By Mr. TEAGUE of Texas:

H.R. 12751. A bill to amend chapter 11 of title 38, United States Code, to provide that certain medical questions involved in veterans' claims shall be referred to medical panels appointed by the Director of the National Institutes of Health; to the Committee on Veterans' Affairs.

By Mr. VAN PELT:

H.R. 12752. A bill to amend section 1478, title 10, United States Code; to the Committee on Armed Services.

By Mr. WALTER:

H.R. 12753. A bill to amend the Subversive Activities Control Act of 1950 so as to require the registration of certain additional persons disseminating political propaganda within the United States as agents of a foreign principal, and for other purposes; to the Committee on Un-American Activities.

By Mr. BURKE of Massachusetts:

H.R. 12754. A bill to relieve certain members of the Armed Forces from liability to repay to the United States certain payments erroneously made to them; to the Committee on the Judiciary.

By Mr. CELLER:

H.R. 12755. A bill to amend section 960 of title 18 of the United States Code; to the Committee on the Judiciary.

By Mr. HERLONG:

H.R. 12756. A bill to amend the Tariff Act of 1930 as it relates to clinical thermometers; to the Committee on Ways and Means.

By Mr. OLIVER:

H.R. 12757. A bill to provide for the humane treatment of animals used in experiment and tests by recipients of grants from the United States and by agencies and instrumentalities of the U.S. Government, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. PHILBIN:

H.R. 12758. A bill to amend the Internal Revenue Code of 1954 so as to permit certain tax-exempt organizations to engage in certain activities for the purpose of influencing legislation directly relevant to the purposes which qualify such organizations for tax exemption, without losing certain benefits under that code; to the Committee on Ways and Means.

By Mr. SISK:

H.R. 12759. A bill to amend title V of the Agricultural Act of 1949, as amended, and for other purposes; to the Committee on Agriculture.

By Mr. BECKWORTH:

H.R. 12760. A bill to amend title II of the Social Security Act to increase from \$1,200 to \$2,400 the amount of outside earnings permitted each year without deductions from benefits thereunder; to the Committee on Ways and Means.

By Mr. McMILLAN:

H.R. 12761. A bill to provide for the bonding of persons engaging in the repair, remodeling, alteration, conversion, or modernization of residential property; to impose limitations on the assertion of mechanics' liens where payment has been made for work in connection with the repair, remodeling, alteration, conversion, or modernization of residential property, and for other purposes; to the Committee on the District of Columbia.

By Mr. TEAGUE of Texas:

H.J. Res. 767. Joint resolution providing for a study by the Veterans' Administration into the problems of veterans who are elderly, chronically ill, or otherwise handicapped, and providing for the establishment of a pilot project of assistance to veterans' organizations operating convalescent centers for disabled veterans, to gain experience in the practicability of such a program; to the Committee on Veterans' Affairs.

By Mr. LESINSKI:

H. Con. Res. 703. Concurrent resolution to authorize printing as a House document "Volume 1: Number of Inhabitants of the 1960 Census of Population"; and providing for additional copies; to the Committee on House Administration.

PRIVATE BILLS AND RESOLUTIONS

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

By Mr. BOLAND:

H.R. 12762. A bill for the relief of Dr. John M. Zytkeiwicz; to the Committee on the Judiciary.

By Mr. BURKE of Kentucky:

H.R. 12763. A bill for the relief of Harry Zegart; to the Committee on the Judiciary.

By Mr. FARBSTEIN:

H.R. 12764. A bill for the relief of John L. Afros; to the Committee on the Judiciary.

By Mr. FOGARTY:

H.R. 12765. A bill for the relief of Marie Silva Arruda; to the Committee on the Judiciary.

By Mrs. KELLY:

H.R. 12766. A bill for the relief of Turenne Jean; to the Committee on the Judiciary.

By Mr. LANE:

H.R. 12767. A bill to provide tax relief for certain pension and annuity funds and the contributors thereto; to the Committee on the Judiciary.

By Mr. WESTLAND:

H.R. 12768. A bill for the relief of Ki Su Mou; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause I of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

502. By Mr. CHIPERFIELD: Petition of citizens of Rock Island, Ill., area in favor of H.R. 1354; to the Committee on Interstate and Foreign Commerce.

503. By the SPEAKER: Petition of Roy Bateman, city secretary, Fort Worth, Tex., with reference to enacting legislation repealing the special excise taxes on the transportation of passengers; to the Committee on Ways and Means.