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PROCEEDINGS AND DEBATES OF THE 88th CONGRESS, FIRST SESSION

SENATE

THURSDAY, APRIL 4, 1963

The Senate met at 11 o'clock a.m., and was called to order by the Vice President.

Rev. Wayne R. Woods, pastor, Augustana Lutheran Church, Washington, D.C., offered the following prayer:

The Lord be with you. Let us pray.

Lord and Father, have mercy upon us. We are sinful men. Our motives are mixed, and our words often drip with deceit. We are weak and inadequate for the heavy work we have been given to do.

Create in us clean hearts, O God, and put a new and right spirit within us.

It is good to remember Jesus Christ and his strengthening word, "I am with you always."

Bless our Nation and these who are its leaders. Grant them a heaven-sent wisdom by which they may perceive Thy will and Thy purpose amidst the revolutionary confusion of our time. Through their decisions, let justice roll down like waters, and righteousness like an ever-flowing stream—for all the people.

So may Thy Kingdom come on earth, beginning here and now. Amen.

THE JOURNAL

On request of Mr. MANSFIELD, and by unanimous consent, the reading of the Journal of the proceedings of Wednesday, April 3, 1963, was dispensed with.

MORNING HOUR DISPENSED WITH

On request of Mr. MANSFIELD, and by unanimous consent, the morning hour was dispensed with.

ECONOMIC AND POLITICAL IMPLICATIONS OF COMMON MARKET TO THE UNITED STATES

Mr. MANSFIELD. Mr. President, on behalf of the Senator from Alabama [Mr. SPARKMAN], I yield 2 minutes to the Senator from Delaware [Mr. WILLIAMS].

The VICE PRESIDENT. The Senator from Delaware is recognized for 2 minutes.

Mr. WILLIAMS of Delaware. Mr. President, on April 1, 1963, at the Conference on Industrial Property Protection, at Villanova University, the distinguished Senator from Nebraska [Mr. HRUSKA] delivered an address on "The Economic and Political Implications of the Common Market to the United States." It is a sound appraisal of some of the problems which currently cloud our relationship with the European Economic Community.

The EEC is the world's largest market for farm imports. Its agricultural system is mostly antiquated, and is not equipped to compete efficiently with American producers. Yet the Community has embarked upon a highly protectionist policy in this area. Because of this, great injury already has been suffered by certain parts of American agriculture; and more trouble looms on the immediate horizon.

In his address, the Senator from Nebraska pointed out additional areas of concern, and raised some interesting questions. Do our antitrust laws provide sufficient safeguards for American firms competing abroad, especially in the growing markets of Africa and South America? Are our laws adequate to prevent foreign producers from selling goods in this country at prices lower than those for which they are sold in the home country or in some third country? What proof and procedures should be required to show that our producers are being injured by such discriminatory practices?

Free trade is a two-way street; and the Senator from Nebraska has ably pointed out several areas which are causing some restrictions in one of the lanes of traffic.

Mr. President, I ask unanimous consent that the Senator's timely remarks on the Common Market be printed in the RECORD.

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

THE ECONOMIC AND POLITICAL IMPLICATIONS OF THE COMMON MARKET TO THE UNITED STATES

(Remarks of Senator ROMAN L. HRUSKA at the Conference on Industrial Property Protection, Villanova University, April 1, 1963)

It is a great pleasure to appear on this program. I consider myself deeply honored. The memory of this evening's fellowship will remain with me for a long time, for your conference has brought together a group of outstanding authorities whose contributions throughout these 3 days will provide an impressive study on the subject of "Industrial Property Protection."

What a splendid way to exchange ideas, views and information—in the company of men who have gained high respect and wide distinction in their respective areas of study. To see and hear them, to participate in panels where questions pinpoint specific areas of interest, and to have the opportunity to discuss the issues which develop with associates possessing like interests—all these activities fulfill the conference goals, which I take to be the gathering of information which can be put to use in your particular areas of work.

I speak as one who has participated in similar searches in the legislative field for some years. I know of no more effective method than the one you are employing to obtain a working knowledge of the foundations and complexities of that extraordinary enterprise, the Common Market, which is giving Europe a vigor and direction without parallel in its history. The Federal Bar Association, Villanova University, and Georgetown University are therefore to be commended for arranging this stimulating conference.

The panel of prominent speakers includes at least a half dozen who have journeyed across the Atlantic to be with us. This is gratifying. After all, they live close to the Common Market; some of them have an official connection with its present activities and had a decisive role in their initial development. It is well that they should participate in the program with others who engage daily in, and help shape the destiny of, the Common Market which is on this side of the Atlantic, and is now enjoying its 175th year of successful venture.

There is much we can learn from one another.

A NEW WORLD POWER IN THE MAKING

The creation and establishment of a new world power is no easy accomplishment. There are very few meaningful precedents to study as it does not happen often. In terms of human resources it takes enormous energy and incredible ingenuity to bring about such a result. In the past decade we have witnessed the gathering momentum for such a phenomenon. And today we face the accomplished fact.

The United States rejoices in the success of that effort.

It has been our policy from the inception to favor and encourage the fusion of European interests, just as it is American policy to similarly encourage and be of assistance to our Latin American neighbors.

In the immediate postwar years, a stable, prosperous Europe was deemed to be of paramount importance in preserving the common freedoms of the Atlantic nations.

Uppermost then was the thwarting of further Communist aggression and subversion. This involved political and military considerations. Their handling would have been difficult, if not impossible, without vigorous, orderly economic growth in the threatened areas. The strength of any military alliance is drawn from the well-being of all of its component parts.

More recently, another mutual responsibility has arisen through assistance to the poorer and underdeveloped nations. If this goal is to be attained, we must have increased, and certainly continued, economic prosperity on both sides of the Atlantic.

The Common Market is described by some as being a supranational organization following a Federal pattern. Others refer to it as containing merely the seeds of supranationalism. Perhaps the caution of the latter characterization is well warranted. The advocates of a "Europe-of-Fatherlands," a loose confederation of member states as opposed to a more closely unified organization, are very insistent.

AUTHENTICATED U.S. GOVERNMENT INFORMATION GPO

In what direction the ultimate political development of the Community shall go is an issue which will not be settled for a long time. Moreover, I venture to say that the pattern will emerge quite gradually.

Obviously with a new economic power in being and a political one in the offing, it will behoove America to guide her actions and protect her own interests accordingly.

It is my purpose tonight to comment briefly on some of the areas in which the Congress will have an especial interest. With my observations goes a caveat, however, that the thinking of the Congress is still very fluid.

Basic assumptions which seemed so valid at one moment, such as Britain's entry into the Common Market when the trade expansion bill was enacted, have had to be discounted. Faced with so many unknowns, whose dimensions, let alone numbers, are yet to be fathomed, the Congress can well afford to remain conjectural about most of the apparent problems. Tonight I am taking a leaf from that notebook.

AGRICULTURE

The Treaty of Rome necessarily extends to agriculture and agricultural products and provides for the establishment among the member states of a common agricultural policy.

This constitutes one of the most difficult, complex, and far-reaching problems of any with which the six countries of the Common Market must grapple. By its nature, agriculture is on a different footing than are the other sectors of a national economy. Left to his own devices, the farmer cannot keep up with the rest of the economy. This is as true in Europe as it is in America, although for different reasons.

The European Economic Community is the world's largest market for farm imports. Its farm system is in the main antiquated and not sufficiently productive to be competitive with modern methods. It is far from being self-sufficient. In contrast, the United States is the greatest producer of many farm products the Community needs. Moreover, we are the most efficient producer in terms of manpower and machines. As a low-cost producer we can, in many instances, ship to the markets in Western Europe our farm products at a lower delivered cost than some, and perhaps most, of the countries can raise the products themselves.

For true free traders, this is a perfect situation because it would call for opening the doors to imports from a country which can more efficiently and economically produce the farm stuffs for the European consumer. The European farm laborer could then be released for more profitable occupations in other areas of the economy, whether they be industrial, commercial or otherwise.

But things just have not worked out that way.

First, because Europe wants to be self-sufficient in food production and, secondly, because the farm situation is more a matter of politics than economics—as I am sure you all are aware.

In the European Economic Community 1 out of every 4 persons belongs to the farming population, comprising a total of some 40 million. They till about one-tenth of the acreage farmed in the United States and require at least twice as many workers to do it. Their farms number 9 million as against our 5 million, with an average size of about 4.5 acres as against one 18 times that area in the United States. This tends to place their agricultural economy to a dismal level of inefficiency and high productive costs.

Just the same, the European Economic Community is embarking upon a highly protectionist policy as to farm products. Keeping its agriculture isolated and insulated, it hopes to hammer out a policy that will insure an adequate income for its farmers, increase agricultural productivity, balance production and consumption and supply food to the consumer at reasonable prices. Little wonder the member nations find themselves unable to devise a workable solution to their agricultural problem. When we scan the scope of such a policy, we can only exclaim: "What an order."

But the protectionist policy which the European Economic Community is forging and implementing vitally and directly affects American industry and trade beyond agriculture.

Variable import levies on certain farm stuffs went into operation on July 1 of last year. "Variable" is an appropriate term for the device by which the Community expects to obtain a protected, artificially priced market for the product. The designated import fee is of any size necessary to make certain that the product would not come into the Community at a price lower than the target price established throughout the six countries.

Its success is, as would be predicted, brilliant. For example, in the case of broiler poultry going into West Germany, which was our principal poultry market among the Six, exports dropped from 31.0 million pounds in the last quarter of 1961 to 10.8 million pounds in the same period of 1962. The reason? The duty plus variable levy was raised on last July 30th from 4.8 cents per pound to 12.5 cents per pound. The combined charges of each of the other countries were increased in about the same degree. As a result, poultry exports everywhere dropped precipitously. For this market our poultry trade has been seriously hurt.

Similar trouble looms in other product areas, especially wheat and feed grains, as soon as the six Common Market countries can compose the serious difficulties among themselves to agree on a target price.

The Common Market is by far our largest foreign market for farm products, particularly for sales in hard currency. In recent years our farm exports to the Common Market have averaged better than $1 billion a year. That is nearly a third of our total agricultural exports sold for dollars. Ten years ago the United States exported 100 million bushels of wheat. Last year the figure was 700 million. To have farm exports cut off or even heavily reduced would produce serious repercussions.

What interest will Congress take on this point? When the Congress enacted the Trade Expansion Act last year, which gave the President substantial authority to negotiate the reduction of foreign import restrictions by granting reductions of U.S. import restrictions, Congress attached an amendment which hopefully will set the tone for all future trade and tariff negotiations.

The statutory language, thrashed out in committee and conference, is designed to obtain a tough policy at the bargaining table. The President is directed not to grant additional concessions to countries that are imposing variable fees or other import restrictions which are contrary to existing trade agreements. He is also authorized to cancel previous concessions made to countries which persist in such practices.

You might like to know that some of us in the Congress pressed vigorously for mandatory action upon the President in such cases but the effort was beaten down.

The reason for urging the requirement of mandatory action in this area had good foundation. Far too often trade negotiations would be undertaken and completed on manufactured goods before any consideration would be given to agricultural products. Bargaining stock was usually dissipated by the time discussions reached that latter point on the agenda, with the disappointing result that the elimination of foreign restrictions on agricultural imports lagged far behind the elimination of restrictions on manufactured goods.

Recently, however, we have had some encouraging news in this regard. Secretary of Agriculture Freeman, testifying before one of our Senate committees on this very point, announced:

"And our policy, the policy of our Government, is very clear, and I think very important, that agriculture will be an integral part of the negotiations, and that we are going to negotiate across the board, and we are not going to put agriculture in a corner and say, agriculture for agriculture, cow for cow, hog for hog, and automobile for automobile, which on an item by item basis was done before, leaving agriculture to the last, when the problem became almost insuperable.

"This is a very significant recognition by the administration, by Mr. Herter, by the State Department, and it will be very important to agriculture in the basic long-term negotiations. They of course include more than just the Common Market. These negotiations include all the nations in the free world."

It will be with keen interest that Members of Congress await developments in this area. Industrial exporters who wish to sell to the United States must recognize that expanded trade in industrial goods cannot be realized if U.S. agricultural exports are oppressively restricted. The agricultural policy now enunciated by the six member states will neither strengthen the Common Market nor promote trade alliances. While the American farmer has a primary stake in the outcome, the issue affects more than his foreign markets and the European consumer's pocketbook. Possibly the unity, and certainly the strength, of the free world is involved.

EXTRATERRITORIAL ANTITRUST

It is not my intention to dwell at length on the subject of our antitrust laws and how they affect American foreign commerce. This subject was thoroughly examined in your conference earlier today. But I would like to refer briefly to the hearings conducted by the Senate Antitrust and Monopoly Subcommittee 2 weeks ago and leave with you some impressions which may indicate possible areas of future congressional interest.

Considerable testimony was devoted to the Webb-Pomerene Act which, as you know, was enacted to promote our export trade. Under this act, American companies may associate to engage in export trade. There are, however, substantial limitations on what these companies can do under the act.

For example, such an association must not be in restraint of trade within the United States or of the export business of any domestic competitor of the association. Moreover, the act does not permit export associations to enter into international cartel agreements.

The Chairman of the Federal Trade Commission, Paul Rand Dixon, reported that the number of export associations registered under the Webb-Pomerene Act has dwindled steadily over the years and that in the first half of 1962, there were only 29. Little wonder, in view of the limited scope of the act.

Assistant Secretary Behrman of the Department of Commerce pointed out that the EEC's antitrust laws and regulations might permit a European cartel or restrictive combination to engage in foreign trade practices that a Webb-Pomerene association would be barred from doing. American firms could thus be placed at a disadvantage in foreign markets such as Latin America, Africa, and Asia. The suggestion followed that our an-

titrust laws might need to be amended to place American firms on an equal footing abroad.

On the other hand, Assistant Attorney General Loevinger, in charge of Antitrust Division, testified that these laws need no relaxation—that for the foreseeable future the "rule of reason" is an ample safeguard for American firms competing abroad. But is that enough assurance for American firms? Will such vagueness spur them to go confidently ahead to do battle in the trade markets of the world?

What about their competitors based in the Common Market? Does the Treaty of Rome prohibit them from restraining competition outside the Common Market? It would appear not to. Would it make any difference if such external restraints were to result in a distortion of competition within the Common Market? The treaty is silent on this question. It might make a difference, but we can only speculate on this point.

Let us assume that restraints outside the Common Market having effect within it may ultimately be held to violate the Treaty of Rome. Still, compare the differences between our antitrust laws and those of the European Economic Community. For example, restraints against competition may be exempted under the Treaty of Rome if, with certain limitations, they contribute to the promotion of economic progress within the Common Market. Mr. Dixon points out that American law would condemn some of these restraints as per se violations of section 1 of the Sherman Act. Hence we are confronted with the serious question whether the so-called "rule of reason" permits American businessmen to venture forth into the world with the same confidence and encouragement with which their European brethren embark.

Our balance-of-payments problem is sufficiently urgent to require an imaginative reappraisal of our antitrust laws as they apply to foreign commerce. In this connection it has been suggested to be in the interests of the United States—and, indeed, all of the nations of the free world—that there be sought an international treaty against restraints of trade.

To quote from the report of the Attorney General's 1955 Committee To Study the Antitrust Laws: "We cannot * * * depend on the gradual evolution of foreign law to protect the American economy against international cartels."

At the moment we can only speculate as to whether the European Economic Community Commission will be liberal or conservative in the application of its antitrust laws and regulations. But I believe Congress should be prepared to balance the scales if and when the rulings of the Commission make it clear that it does not intend to curtail the foreign trade practices of European businesses in a manner that American firms are restrained by the extraterritorial effect of our antitrust laws.

ANTIDUMPING STATUTES

As if the disadvantages imposed on American firms in the foreign arena were not enough, they must also contend domestically with dumping practices of some foreign businesses. "Dumping" occurs when a producer sells his products in a foreign country at a price below what he charges in his own country and so low as to be injurious to producers in the foreign country.

Foreign businesses have good reasons for selling their surplus goods here for lower prices than in their own countries. It is economically beneficial to them—and they are not subject to the Robinson-Patman Act.

Under our present statute it is very difficult for an American firm to show adequate injury as a result of such practices.

Here is an area that the Congress should carefully reevaluate. The Robinson-Patman Act prohibits discriminatory pricing within the United States by American firms. It may well be appropriate to consider amending the act so that it applies as well to foreign businesses which sell their goods in the United States at discriminatory prices, that is, at prices lower than those they charge in their home country.

THE DRAFT CONVENTION FOR A EUROPEAN PATENT SYSTEM

U.S. Patent Commissioner Ladd gave you his views in the morning session on the Draft Convention for a European Patent System. I join him in congratulating the authors of the draft. It is truly an outstanding achievement. But I share his disappointment in the possibility that the European patent may be effectively restricted to nationals of the contracting countries.

There is now a very substantial exchange of technological information and industrial property rights between the countries of the European Economic Community and the United States. It is difficult to comprehend why anyone would want to curtail this most useful relationship. It could have been expected that the Congress is perplexed that this remarkable document—the draft of the European Patent Convention—should set forth as an alternative that the European Patent System be in effect a closed shop.

Commissioner Ladd has given you some of the practical and legal reasons for such concern. I shall add but one further consideration.

We have provided, and still provide, to our European friends a common market of 50 States in which they may exploit their inventions under the protection of our patent laws. This may be done, not by filing 50 patent applications, not by filing six, but by filing just one. The patent that issues on this single application may be exploited in the vast common market that is the United States. America would not want it any other way.

For this reason, I find it difficult to believe that anyone would want to impair so forward-looking an institution as the proposed supranational European patent system by denying, or severely impeding, the availability of European industrial property protection to nationals of countries that are not parties to the convention. That would simply be retrogression, with consequences which cannot be foreseen.

CONCLUSION

If I have dwelled on some of the disappointing implications of the Common Market, it is because we in the Congress are concerned about them. But it is not my intention to leave you with the impression that I take a dim view of the organization in general.

On the contrary we can take a great deal of comfort in the progress made by the Community. The six countries appear headed for an order similar to our own. Certainly whether we have served as a precedent, the organization holds more promise than what previously existed on the Continent. While it remains to be seen if it can develop a better order of things than we have, there is no question that it will be an improved order for the Common Market countries.

It would be highly inaccurate to say that our interest in such development is paternalistic, but our pleasure at witnessing the rejuvenation of the Common Market countries is understandable. Beyond the challenge that stems from our businessmen trading there, we can sense the assurance that this new world power will be a significant and immediate force for European stability and world freedom.

URBAN MASS TRANSPORTATION ACT OF 1963

The Senate resumed the consideration of the bill (S. 6) to authorize the Housing and Home Finance Administrator to provide additional assistance for the development of comprehensive and coordinated mass transportation systems, both public and private, in metropolitan and other urban areas, and for other purposes.

The VICE PRESIDENT. The question is on agreeing to the amendment of the Senator from Oregon [Mr. MORSE].

Mr. SPARKMAN. Mr. President, I ask unanimous consent that there may now be a quorum call, and that the time required for it not be charged to the time available under the agreement.

The VICE PRESIDENT. Is there objection? The Chair hears none, and it is so ordered. The clerk will call the roll.

The Chief Clerk proceeded to call the roll.

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

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

COMMITTEE MEETINGS DURING SENATE SESSION

On request of Mr. HUMPHREY, and by unanimous consent, the Subcommittee on Internal Security of the Committee on the Judiciary and the Subcommittee on Public Lands of the Committee on Interior and Insular Affairs were authorized to meet during the session of the Senate today.

URBAN MASS TRANSPORTATION ACT OF 1963

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Mr. HUMPHREY. Mr. President, I know that the pending amendment is the Morse amendment. A conference on that subject is going on right now. I ask unanimous consent that, without taking time from either side on the Morse amendment, I may be permitted to address the Senate for not to exceed 15 minutes.

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

THE YOUTH EMPLOYMENT ACT: A STATEMENT OF THE FACTS

Mr. HUMPHREY. Mr. President, the Senate and the House of Representatives are making encouraging progress in the consideration of the Youth Employment Act. S. 1 will soon be placed on the Senate calendar; floor action is scheduled within the next few days. The House

Education and Labor Committee has already reported the House bill favorably. Both Senate and House bills are remarkably similar in all fundamental respects. As principal sponsor of the Youth Employment Act, I am indeed hopeful that prompt and favorable decisions will be returned by both Houses.

I compliment the distinguished Senator from Pennsylvania [Mr. CLARK] and the distinguished gentleman from Kentucky, Mr. PERKINS, for their outstanding labors in both Houses in behalf of the proposed legislation. They could have been satisfied to rush this legislation through perfunctory hearings and executive sessions. Instead, the controversial aspects of both the Youth Conservation Corps and the Hometown Youth Corps were inquired into and examined with great care. The opponents of the legislation were permitted every opportunity to state their objections, marshal their arguments, and question witnesses. The hearings published by both Senate and House committees contain a wealth of information and opinions regarding the Humphrey Youth Act.

This morning I rise to set forth the fundamental reasons for my 7-year advocacy of title I of the Humphrey youth bill, the Youth Conservation Corps. Often it is helpful to have the principal author of legislation discuss the bill's basic purposes and objectives. I hope to do this with all the candor, objectivity, and frankness at my command.

In discussing the basic purposes of the Youth Conservation Corps, I plan to analyze the major arguments that have been raised by the opponents of the proposal. It is possible to identify three basic issues that have been developed through the hearings and committee consideration. First, it is alleged that the training and work experiences available to enrollees in the Youth Conservation Corps are not adequate to the employment demands of our contemporary society. Second, it is charged that the cost of the program is excessive in relation to ultimate benefits. Finally, it is alleged that the program will have little impact on the overall problem of youth unemployment.

These are serious allegations. They warrant answers that are frank and forthright. If the proponents of this legislation cannot provide adequate answers, they have no business advocating the Youth Employment Act in Congress or before the American people.

Mr. President, I believe we have the answers. They are answers based on facts, not opinions; dollars and cents, not good intentions; and hard results, not mere promises. The problem of youth unemployment touches every section of the country, every city, town, and village. The tragedy of the enormous waste of human resources clearly places this problem above short-run political considerations. If this is possible, I have no doubt that the American people—particularly the hundreds of thousands of unemployed young people—will be the ultimate beneficiaries.

BASIC CAUSES OF YOUTH UNEMPLOYMENT

First, the objectives of the Youth Employment Act must be understood in relation to the basic causes of our youth unemployment problem. If we go to the roots of this problem, what do we find?

We find an economy that is lagging far behind its potential in terms of providing new jobs for both adults and young people. We find an elementary and secondary school system that often fails to provide the education each American child rightfully deserves. We find a society that considers vocational education to be second-rate education and has never provided adequately for such instruction. We find the American society—both urban and rural—undergoing profound transformations that radically alter the traditional modes of employment, family living, and social organization.

Do the proponents of the Youth Employment Act claim that the Youth Conservation Corps or the Hometown Youth Corps will provide the solutions to these root causes? Of course they do not. But anyone claiming to "solve" the problem of youth unemployment had better be ready to deal with each of these questions. For here lie the roots of the problem. Here are the causes.

What do the proponents of this legislation claim? They say simply this: the Youth Employment Act provides opportunities for assisting thousands upon thousands of young people who are victimized by the problems of sluggish economic growth, inadequate educational systems, automation, urbanization, and social disorientation.

While the Nation wrestles with solutions to these basic problems, can we afford to sit quietly by, with hands folded, and permit these young people to lose all chance for productive and meaningful lives? The President of the United States, the Senator from Minnesota, Members of Congress from all sections of the country, scores of private organizations, and thousands of private citizens say, "No."

It is interesting to note that many persons opposing the Youth Employment Act also oppose the President's program for tax reduction and reform, the legislation to foster educational improvement on the elementary, secondary, college, and postgraduate levels, urban renewal, and expanded vocational educational opportunities.

In the 87th Congress, for example, the same persons who now oppose the Youth Employment Act for the reason that it fails to provide sufficient vocational training voted to eliminate training allowances for young persons—16 to 21—in the Manpower Development and Training Act. The same persons attempted to cut the entire manpower retraining program in half by reducing the program's authorization from 4 to 2 years.

Alternatively, most Senators supporting the Youth Employment Act are also counted as vigorous supporters of President Kennedy's recommendations to attack the basic domestic problems that are the roots of youth unemployment.

In short, the proponents of the Youth Employment Act want to provide job opportunities for thousands of unemployed young Americans even though such job opportunities, in themselves, will not solve the basic causes of this unemployment. But such opportunities will do a great deal toward alleviating its devastating impact on individuals and on society at large.

WHY THE YOUTH CONSERVATION CORPS WILL WORK

Are the programs contained in the Youth Employment Act capable of accomplishing even this limited task?

Opponents of the Youth Conservation Corps tell us that what filled the needs of the 1930's is not sufficient to meet the needs of the 1960's. This, I submit, depends entirely on the nature of the needs that existed in the 1930's as compared to the needs that still exist today.

As studies of the Civilian Conservation Corps have demonstrated, the primary need that existed among CCC enrollees was the opportunity to develop reliable, dependable, and mature work habits. After all, the most fundamental of all so-called job skills is the ability to appreciate the value of work—hard work—for its own sake. An individual possessing a highly developed technical competence and lacking this ability is just as poor an employment risk as the most unskilled school dropout.

I devoutly hope our civilization has not reached a plateau of technical sophistication where hard, honest labor is no longer necessary. My personal experience, as corroborated by expert testimony at the recent Senate hearings, suggests quite another answer. The personal qualities of reliability, maturity, dependability, and honesty far outrank in importance any specialized technical ability that may be taught to a young worker.

Frankly, Mr. President, I believe the opponents of the Youth Employment Act actually accept the proposition that sound work habits form the basis for any successful employment experience. Their own careers indicate the value of hard, dedicated work. In fact, I am still hopeful we can convince them of the great potential residing in the Youth Conservation Corps for bringing hope, enthusiasm, and self-fulfillment to America's forgotten youths.

If the crucial importance of nurturing these attributes among unemployed young people is acknowledged then I maintain that the Youth Conservation Corps is uniquely able to develop such personal qualities to a degree not possible in other vocational or occupational training programs.

The entire experience of the Civilian Conservation Corps stands as compelling evidence to this central fact. In my testimony before the Employment and Manpower Subcommittee chaired by the distinguished Senator from Pennsylvania [Mr. CLARK], I referred to a study of 272 boys from Cleveland who had enrolled in the CCC. This study was undertaken by the School of Applied Social Sciences at Western Reserve University and the conclusions are well worth repeating:

> The values which these 272 boys received from their camp experiences seem to fall into two general classifications: those having to do with the more or less concrete

factors of improved physical health, increased weight, and financial gains, and those having to do with the intangible but significant factors of greater maturity, increased self-confidence, and general security. As we review the experiences and comments of these boys, we are impressed with the values from which many of them benefited, but we are impressed, too, by the responsibility placed on the individual boy for seeing and obtaining these values.

Let me also quote from the conclusions of another study, "The Administration of the Civilian Conservation Corps," undertaken at the Johns Hopkins University in 1937:

Perhaps the most noteworthy achievement and the most beneficial result of the Civilian Conservation Corps program has been the development of good citizenship among the enrollees. The President (Franklin D. Roosevelt), in emphasizing the spiritual values of the project said, "Through you the Nation will graduate a fine group of strong young men, clean living, trained to self-discipline and above all, willing and proud to work for the joy of working." In their contacts with the administrative personnel, both camp and project, as well as with their fellow workers, the enrollees learned some of the valuable lessons of life. They learned to give and take, that honesty, sobriety, and truthfulness are the best policies, and above all how to live with others.

What young man ever outgrows the need for these qualities? To borrow the phrasing of certain opponents of S. 1—if the CCC provided such opportunities for young men in the 1930's, the Youth Conservation Corps will fill a similar need today.

Most of the enrollees in the Youth Conservation Corps will have dropped out of school prior to graduation. They will have failed in their attempt to acquire a basic education. They will have failed again in their attempts to locate permanent employment. They will be prisoners of their failures, prisoners of their local environment, and prisoners of their own discouragement.

The Youth Conservation Corps offers these young men an opportunity to break this chain of self-perpetuating defeats and failures and substitute in their place a unique experience of accomplishment and self-fulfillment.

They will leave their depressing local surroundings for a totally new start, among new companions and friends. They will travel to a well regulated community under the direction of experienced camp foremen. They will receive work assignments within their capacity to complete satisfactorily. They will participate in additional educational and training activities. They will engage in organized recreation, sports, and intracamp activities. Each of these factors will play an important part in transforming the outlook, attitudes, job skills, and employability of the YCC enrollees.

WORK EXPERIENCES IN THE YCC

What types of on-the-job work experiences will be available in the YCC camps? While this will vary according to specific camp locations, it is possible to identify the broad spectrum of tasks already planned for YCC enrollees.

Mr. President, I ask unanimous consent that a list of projected work projects as supplied by the Department of Agriculture and the Department of the Interior be printed at this point in my remarks.

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

TYPES AND DESCRIPTION OF CONSERVATION WORK WHICH YCC ENROLLEES CAN ACCOMPLISH

The following types of work are available for accomplishment by a YCC on national forests and grasslands, experimental forests, national parks and monuments, wildlife refuges, fish hatcheries, Indian reservations, public domain lands, State parks and forests, and other public lands and related installations:

SOIL AND WATER DEVELOPMENT

Stabilizing eroded gullies and drainage channels, sheet erosion control, stabilizing dunes and earth slides, controlling erosion on roads and trails, water spreading, flood prevention, and stream pollution control. Stabilization of recent burned areas, brush control, permanent modification of vegetative cover for increasing production of the most valuable vegetation for consumption and watershed protection.

This work involves reseeding, reforestation, contour trenching, small dam construction, and fencing or ripraping of erodible areas by both hand and machine.

TIMBER STAND IMPROVEMENT

Gathering seeds for nursery production; propagation of trees in nurseries; hand and machine planting of seeds or seedling trees on understocked, lightly stocked, or burned forest areas and submarginal farmland; and thinning, pruning, weeding, release cutting, and plantation care to increase the productive condition of forested lands.

RANGE RESOURCE DEVELOPMENT

Type conversion and revegetation of depleted ranges; machine, chemical, and hand labor control of noxious or poisonous range plants and farm weeds, reconstruction or rehabilitation and maintenance of existing range improvements; construction of new improvements such as range fences, stock water developments, cattleguards, and stock trails. Control of rodents harmful to range lands.

RECREATION FACILITIES

Develop new camps and picnic grounds, swimming areas, boating and winter sports areas, visitor information facilities and services such as museums, exhibits, nature trails, outdoor amphitheaters, scenic vistas, and roadside rest stops. Provide essential facilities such as roads, parking areas, adequate sanitation, cleanup, safe water, fire prevention, and safety conditions on public recreation areas. Install picnic tables, fireplaces, shelters, restrooms, and water supplies. Rehabilitate and maintain existing facilities.

Salvaging and preserving artifacts from known sites of archeological remains that may be threatened with loss or damage through construction activities. This includes work at protected sites that need further investigation and preservation.

This work involves carpentry, masonry, machine and equipment operation, and related skills.

WILDLIFE HABITAT IMPROVEMENT

Planting game food and cover in forest and grassland areas; developing wildlife openings, food patches, water supplies, and game ways in dense vegetation; improving fishing streams and lakes by stabilizing banks, planting streamside cover, constructing channel improvements, and cleaning up streams and lakes. Taking game census, population surveys, and surveys of habitat use and damage.

INSECT AND DISEASE PROTECTION

Controlling forest insects and disease by such means as removal and/or treatment of infested trees or removal or spraying of host plants.

This work involves both hand and machine methods of surveys, treatment, and eradication, including ground support of aerial operations.

FIRE PROTECTION

Fighting forest fires, using hand tools, hose, and pump operations, motorized fire equipment, and providing fire camp service support. Reducing fire hazards with such techniques as clearing hazardous debris concentrations, falling dead trees, roadside fuel removal, and clearing and maintaining fire equipment in a state of readiness such as hand tools, power saws, pumps, tankers, and other specialized fire equipment. Impound water for fire protection purposes.

ROAD AND TRAIL DEVELOPMENT

Maintenance, reconstruction, and construction of roads and trails.

This work includes such work as right-of-way clearing, assistance to survey and layout crews, culvert and bridge construction, trail construction, drainage installation, sign construction and installation, and assistance to equipment operators.

FIRE AND ADMINISTRATIVE IMPROVEMENTS

Maintenance, reconstruction, and construction of dwellings, offices, barracks, warehouses, lookout towers and cabins, footbridges, signs, and other service structures. Telephone line maintenance and construction. Maintenance and construction of landing fields, heliports, helispots, and ground facilities for air operations such as mixing plants and spraying facilities.

BOUNDARY SURVEYS AND MARKING

Assisting survey crews in land ownership boundary location surveys, clear and post boundary lines and establish corner monuments. Construct and maintain boundary fences.

MISCELLANEOUS

Providing camps support services such as clerks, cooks helpers, medical assistants, equipment maintenance assistants, warehousing and camp maintenance. Construction and maintenance of demonstration area improvements.

Mr. HUMPHREY. Mr. President, how much conservation work of this type exists? Frankly, the backlog that has accumulated through years of neglect is tremendous. Mr. President, I ask unanimous consent that forecasts of the work suitable for the YCC program be printed in the RECORD at this point. These forecasts have been prepared by the Forest Service and the Department of the Interior.

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

NATIONAL BACKLOG OF NEEDED CONSERVATION WORK

This work in forestry, soil and water conservation, parks, fish and wildlife, range revegetation, water pollution and sediment, and other similar investments in protection and management of these basic resources would require an investment of nearly $20 billion. This calculation does not include the heavy construction programs in water development with a backlog of authorized projects nearly equal in size. These investment estimates are summarized as follows:

Forestry: Reforestation of 28 million acres; timber stand improvement, 140 million acres; expansion of fire protection, especially in Alaska, 200 million acres; purchase of 10 million acres of national forest in-holdings—total $2.6 billion.

Soil and watersheds: Establishment of soil and watershed conservation programs on 300 million acres of farm lands; purchase and retirement from crop production of 13 million acres of dust bowl lands; revegetation of strip mine areas—$5.1 billion.

Western rangelands: Brush clearing, water-spreading devices and revegetation over large parts of 200 million acres of Federal grazing districts and forest lands—total estimated cost $1 billion.

Parks and recreation lands.—Establishment and refurbishing of recreational facilities on National and State parks, national forests and other public lands; purchase of additional strategic recreational tracts and access to water areas—3 million acres—total cost $2.6 billion.

Fish and wildlife.—Establishment of wildlife habitat and structural improvements on wildlife refuges; expansion of wildlife cover development on private lands; and expansion of wildlife research programs; purchase of 7½ million acres of wetlands—total cost $1.2 billion.

Pollution control.—Construction of waste treatment facilities for all presently outdated industrial and municipal pollution—$5 billion.

Capital expenditures in renewable natural resources of the type just enumerated may be roughly classified into three major categories: (1) those which yield a direct "on-site" return in the form of additional yields of timber, crops, forage and other products; (2) those designed to prevent soil losses, siltation and damage from floods, etc., and (3) those which provide unmeasurable nonmonetary benefits such as recreation and wildlife.

Source: SCSA, 1961.

CONSERVATION WORK ON LANDS ADMINISTERED BY THE FOREST SERVICE

GENERAL SITUATION

The Forest Service has the responsibility for the development, protection, and management under principles of multiple use and sustained yield of about 186 million acres in 154 national forests, 18 national grasslands, and other administrative units in 44 States and Puerto Rico. Much of the work in connection with the development, management, and protection of these lands is suitable for accomplishment through camps such as would be established under the proposed Youth Conservation Corps program. Modern and efficient methods and equipment would be used on all work. Manpower would be used where it is most the efficient method. Much of the needed work on these lands is of the type that would utilize large amounts of manpower.

READY CONSERVATION PROJECTS

For several years, the Forest Service has maintained up-to-date inventories of all Forest Service work needed on each of 805 ranger districts in the national forest system. These project work inventories are the basis of the project work in the development program for the national forests. They are also the source of work projects planned, budgeted, and accomplished in the ranger districts' annual plans of work. The amount and location of the project work in these inventories is known. All of it is needed and designed to meet the present and future demands upon the national forest system if these public lands are to provide their share of the Nation's future needs.

TYPES OF SUCH WORK

1. Timber stand improvement.
2. Reforestation.
3. Recreation area development and maintenance.
4. Fire hazard reduction.
5. Trail construction and maintenance.
6. Fishing stream and lake improvement.
7. Wildlife habitat improvement.
8. Range water developments.
9. Range, boundary, and other fence construction and maintenance.
10. National forest boundary line maintenance.

WORK ESTIMATES

A detailed table of these work estimates follows:

Type of nonrecurrent work (project work)

	Total man-years
Reforestation (seed or plant 4,400,000 acres of nonstocked and poorly stocked lands)	40,000
Timber stand improvement (pruning, weeding, thinning, and release cutting on 30,000,000 acres)	99,700
Recreation resource development (rehabilitate 2,000 campgrounds, picnic, and other recreation sites; develop 28,000 new campgrounds and picnic sites and construct 283,000 family units; develop 4,000 other recreation sites)	45,200
Wildlife habitat improvement (improve 1,500,000 acres of game range, 7,000 miles of stream, 56,000 acres of lakes. Develop 2,000 wildlife watering facilities, 400,000 acres of wildlife openings, food patches, and game ways; 11,000,000 acres of rodent control)	5,300
Range resource development (revegtation and control of noxious or poisonous range plants and farm weeds on 4,000,000 acres; construction of 16,000 miles of fence and 8,100 water developments)	7,100
Soil and water resource improvement (9,000 miles of gully and channel stabilization, 1,300,000 acres of sheet erosion control, 10,000 acres of dune and blowout stabilization, erosion control on 13,000 miles of substandard roads and trails, 5,600 acres of water spreading, 570 structures for flood prevention and stream pollution control)	9,000
Land surveys and boundary marking (clear and mark 200,000 miles of property lines)	3,000
Forest fire protection (reduce hazardous fuels on 4,000,000 acres, consisting of 250,000 acres of debris burning, 350,000 acres of snag removal, 3,500,000 acres of prescribed burning, and removal of roadside fuels on 39,000 acres; construct 11,000 miles of firebreaks)	6,600
Structural improvements for fire and general purpose (construct 2,500 housing and related improvements, 2,500 service buildings, 450 lookouts, 13 special structures; betterment of existing structures; replacement of 3,000 miles of telephone line; construction and reconstruction of 62 landing fields; construct 1,821 heliports and helispots)	11,200
Road and trail construction (construct 46,400 miles of multiple-use purpose roads and 8,000 miles of trails)	65,800
Total	293,300

Type of recurrent work

	Annual man-years
Forest fire protection [1]	3,500
Insect and disease control	1,400
Maintenance of resource and administrative facilities	6,300
Total	11,200

[1] Does not include fire suppression.

Inventory of YCC work potential, National Park Service, Department of the Interior [1]

Man-years annually	27,600
Camps needed	129
Capital improvements:	
Camp and picnic grounds (sites)	9,280
Minor structures (number of)	9,945
Historical, archeological work (man-years)	858
New roads and trails (miles)	1,153
Grounds improvements (man-years)	2,159
Boundary marking and fencing (miles)	5,146
Water suply and storage (projects)	659
Maintenance:	
Forest protection (man-years)	742
Vista clearing (miles)	1,480
Grounds maintenance (man-years)	2,041
Road and trail maintenance (miles)	3,312
Soil and moisture conservation (man-years)	945
Building maintenance (number of buildings)	2,893
Wildlife construction and protection (man-years)	233

[1] Prepared by Department of the Interior, Mar. 15, 1963.

Inventory of YCC work potential, Bureau of Land Management, Department of the Interior [1]

Man-years annually	10,000
Camps needed	110
Capital improvements:	
Forest development (acres)	7,582,000
Trail construction (miles)	2,133
Road construction (miles)	21,571
Bridges (number)	1,066
Fencing (miles)	116,125
Range seeding (acres)	12,323,000
Brush control (acres)	32,283,000
Water management (projects)	64,575
Buildings (facilities)	21,755
Maintenance:	
Roads and trails (miles)	586,268
Fence maintenance (miles)	123,023
Building and facilities maintenance (number)	22,127

[1] Prepared by Department of the Interior, Mar. 15, 1963.

Inventory of YCC work potential, Bureau of Sport Fisheries and Wildlife, Department of the Interior

Man-years annually	6,380
Camps needed	53
Capital improvements:	
Water impoundments:	
Structures	1,664
Dikes (miles)	883
Roads, trails, fences, etc.:	
Bridges (number)	93
Fencing (miles)	1,699
Roads (miles)	1,111
Recreation facilities:	
Campsites, number	253
Picnic tables, restrooms, etc.	1,867
Maintenance:	
Buildings and structures (number)	986
Roads, trails, fencing	11,882
Biological work on:	
Grasslands (acres)	6,417,000
Forests (acres)	950,000
Cropland (acres)	87,000

Inventory of YCC work potential, Bureau of Indian Affairs, Department of the Interior [1]

Man-years annually	7,444
Camps needed	320
Capital improvements:	
Brush control (acres)	2,635,421
Pest and weed control (acres)	24,793,000
Gully control (miles)	566,181

See footnote at end of table.

Inventory of YCC work potential, Bureau of Indian Affairs, Department of the Interior[1]—Continued

Capital improvements—Con.	
Tree planting (acres)	50,901
Seeding, sodding (acres)	3,258,795
Structures (number)	36,899
Forest improvement and protection (acres)	1,610,000
Trails and firebreaks (miles)	750
Truck trails construction (miles)	7,106
Water management construction (number)	11,309
Range improvements:	
Fencing (miles)	95,210
Projects (number)	3,150
Recreational development (projects)	16,689
Maintenance:	
Dam repairs, etc. (number)	168
Levees, dikes, laterals (miles)	5,333
Structures, erosion control (number)	83,416
Trails, firebreaks (miles)	740

[1] Prepared by Department of the Interior, Mar. 15, 1963.

Inventory of YCC work potential, Bureau of Reclamation, Department of the Interior[1]

Man-year annually	6,052
Camps needed	148
Capital improvements:	
Resource conservation on Reclamation lands (acres)	162,000
Plant control and eradication (acres)	160,000
New roads (miles)	830
Recreational areas (sites)	148
Maintenance:	
Resource conservation (acres)	34,000
Control of plants (acres)	31,300
Road maintenance (miles)	2,375
Trail maintenance (miles)	2,850
Site maintenance (sites)	475
Building maintenance (number)	4,750

[1] Prepared by Department of the Interior, Mar. 15, 1963.

Mr. HUMPHREY. Mr. President, as these figures clearly indicate, there is no possibility that the YCC could exhaust this existing backlog and expected recurring work for many years. The exhaustion of work projects is not a matter of serious concern to those persons familiar with the facts. There is much to be done. I submit that an analysis of the job opportunities contained in this extensive list of projects will arrive at three principal conclusions. First, these work projects cannot be described as make-work. The respective Federal agencies concerned with conservation have programed these projects long before the YCC became a possible means of accomplishing them. The Forest Service has a fully documented forecast of required work entitled, "A Development Program for the National Forests." The various bureaus of the Department of the Interior have also submitted their estimates of work within their respective jurisdictions. Such statements referring to YCC projects as make-work blatantly ignore the documented evidence to the contrary.

Second, the nature of these work projects are exactly the type of planned work experience that will most effectively build sound work habits, create the opportunity for personal accomplishment, and provide the physical exhilaration of hard labor.

Third, these jobs will also provide valuable skills to enhance the future employability of the YCC enrollees. Rather than providing young men with the experience of raking leaves—the picture that many opponents of this bill insist on propagating—I see YCC enrollees acquiring the following skills, among others, from their on-the-job work experience: automotive repairing, baking, carpentry, clerical, construction equipment operation, cooking, conservation and engineering aid, electrical wiring, masonry, metalworking, photography, plumbing, sign painting, surveying and mapping, and truck driving.

I contend that a YCC enrollee will acquire on-the-job skills that compare most favorably with those learned in a vocational education program conducted for a similar period of time, but the enrollee will also benefit from the additional personal experiences found only in a resident work camp experience. Rather than describing the YCC as being seriously deficient in its training potential, I prefer to look at a YCC experience as job training-plus.

One should also understand that many industrial firms and businesses operate extensive job training courses for their employees. These companies do not expect their new workers to come fully trained, ready to begin their particular jobs. In fact, they frequently prefer to train new workers to the requirements of their specific assignments in a manner that corresponds directly with the established procedures of the company.

However, these companies are seeking employees with mature and responsible work habits. If these basic work attitudes exist, the employee can be trained to his specific responsibility, and often at company expense.

VOCATIONAL AND EDUCATIONAL TRAINING IN YCC

As a vital supplement to the on-the-job experience, each YCC camp will also provide after-hours vocational and academic training. These courses will be provided through the U.S. Office of Education working in cooperation with State and local school officials. As Secretary Wirtz said in his testimony before the Clark subcommittee, it is currently deemed likely that each YCC camp would specialize in training for a particular skill. For example, certain camps would be equipped to teach basic fundamentals of automechanics; others would specialize in TV repairing, and so forth. Each enrollee should receive a minimum of 10 hours per week of supplementary vocational and academic training.

It has been suggested that the extensive home study curricula provided by the Armed Forces Institute could supplement other forms of instruction. Mr. President, I ask unanimous consent that a list of subjects which could be taught at YCC camps through accredited home study schools, including the Armed Forces Institute, be printed at this point in my remarks.

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

Subjects which can be taught at YCC camps through accredited home study schools (including the Armed Forces Institute):

Accountancy, agriculture, air conditioning, aircraft and drafting mechanics, appliance servicing, auto body and fender, automotive work, baking, blacksmithing, boilermaking, bookkeeping, bricklaying, building construction estimates and maintenance.

Cabinetmaking, camera repair, carpentry, civil engineering, club and camp management, college preparatory, concrete engineering, construction, diesel engines, drafting, electroplating, engines.

Farm management (marketing, shopwork), foremanship, forging, foundry, gardening, high school subjects, horticulture, instrumentation, jewelry making.

Landscaping and gardening, livestock management, lumber yard management, machine shop, machine trades, mechanical engineering, merchandising, metal crafts, metallurgical engineering, metallurgy or metals, mining, mapping, and surveying.

Patternmaking, photography, plumbing, poultry raising, showcard and sign lettering, stenotypy (machine shorthand), surveying and mapping, telephony (electronic and non-electronic), textiles, typewriter repair, waterworks and sewage plant operation, welding, wiring, woodworking.

Mr. HUMPHREY. Mr. President, during the markup of the youth bill, the Labor and Public Welfare Committee accepted an excellent amendment offered by the Senator from New York [Mr. JAVITS] that called for special emphasis on vocational training and educational services adapted to the special needs of YCC enrollees. Where such services were shown to be deficient in a particular camp, the amendment also provided for the enlargement, improvement, development, and coordination of such services with the cooperation of local school officials and the Secretary of Health, Education, and Welfare. I commend the distinguished Senator from New York for his highly constructive amendment that, in my opinion, has materially strengthened the entire bill.

I would also like to make one final suggestion regarding the educational programs in YCC camps. Recently I have been astounded by the progress that has been achieved in the area of machine and programed teaching. A former Member of this body, the Honorable William Benton, has recently undertaken to establish complete schools relying primarily on programed teaching and teaching machines. Britannica Schools, a division of Encyclopaedia Britannica, Inc., has opened its first teaching institute in Chicago. Others will soon open throughout the country.

The results are amazing. I intend to discuss the potential of machine teaching at greater length. For the present let me just note that the teaching methods used so successfully by Britannica Schools and other similar institutions provide an exceptional opportunity to guarantee vocational and academic teaching of the highest caliber to each YCC enrollee. It is my intention to explore this possibility with the U.S. Office of Education and the officials charged with administering the Youth Conservation Corps.

ACTUAL COST OF PROGRAM

Opponents of this legislation have charged that it will cost between $9,000 and $12,000 per year to support one YCC

enrollee. As Secretary Wirtz repeatedly testified before the Clark subcommittee, these figures are exaggerated and misleading.

They are exaggerated and misleading in two fundamental respects: One, they are flatly contradicted by the cost data supplied by the Departments of Labor, Interior, and Agriculture; two, they fail to take into consideration any of the substantial financial returns that will accrue from the conservation projects undertaken by the YCC.

Mr. President, I ask unanimous consent that the "Estimated Annual Costs Per Enrollee" as prepared by the executive agencies be printed at this point in the RECORD.

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

ESTIMATED ANNUAL COSTS PER ENROLLEE

(These estimates represent the cooperative efforts of the Departments of Agriculture, Interior, H.E.W., Labor, Army, and the Bureau of the Budget. They are based on a 50-man camp operation.)

Enrollee pay and benefits (annual base pay $720, ratings $18, OASI and BEC $57)	$795
Housing—amortized over 20 years ($250,000 per 50-man camp—less in camps with facilities available)	250
Camp maintenance (repairs, utilities, and services)	100
Clothing and personal equipment (includes blankets, towels, sheets, etc.)	200
Subsistence ($2.50 per day for 300 days, food and preparation)	825
Medical and dental care	300
Education and training	300
Transportation of enrollees to and to and from camps includes fare, food, and cost of group leader	100
Recruiting and administration (selection, induction, director's offices, bureaus, and departments)	150
Camp and work supervision (camp staff pay, benefits, and travel)	700
On-the-job transportation	190
Miscellaneous	70
Total	$3,985

Work equipment, materials, and supplies will vary greatly, depending on type of work, from $150 to $1,000; may average $500.

Mr. HUMPHREY. Mr. President, the greatest controversy has arisen over the estimated construction costs of the YCC camps. Construction of a 50-man camp has been estimated by the executive agencies at $250,000 amortized over 20 years, the life expectancy of the permanent buildings. Amortizing the permanent construction costs over 20 years—a legitimate and reasonable length of time—results in $250 being included for permanent construction in the total annual costs per enrollee of $3,985.

The opponents' figure of $9,000 annual cost per enrollee results from absorbing the entire permanent construction cost of a 50-man camp in the initial year of operation. In other words, the $9,000 per enrollee cost figure includes $5,000 that represents the entire payment per enrollee of constructing new permanent facilities.

The manner in which the opponents have used this $9,000 figure is seriously misleading. They have taken permanent construction costs, absorbed these costs in a single year of operation—as opposed to amortizing them over a longer time period—and then portrayed this extremely high cost figure as the average cost of supporting an enrollee in any year of operation. If they choose to absorb all construction costs in the first year, then they must make quite clear that all future annual costs per enrollee will contain no construction funds at all. Thus in the second year of operation, the annual cost would drop back to about $3,700 per enrollee.

In any event, I submit that amortizing the cost of permanent facilities over their normal 20-year life expectancy provides a more accurate perspective of the true costs involved in supporting a YCC enrollee for a single year and over a reasonable length of time.

There are, moreover, additional factors which further discredit the cost figures used by the opposition. For instance, the estimated construction cost of $250,000 for a 50-man camp represents a maximum figure. Many camps built of local building materials and prefabricated structures will cost much less. Some 100- to 200-man camps will also cost proportionately a great deal less than the $250,000 allotted for each 50-man unit.

Finally—and this is most important—there currently exist enough camp facilities to accommodate almost 12,000 YCC enrollees on a year-round basis. These camps need only marginal improvements to bring them to operating conditions. Mr. President, I ask unanimous consent to have printed at this point in my remarks a list of existing camp facilities that would be used in the Youth Conservation Corps. I also ask unanimous consent to have printed at this point memorandums from the Department of Agriculture and the Department of the Interior describing existing camp facilities and providing cost figures for rehabilitation.

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

Location and approximate capacity of year-round YCC camps

Name of camp (by State)	Agency	Approximate capacity
Alabama:		
Center Tower	Forest Service	100
Elliott Creek	do	100
Horseshoe Bend	National Park Service	25
Alaska:		
Anchorage	Bureau of Land Management	100
Fairbanks	do	100
Arizona:		
Big Springs	Forest Service	50
Tuthill	do	100
Indian Gardens	do	50
Blue Point	do	100
Buffalo Crossing	do	100
Last Chance	do	50
Fort Valley	do	25
Kingman	Bureau of Land Management	100
Forepaugh	do	100
Fort Apache	Bureau of Indian Affairs	60
San Carlos	do	38
Navajo	do	75
Coronado	National Park Service	25
Grand Canyon	do	100
Saguaro	do	25
Tuzigott	do	50
Arkansas:		
Clearfork	Forest Service	100
Ouachita	do	100
California:		
Hilt	do	50
Tennant	do	100
Magic Mountain	do	50
Valcrest	do	100
Center Camp	do	50
Strawberry	do	50
Patton Mill	do	50
Alder Springs	do	50
Shovel Creek	do	50
Bakersfield	Bureau of Land Management	100
Riverside	do	100
Yosemite	National Park Service	75
Colorado:		
Rocky Mountain	do	25
Montrose	Bureau of Land Management	100
Durango	do	25
Florida:		
Lake Bryant	Forest Service	100
Helen	do	50
Georgia: Wahsega (Chestatee)	do	100
Hawaii:		
City of Refuge	National Park Service	50
Halea Kala	do	25
Hawaii Volcanos	do	25
Idaho:		
Thorn Creek	Forest Service	50
Yellowjacket	do	50
Granite	do	50
Cobalt	do	100
Sawtooth Valley	do	100
Shake Creek	do	50
Warm Springs Creek	do	50
Oakley	do	100
Hudlow	do	50
Shoshone	do	50
Steamboat	do	50
Trail Creek W.C	do	50
Pelke	do	50
BRC Headquarters	do	50
Synder	do	50
O'Hara	do	50
Calder	do	50
Orena	Bureau of Land Management	100
Atomic City	do	100
Illinois: Carterville	Bureau of Sport Fisheries and Wildlife	100
Kentucky: Mammoth Cave	National Park Service	200
Louisiana:		
Kisatchie	Forest Service	50
Fort Polk	do	200
Nursery	do	100
Massachusetts: Cape Cod	National Park Service	100

Location and approximate capacity of year-round YCC camps—Continued

Name of camp (by State)	Agency	Approximate capacity
Michigan:		
Nesbit	Forest Service	100
Clear Lake	do	70
Isle Royale	National Park Service	25
Seney	Bureau of Sport Fisheries and Wildlife.	25
Minnesota:		
Grand Marais	Forest Service	70
Sawbill	do	50
Long Lake	do	70
Cold Springs	do	50
Rochert	Bureau of Sport Fisheries and Wildlife.	25
Holt	do	25
Montana:		
Birch Creek	Forest Service	100
Trapper Creek	do	50
Bailey Ranch	do	50
Savenac Nursery	do	50
Needmore	Forest Service	50
Rock Creek	do	50
Lions Club Camp	do	100
Coram	do	50
Gallatin Gateway	do	200
Moose Creek	do	50
Lincoln	do	50
Yaak Air Base	do	200
MSU Forestry Camp	do	50
Nine Mile	do	50
Camp Paxon	do	100
Lewiston	Bureau of Sport Fisheries and Wildlife.	50
Fort Peck	Bureau of Land Management	50
Bridger	do	50
Nebraska: Blair	Bureau of Sport Fisheries and Wildlife.	25
Nevada:		
Clear Creek	Forest Service	50
Wendover	Bureau of Land Management	100
New Mexico:		
Tularosa	Forest Service	100
Continental Divide	do	50
Roswell	Bureau of Sport Fisheries and Wildlife.	25
Columbus	Bureau of Land Management	100
Blanco	do	100
Mescalero	do	180
New York:		
Seneca Falls	Bureau of Sport Fisheries and Wildlife.	25
Basom	do	25
North Carolina:		
Hot Springs	Forest Service	100
Davidson River	do	200
Arrowwood (Wayah Depot)	do	50
Great Smoky Mountains	National Park Service	100
North Dakota: Eaton Dude Ranch	Forest Service	100
Ohio: Oak Harbor	Bureau of Sport Fisheries and Wildlife.	25
Oklahoma:		
Big Tom	Forest Service	50
Platt	National Park Service	50
Millerton	Bureau of Indian Affairs	200
Oregon:		
Timber Lake	Forest Service	100
Burns	Bureau of Sport Fisheries and Wildlife.	50
Baker	Bureau of Land Management	50
Salem	do	100
Pennsylvania: Blue Jay	Forest Service	200
South Carolina:		
Witherbee	do	50
Indian Creek	do	50
Fort Sumter	National Park Service	25
Kings Mountain	do	50
South Dakota:		
Bob Marshall	Forest Service	100
Box Elder	do	100
Badlands	National Park Service	50
Tennessee:		
Fort Donelson	do	25
Great Smokey Mountains	do	50
Texas:		
Angelina	Forest Service	10
Umbarger	Bureau of Sport Fisheries and Wildlife.	20
Utah:		
Wolf Creek	Forest Service	75
Cold Springs	do	50
Cedar City	Bureau of Land Management	100
Green River	do	100
Dinosaur	National Park Service	25
Flaming Gorge	do	200
Zion	do	25
Uintah and Ouray	Bureau of Indian Affairs	113
Virginia:		
Colonial	National Park Service	100
Manassas	do	25
Washington:		
Sunset Camp	Forest Service	50
Cispus Camp	do	75
Curlew Air Base	do	150
Colville	Bureau of Sport Fisheries and Wildlife.	25
Ilwaco	do	25
Spokane	Bureau of Land Management	100
Colville	Bureau of Indian Affairs	115
Wisconsin: Mayville	Bureau of Sport Fisheries and Wildlife.	25
Wyoming:		
Kendall GS	Forest Service	50
Kelly GS	do	50
Grover Park	do	50
Jackson	Bureau of Sport Fisheries and Wildlife.	25
Green River	Bureau of Land Management	50
Puerto Rico: La Mina	Forest Service	50

Total number of camps in all agencies 156
Total capacity 11,240

Source: Department of Agriculture and Department of the Interior.

Forest Service YCC Camps Ready for Immediate Occupancy

The Forest Service has 89 existing facilities which can be used for YCC camps. They vary in size from 50- to 200-man capacity. These include:

1. Former CCC camps which were retained for use by seasonal project crews. Due to recent changes in methods of doing some types of project work, such as control of blister rust by antibiotics instead of manual eradication, and other program changes, many of these old CCC camps could now be made available for YCC.

2. Government-owned camp facilities which are under occasional and temporary permit to organizations such as YMCA and Boy Scouts.

3. Former small military facilities on national forest lands which have been held for possible YCC use pending outcome of legislation.

4. Other Forest Service work camp facilities which are regularly operated for program projects but which can be made available for YCC purposes by making minor adjustments in programs, such as shifting present seasonal crew use.

The 89 existing camps could be rehabilitated and modernized to meet the safety, sanitation, and standards required for YCC at an estimated cost of $13.3 million.

Source: U.S. Forest Service, Division of Administrative Management, March 11, 1963.

Forest Service Organization To Establish and Manage Camps

Establishment and management of camps of all sizes, up to 500 men, is a routine operation for the Forest Service. Civilian Conservation Corps, blister rust control, timber salvage, fire, and other innumerable emergency and regular camps have been organized by the Forest Service for 50 years. Several camps, 25–150 men, are presently operated on regular conservation programs.

Camps under a Youth Conservation Corps program could be established for natural resource conservation, development, and management work on the National Forests, National Grasslands, and other lands administered by the Forest Service. Normally, such camps would be located in or adjacent to National Forests or other lands on which work would be done. Eighty-nine existing camps could be operating within 30 days with facilities to accommodate about 7,200 enrollees. Within 4 months, up to 60 additional camps could be in operation to handle up to an additional 4,000 enrollees. Necessary added capacity could be constructed thereafter where needed.

Camps would be under the supervision of the forest supervisor. Technical direction of projects would be provided by the district ranger and forest supervisor's staff with direct crew supervision carried on by Forest Service foremen. These foremen would be available from experienced personnel now in the yearlong and seasonal work force of skilled workers and forestry and engineering aids of the Forest Service.

Interior Department YCC camps ready for immediate occupancy

Bureau	Number of camps	Number of enrollees	Rehabilitation cost
Bureau of Indian Affairs	7	780	$244,800
Bureau of Sport Fisheries and Wildlife	14	475	620,000
National Park Service	25	1,475	248,000
Bureau of Land Management	21	1,825	255,000
Total	67	4,555	1,367,800

Camp sizes vary from 25 to 200 men. Existing facilities consist of:

1. Portions of camps and bases in the project areas acquired or available from the Armed Forces.

2. Buildings acquired with project lands.

3. Quarters used during part of the year for seasonal operations.

4. Quarters and mess facilities available from concessionaires.

5. Buildings in nearby communities available for rental.

YCC camps to be occupied in 90 to 120 days

Bureau	Number of camps	Number of enrollees [1]	Rehabilitation cost
Bureau of Reclamation	8	400	$160,000
Bureau of Land Management	27	2,375	329,000
Bureau of Sport Fisheries and Wildlife	19	510	805,000
National Park System	40	2,925	1,265,000
Total	94	6,210	2,559,000
Total available in 120 days	161	10,765	3,926,800

SEASONAL CAMPS (BOTH SUMMER AND WINTER)

National Park Service	6	650	244,000
Bureau of Reclamation	26	900	360,000
Total	32	1,550	604,000

[1] About 775 more enrollees can be accommodated in these camps, bringing the total capacity for Interior to 11,540.

Mr. HUMPHREY. Mr. President, the estimated cost of bringing these 156 year-round camps to operating level is $14,667,000 or an average of $94,000 per camp. Obviously this represents a considerable saving over the $250,000 allotted for constructing each new 50 man camp. These are savings in hard cash that the opponents of the Youth Conservation Corps never mention in their discussion of costs.

It has been impossible to determine the precise average cost of the on-the-job work equipment. Since the outlay per enrollee will vary from $150 to $1,000 according to the type of work scheduled for a particular area, a reasonable average cost for the work equipment appears to be $500. The addition of this $500 to the $3,985 already enumerated results in a total annual outlay of about $4,485 for each YCC enrollee.

In summary, the alleged annual cost of $9,000 per enrollee is exaggerated and misleading. Even the much lower figure on camp construction costs submitted to the Labor Committee is probably high since it fails to allow for first, the existing facilities that only need rehabilitation, and second, the opportunity to use prefabricated buildings and local building supplies at a resulting lower cost. I sincerely hope this discussion of actual costs will bring some enlightenment and commonsense to an area that has been characterized by something less than objectivity and fairmindedness.

FISCAL RESPONSIBILITY AND THE YCC

I appreciate the concern of certain Senators with the question of fiscal responsibility as it relates to the Youth Conservation Corps. But I cannot appreciate or accept their restricting this concept to the short-run impact of the YCC on the Federal Government's administrative budget. As I mentioned on the Senate floor recently, it is time we began defining "fiscal responsibility" in terms of jobs, investments, wages, products, and growth and not arbitrarily limit ourselves to the single criterion of the Government's annual budget.

Any businessman who approved an audit of his business affairs which only included expenses and made no attention to income would be judged an economic ignoramus. How does this fiscal responsibility really apply to the Youth Conservation Corps? In order to assess the true costs of the YCC it is absolutely essential to move beyond the shortrun cash outlay for annual operating costs and examine the financial returns that will eventually be created by this annual outlay.

The Forest Service estimates that each dollar invested on cultural treatment and planting will increase the value of timber stands by $5 within a period of 10 years. These benefits will be realized as cash payments to the Federal Treasury when these stands are harvested. In addition, payments from National Forest revenues for county roads and schools will increase correspondingly. Finally, the capital value of these timber stands will increase materially.

Thinning of young hardwood timber stands improves growth rate and increases the value of the timber produced. This work can be expected to produce a return in 50 years of twice the cost discounted at 3 percent. The financial benefits of reforesting idle land by planting idle land are widely recognized. Such planting yields sufficient return to retire the investment and provide additional benefits in improved wildlife habitat.

These returns can all be calculated in dollars and cents. And they certainly should not be totally ignored in determining the actual cost of the Youth Conservation Corps. I regret that the opposition rarely mentions this aspect of the Youth Conservation Corps.

This discussion of actual costs has not raised the numerous monetary outlays that will be avoided through the creation of the YCC. We pay an average of $25,000 for every juvenile delinquent who is arrested, sent to trial, convicted, and assigned to a corrective institution. Unemployment insurance represents a direct payment that will be terminated in many cases. These are examples of indirect financial benefits accruing through such a program as the YCC. They should not be totally overlooked in a discussion of fiscal responsibility.

EXAMPLES OF YCC CAMP COSTS IN RELATION TO RESULTING INCOME

In order to grasp the importance of considering short-run costs and long-run returns, I have prepared an analysis of several proposed camps that would actually be established under the YCC program. These studies compare total operating outlays in relation to expected income as generated by the work projects scheduled for the particular area where the camp is located. In other words, these examples of specific camps examine all relevant economic facts, income as well as operating costs.

Let us examine two proposed sites for YCC camps: one in the Southwestern United States, the other in the Middle Atlantic region. Mr. President, I ask unanimous consent that relevant estimates for the operating costs and the eventual monetary returns—both tangible and intangible—for these two proposed camp sites, be printed in the RECORD at this point in my remarks.

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

EXAMPLE OF EXISTING FACILITIES AND SITUATION FOR A POSSIBLE YOUTH CONSERVATION CORPS CAMP (CAMP A, SOUTHWESTERN UNITED STATES)

This camp is on Government-owned land previously used as a rehabilitation center by the Army-Navy Hospital. All existing improvements are Government-owned. Access is by 11 miles of paved and 2 miles gravel road.

Existing facilities consist of a permanent modern main building containing recreation area, classrooms, kitchen, and dining hall; four permanent cabins; tennis courts; baseball diamond; boating dock, and swimming area. The offduty recreation opportunity for enrollees is excellent.

Rehabilitation of existing facilities to meet camp standards for a Youth Conservation Corps camp consists of such things as: (1) converting and equipping existing main building to recreation-classroom-canteen-supply office building; (2) converting and equipping one existing cabin to a 4-bed infirmary; (3) converting three existing cabins to quarters for supervisory personnel; (4) constructing and equipping dormitory for 100 men; (5) constructing a kitchen-dining hall for 100 men; and (6) constructing and equipping small miscellaneous service buildings.

This rehabilitation and modernization to required standard would cost an estimated $180,000 for a 100-man camp. The annual camp operating cost would amount to approximately $3,985 per enrollee for pay, clothing, food, medical care, educational services, transportation to camps and on-the-job, camp and work supervision, work equipment, and overhead. Dependent on the particular type of project work, the expense per enrollee for materials and equipment used by enrollees on the work project would run as low as $150 and as high as $1,000.

The inventory of high priority work available to this camp represents half the work in "The Development Program for the National Forests" for the local Ranger Districts. The work represents nearly 500 man-years of work and consists of:

Culturally treating 21,500 acres and planting 7,000 acres.

Constructing 84 campground and picnic sites and related facilities.

Improving and developing small and big game range on 5,100 acres.

Improving 8 miles of streams.

Revegetating 450 acres of rangeland.

Rehabilitating eroded lands and stabilizing gullies, roads and streams.

Surveying and marking 300 miles property lines. Topographic mapping of 610 square miles.

Reducing hazardous fuels on 5,500 acres.

Constructing two housing and related improvements, one service building, several lookouts and special structures; providing three radio installations; and replacing 3 miles telephone lines.

Constructing 55 miles of roads.

The total of all costs for this 100-man camp operating for a period of 5 years is estimated at $2,500,000. Benefits to be derived would far exceed the cost. For example, each dollar spent on cultural treatment and planting will increase the value of timber stands by $5 in 10 years. This amounts to a direct benefit of $3,500,000 for this work alone.

Other benefits would be employment of people in harvesting of national forest timber and other products and the value added to these products by manufacture, distribution, and marketing.

The 84 campground and picnic sites will add 300,000 man-days of use to present

recreation facilities. These users will contribute to the local economy in the form of expenditures for sporting equipment, transportation, lodging, and other items.

The many intangible benefits cannot be assessed in dollars for the worth of the relaxation, pleasure, rest, spiritual satisfaction, and improvement in health derived from the use of the national forests. The accomplishment of work from this camp in timber management, recreation, wildlife, soil and water, fire control, improvements and roads will add much to these values.

EXAMPLE OF EXISTING FACILITIES AND SITUATION FOR A POSSIBLE YOUTH CONSERVATION CORPS CAMP (CAMP B, MIDDLE ATLANTIC STATES)

This camp is located on the southern edge of the Allegheny National Forest and is situated on a level height of land in rolling plateau country with adequate space for softball, volleyball, and tennis. It is screened by planted red pine and cannot be seen from the main road.

The buildings are generally in good condition, having been maintained for use as a summer camp for students of forestry and civil engineering.

There are four barracks, administration building, mess hall, hospital, and a bath and laundry building. Commercial electric power is available. The water system consists of spring water pumped into a stand tank. Sewage is handled by septic tanks and disposal fields.

A careful condition survey of the entire camp estimates a rehabilitation cost for possible Youth Conservation Corps use at $42,200, or $130 per enrollee for a 5-year period. This is for a 50-man camp.

The annual camp operating cost would amount to approximately $3,985 per enrollee for pay, clothing, food, medical care, educational services, transportation to camps and on the job, camp and work supervision, work equipment, and overhead. Dependent on the particular type of project work, the expense per enrollee for materials and equipment used by enrollees on the work project would run as low as $150 and as high as $1,000.

A detailed inventory of available work shows a total of 800 man-years of work:

	Man-years
Thinning hardwood stands (14,000 acres)	180
Pruning 10,000 acres Red Pine	125
Planting 10,500 acres	126
Construction of two recreation areas	104
Miscellaneous wildlife habitat improvements	183
Soil and water; roads and trails; administrative improvements, and boundary surveys	82
Total	800

The work program available at this location can be justified on the basis of economic returns to the area. As an example the thinning of young hardwood timber stands improves growth rate and increases the value of the timber produced. This work can be expected to produce a return in 50 years of twice the cost discounted at 3 percent.

The benefits of reforesting idle land by planting are widely accepted. In this area, planting will yield sufficient return to retire the investment and give additional benefits in improved wildlife habitat and enhanced scenic and recreation values.

Construction of recreation facilities at an estimated cost of $65,000 during the first year will produce an immediate return to the local economy of $10,000 per year from increased recreation visits by picnickers and campers. The completion of a second area at a cost of $160,000 will provide additional facilities for attracting tourists to the area. This should give a cash increase of $15,000 to $18,000 annually to the local economy.

This area is heavily used for hunting and fishing. The planned wildlife habitat and stream improvement will maintain the game and fish populations to meet this heavy pressure and help to stabilize the local income from outside sportsmen.

Mr. HUMPHREY. Mr. President, as the forecast for the Southwestern camp indicates, operating costs for a 5-year period are estimated to be $2.5 million. However, the funds expended just on cultural treatment and planting of trees during this 5-year period are expected to bring revenues of $3.5 million within a decade. A similar picture of sound investment exists for the camp in the Middle Atlantic region.

These analyses do not attempt to place a dollar figure on the more intangible returns such as the employment of people in harvesting national forest timber, or the manufacture, distribution, and marketing of these timber products. Similarly, the resulting recreational facilities constructed by the YCC enrollees will contribute to the local economy in both regions. These are not isolated examples. Every YCC camp location would show similar results.

However, I want to emphasize that I primarily support the Youth Conservation Corps on the basis of its potential impact on the lives of thousands of unemployed American youths. What price tag do we place on the opportunity to rescue a young man from a wasted and meaningless life? Here is our opportunity to invest in the human resources of this country.

Those persons who have raised the issue of fiscal responsibility—and I fully support their right and duty to do this—should also include monetary benefits created by the YCC in their calculations. As I have demonstrated, when these income factors are taken into account, the Youth Conservation Corps represents the very essence of fiscal responsibility, that is, a program of investment in income-producing activities that eventually returns the initial operating costs to the people of the United States.

CONCLUSION

Mr. President, this morning I have attempted to outline the reasons why I advocate the Youth Employment Act as a fundamentally sensible attack on the mounting problem of youth unemployment.

This bill will come to the floor in the near future. We will have the opportunity to explore these facts more carefully at that time. I welcome this opportunity, for I devoutly believe that this is a good bill, a bill that will bring new hope and opportunity to many thousands of young Americans currently without hope and opportunity.

In his special message on youth, President Kennedy eloquently described the importance and urgency of this legislation:

This Nation—facing increasingly complex economic, social, and international challenges—is increasingly dependent on the opportunities, capabilities, and vitality of those who are soon to bear its chief responsibilities. Such attributes as energy, a readiness to question, imagination, and creativity are all attributes of youth that are also essential to our total national character. To the extent that the Nation is called upon to promote and protect the interests of our younger citizens, it is an investment certain to bring a high return, not only in basic human values but in social and economic terms.

In the spirit of the President's remarks, I call for a bipartisan attack on the growing social and economic cancer of youth unemployment. Certainly the problems of young Americans demand of us far more than partisan division for its own sake.

This afternoon I have attempted to clarify the record on several points that have been misunderstood or misinterpreted by certain opponents of this legislation. On the basis of this record I look forward to prompt and favorable action on the Youth Employment Act in both Houses of Congress. We have an opportunity to assist thousands of young Americans find a more productive and secure life. Let us not permit this opportunity to escape us.

Mr. President, I thank my colleagues for their consideration in granting my unanimous-consent requests.

URBAN MASS TRANSPORTATION ACT OF 1963

The Senate resumed the consideration of the bill (S. 6) to authorize the Housing and Home Finance Administrator to provide additional assistance for the development of comprehensive and coordinated mass transportation systems, both public and private, in metropolitan and other urban areas, and for other purposes.

The PRESIDING OFFICER. The question is on the amendment of the Senator from Oregon [Mr. MORSE], offered for himself and the Senator from Michigan [Mr. MCNAMARA] and the Senator from New Jersey [Mr. WILLIAMS].

Mr. MORSE. Mr. President, amendment No. 30, the Morse-McNamara-Williams amendment, is the pending business. Is that correct? Has it been laid before the Senate?

The PRESIDING OFFICER. It is the pending amendment.

Mr. MORSE. Mr. President, I ask unanimous consent that both the majority and the minority be allowed to have such assistants as are needed from the Committee on Labor and Public Welfare and from other committees of the Senate present on the floor during the discussion of the bill today.

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

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

Mr. MORSE. I yield to the Senator from Texas.

Mr. TOWER. It is my understanding that, under the controlled time situation, a Senator cannot move to amend the pending amendment until all time for debate on the amendment has expired or has been yielded back. Therefore, I ask unanimous consent that I be allowed to offer, out of order, my amendment to the amendment of the Senator from Oregon. I think it will simplify matters, from the standpoint of debate and discussion, if I may be allowed to

offer my amendment to the amendment of the Senator from Oregon.

The PRESIDING OFFICER. Is there objection?

Mr. MORSE. Mr. President, reserving the right to object, I wish to make a parliamentary inquiry.

What will be the effect of granting the request of the Senator from Texas? Will it displace my amendment for the time being, and thereby prevent explanation and discussion of my amendment?

The PRESIDING OFFICER. It will suspend the consideration of the amendment of the Senator from Oregon. The amendment of the Senator from Texas would have to be acted on before action on the amendment of the Senator from Oregon. It would not take any time out of the time allotted on the amendment of the Senator from Oregon.

Mr. CLARK. Mr. President, will the Senator from Texas yield for a question?

Mr. TOWER. I yield.

Mr. CLARK. Would the Senator mind stating briefly what is the purport of his amendment?

Mr. TOWER. My amendment strikes out the protective arrangements provision of the Morse amendment.

Mr. CLARK. In other words, it leaves in subsection (b)(1) and strikes subsection (b)(2)?

Mr. TOWER. It strikes subsection (c) on page 3 of the amendment, beginning on line 9.

Mr. CLARK. And substitutes nothing?

Mr. TOWER. And substitutes nothing. It will leave the labor provision currently in the bill as it is.

Mr. CLARK. Mr. President, a parliamentary inquiry, and I ask the attention of the Senator from Oregon. Would not the Tower amendment more appropriately be considered entirely independently of the Morse amendment, since it is not a substitute for the Morse amendment? I would question whether the Tower amendment was a substitute for the Morse amendment.

Mr. TOWER. I am afraid I am not competent to answer the technical question as to whether it is a substitute or an amendment to the Morse amendment.

Mr. CLARK. Without regard to technicalities, I think it would be the better part of wisdom to have the Morse amendment explained and voted on, and then take up the Tower amendment later, if the Senator desires that.

Mr. MORSE. I may say to the Senator from Texas that a Senator may act independently on his own responsibility; but I am going to object to the request now. It may be that, after consultation with my colleagues, the Senator can do it later.

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

Mr. MORSE. Yes.

Mr. TOWER. I do not mind waiting until the Senator has used up or yielded back the time on the Morse amendment before mine is taken up, but I think mine will have to be acted on first, so far as action is concerned, before the Morse amendment is acted on, because if the Morse amendment is adopted and then we take up my amendment, it would strike the labor provision out of the bill, if it is adopted, and I know the Senator does not want to do that.

Mr. CLARK. I sympathize with the position of the Senator from Texas, having been in the same position many a day, but it seems to me, speaking only for myself, that I would prefer to have the Morse amendment acted on before we deal with the amendment of the Senator from Texas.

Mr. TOWER. Actually, I intend to propose my amendment before the Morse amendment is acted on, but I withdraw my unanimous-consent request.

Mr. CLARK. If it is not a substitute, I doubt that the Senator can do that.

Mr. TOWER. The Parliamentarian says I can.

Mr. MORSE. I hope the Senator from Texas understands my position.

Mr. TOWER. I understand. I thought my suggestion would clarify the situation; instead it has only confused it.

Mr. HUMPHREY. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. HUMPHREY. Will the Chair give us an indication as to the parliamentary situation with reference to the amendment of the Senator from Texas to the amendment of the Senator from Oregon?

The PRESIDING OFFICER. The amendment of the Senator from Texas can be offered after the time has expired or been yielded back on the discussion of the Morse amendment and before a vote is taken on the Morse amendment.

Mr. HUMPHREY. I beg the Chair's pardon. Before what?

The PRESIDING OFFICER. Before a vote is taken on the Morse amendment.

Mr. HUMPHREY. In other words, the amendment of the Senator from Texas would be either an amendment to the amendment of the Senator from Oregon or an amendment in the nature of a substitute. Is that correct?

Mr. CLARK. Mr. President, which would it be?

The PRESIDING OFFICER. It is offered in the nature of a perfecting amendment.

Mr. HUMPHREY. A perfecting amendment, and as such will be voted on prior to the vote on the amendment of the Senator from Oregon. Is that correct?

The PRESIDING OFFICER. That is correct.

Mr. CLARK. Mr. President, a parliamentary inquiry. Am I to understand that the Chair has ruled that an amendment which strikes the entire text of the Morse amendment is nonetheless a perfecting amendment?

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

Mr. CLARK. I yield.

Mr. TOWER. It does not strike the entire text, only subsection (c), on page 3, beginning on line 9.

Mr. CLARK. Correct me if I am wrong. I may be wrong. I ask the Senator from Oregon to listen. It is my understanding that the Morse amendment proposes to strike out all of subsection (c) and substitute therefor a new amendment which contains two clauses, (b)(1) and (b)(2). Am I correct?

Mr. TOWER. Yes, I think that is correct.

Mr. CLARK. Now it is proposed, instead of dealing with the Morse amendment at all, that the amendment of the Senator from Texas, which has been ruled by the Chair to be a perfecting amendment, would strike subsection (c). The weird jungle of parliamentary laws is often too much for me, but this is really too rich for my blood.

Mr. TOWER. Actually my amendment would strike out the protective arrangements section of the Morse amendment. It would leave untouched, unsullied, and unhampered the protective arrangements section of the substitute for S. 6 we are now considering.

Mr. CLARK. If the Senator were to prevail, am I correct that we would have untouched subsection (c) of the committee bill, we would have a new section of the first part of the Morse amendment, and the second part of the Morse amendment would be stricken?

Mr. TOWER. That is correct.

Mr. CLARK. I thank the Senator for clearing my rather confused thinking this morning.

Mr. MORSE. Mr. President, I shall use 15 minutes or so for an explanatory statement of the amendment and my position relative thereto. I shall be glad to answer any questions my colleagues may wish to ask at the conclusion of my statement, but I shall not yield during that period of time.

It has been a policy of our American system to attempt to utilize private enterprise to furnish public utility services to the maximum extent possible. Section 3(b)(1) under the amendment would pursue that same policy.

Paragraph 3(b)(2) carries out the basic program under the act, not only of lending an emphasis to continuation of maximum use of private transportation companies, but also keys such use to a planned program for the coordination of the urban transportation system with the overall plan for the development of the urban area.

Paragraph 19(c) concerns the protective arrangements respecting interests of employees affected by the bill. As we know, any legislation which is intended to provide Federal aid for the purpose of strengthening and improving our urban area mass transportation systems must be concerned with another highly important factor, the stability of labor relations. It is a necessary corollary of any such consideration that there be provisions which would safeguard employee rights and promote and maintain the national labor policy with a view toward insuring labor relations stability and promoting employee morale.

The danger in the bill as reported is that it could seriously disrupt collective bargaining, which has had such a long and successful history in the mass transportation field. Accordingly, the amendment provides protections for the interests of employees who may be affected by the assistance or financing provided under this legislation. The amendment would protect existing employee rights,

including pension rights; would continue collective bargaining where it now exists; would protect individual employees against their positions being worsened, with a reasonable floor of protection being that already established for the transportation industries subject to Federal regulation; would provide a continuation of the employment relationship where mass transportation systems are acquired by a new employer with assistance under this act.

Mr. President, it might be helpful to my colleagues in the Senate if I present a very brief outline, descriptive of the amendment.

First. No financial assistance under the bill shall be made available to any State or local public body for the purpose of purchasing any facility or property of a private mass transportation company unless (a) such company has, prior to such acquisition, been declared bankrupt or placed into receivership by a court of competent jurisdiction, or (b) the Administrator finds that such assistance is essential to a program, for the acquisition of mass transportation facilities or property, supplementary to the service provided by an existing publicly owned or operated mass transportation system, and (c) in either situation under (a) or (b), the Administrator and the Secretary of Labor, acting jointly under section 19(c) of the bill, find that the project to be assisted complies with the section 19(c) requirements.

This limitation on the use of Federal funds under the bill extends to the improvement or reconstruction of facilities acquired after the effective date of the act as well.

Second. Financial assistance under the bill will be available to any State or local public body for the purpose of developing mass transportation facilities which will compete with or supplement existing mass transportation service only if the following conditions are met:

(a) The Administrator must find that such assistance is essential to the development of a unified urban transportation system which is a part of a comprehensively planned development of the urban areas;

(b) The Administrator finds that the program provides for the participation of private mass transportation companies to the maximum extent feasible; and

(c) The Administrator acting jointly with the Secretary of Labor is satisfied that the protective arrangements required by section 19(c) have been provided by the project.

Third. The amendment clarifies and improves the protective arrangements in section 19(c) of the bill in the following manner: (a) It makes it clear that the rights of beneficiaries will be preserved along with the rights of employees under existing collective bargaining agreements in effect in any mass transportation which is involved in any project assisted under the bill; (b) it makes it clear that collective bargaining in any situation where it now exists will be continued; (c) it assures employees that in the event of any layoff or downgrading of their employee classification in consequence of the development of any project under the bill, they will receive basic job protection benefits at least equivalent to those which have prevailed in the transportation industries subject to Federal regulation; and (d) it provides for the continuation of employment of any employees of any mass transportation system which has been transferred in consequence of any project which has been assisted under the bill.

Mr. President, let me say a few explanatory words about what may be called the philosophy of the Morse-McNamara-Williams amendment. I have worked on many complicated issues in the Senate. However, I do not know that I have ever worked on one with more tug and pull, more conflict of interests of various types, more complexities, than this issue. The amendment I am presenting is the composite result of many minds here in the Senate being brought to bear on a problem, with individual Senators pressing for consideration of individual problems relative to their States. What we have here is a composite amendment that I believe ought to go to conference. I would certainly be intellectually dishonest if I said to the Members of the Senate that the amendment may not need some modification in conference after there is brought to bear the give-and-take conference procedure.

The underlying purpose of the amendment, the underlying principle of the amendment, I thoroughly and heartily endorse. I wish to talk about those purposes for a moment. The issue of public policy runs through the amendment. That is a question of public policy on which reasonable men can disagree. We have already had disagreement on this policy, as we have already had disagreement on the bill with respect to that question.

The question of policy is this: Should the Federal Government make available to cities, States, and local governmental units Federal money to be used to strengthen their mass transit system in those communities when the use of that money would result in lessening the collective bargaining rights of existing unions?

As a matter of Federal public policy, can we justify the use of Federal dollars to weaken what I hope is true, namely, that collective bargaining between free labor and free employers is a basic and essential part of the American economic freedom? If we qualify that, and if we are not willing to agree to that premise, then I can see that individual Senators may have some decided differences with the senior Senator from Oregon with respect to the amendment.

However, let me state my position. In my judgment we cannot justify, as a matter of public policy, the use of Federal dollars by a local community or a governmental unit thereof to be spent for development of a transit system, the expenditure of which would result in worsening the present collective bargaining rights of free labor which operates that transit system.

As I have said in all the cloakroom and office conferences that we have had, I do not believe that the transit bill should be used in order to strengthen labor by imposing a union on a nonunion transit system.

Likewise, it is the position of the senior Senator from Oregon that the transit bill should not be finally passed in a shape in which it can be used to break the back of collective bargaining in any transit system now in operation. Let me very quickly say that neither do I think the bill should be used, in a new community where a transit system has to be built to require that a union be established in that transit system, because that ought to depend on the employees' free choice in the matter and on the processes of an orderly free collective bargaining system between free labor and free employers.

In summary, then, the philosophical position of the senior Senator from Oregon on this matter is one that he has held for years. We had in the War Labor Board a somewhat different fact situation but still the same policy question when in the early days we got into a controversy as to what our position would be on the maintenance of collective bargaining, or the maintenance of a union. As a public member of the Board, I proposed the formula that the Board unanimously adopted, employer members and labor members and public members, by a vote of 12 to nothing. The Board adopted the principle that the war could not be used by an employer to break a union that he already had in his plant; that the war could not be used by a union to force upon an employer a union in a plant then nonunion. If the plant was nonunion, the union could be established in that plant during the war only by free collective bargaining between employer and union, and any attempt to use economic force by way of strike in violation of the no-strike, no-lockout agreement, which had come to be accepted by American industry and American labor, at the request of the President of the United States, would be a strike that the Board would not countenance.

Some attempts were made, and the history of that period is replete with instances, in which the Board made it perfectly clear to such unions that they would not have the support of the Board, and would stand in violation of the no-strike, no-lockout agreement. It is also true that under those wartime conditions there were some instances in which employers sought to use the exigencies of the war as a means of weakening or destroying a union. A couple of cases went as far as seizure, so as to make it clear to the employers that we meant it when we adopted the Morse formula and were not going to allow them to use the war as an excuse to destroy a union in their plants.

This proposal is not on all fours with the situation presented by the substitute bill, but there is a similarity of principle that I wish to stress, because it is my underlying thesis as I press for the adoption of the amendment: That is, we ought to maintain the status quo.

Let me talk about a few hypotheticals in my description of what we can do to maintain the status quo. Suppose we

consider company X and union A. Company X is going into bankruptcy. It has been decided that city M will take over the company. In my judgment, the city should be allowed to take over the company, and my amendment would permit it, but it should be allowed to do so only if the city is willing also to take over the labor-management relations, if any, that have prevailed in the company. In other words, if there is a collective bargaining agreement, it should be understood that the city shall take them over. But I am told that such an arrangement cannot be accepted by many Senators because in some States there is a policy, by way of law, against recognizing unions.

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

Mr. MORSE. Let me finish my statement. I think it would be better if I stated my hypotheticals.

Mr. GOLDWATER. Would the Senator allow me to ask him a question or two? I have some questions to propound which I believe will assist in making the legislative history. Would the Senator prefer to finish his presentation?

Mr. MORSE. Yes. I should like to finish this statement; then I shall yield to the Senator from Arizona.

The PRESIDING OFFICER. The time of the Senator from Oregon has expired.

Mr. MORSE. I yield myself another 10 minutes.

What we have in that situation under the substitute bill, as I see it, is a conflict between a sound Federal public policy and a policy of a State. The State can continue its State policy if it wishes to; but in the judgment of the senior Senator from Oregon, the State should not be allowed to receive Federal money with which to continue a policy that is in conflict with sound Federal policy.

In a nutshell, that is my position. I think what we really must decide today is whether the Senate will underwrite and approve free collective bargaining as national policy, or will pass a bill which, in my judgment, will weaken free collective bargaining. I warn the Senate that troublous days may be expected in the next few years anyway in the whole problem of labor relations. I do not think we should adopt a bill today without the protection offered by my amendment. To do so will intensify labor conflict in this country.

The whole problem of automation is growing, with probably tens and tens of thousands of jobs to be lost as a result of automation. Organized labor is greatly concerned about it. It has been said in some of our conferences that organized labor may very well be unduly apprehensive about the bill; but that does not change the reality of their concern. Organized labor wanted more than the Morse amendment offers. They wanted a guarantee that if a new transit company were to be established with Federal funds contributed to it, there would have to be collective bargaining. I said, "In my judgment, you are not entitled to that."

Organized labor wanted a guarantee, in case after case, that they would be strengthened. I said, "In my judgment, the only sound policy to which you are entitled is the maintenance of the status quo. If you have collective bargaining now, I think the bill ought to be so drawn that you will be assured of a continuance of collective bargaining, so far as the Federal Government is concerned."

Mr. President, that is my proposal in a nutshell. It is open to debate. I shall first yield to the Senator from Arizona for a question, and then to the Senator from Connecticut [Mr. RIBICOFF]. It may be that more workable language can be adopted or devised on the floor of the Senate. If so, and if it does not endanger the major premise of the senior Senator from Oregon, I shall not have any quarrel with such language changes.

But if any proposed language changes result in the Federal Government surrendering what I believe is a basic, sound national policy of economic freedom, and I look upon collective bargaining as such a policy, I shall vote against such a surrender if it is incorporated in the bill. I shall vote against the amendment and the bill.

I now yield to the Senator from Arizona.

Mr. GOLDWATER. Mr. President, I shall comment briefly on the proposal of the Senator from Oregon in the field of labor. Actually, it does not change the original subsection a great deal. However, I should like to raise a few questions about it, because I questioned it at great length on the floor when I sought to have the entire subsection stricken.

Mr. MORSE. Mr. President, may I interrupt the Senator from Arizona to inquire how much time I have remaining?

Mr. GOLDWATER. Mr. President, I should be happy to ask the controller of time to grant time on the bill.

Mr. MORSE. Only a part of it.

Mr. TOWER. Mr. President, if it is a question of time, I yield to the Senator from Arizona as much time as he wishes to take.

The PRESIDING OFFICER. The Senator from Oregon has 8 minutes remaining.

Mr. GOLDWATER. My basic concern in the field is caused by language that to me seems to present a possibility of conflict with existing State laws and city ordinances.

I am in partial agreement—I will not say complete agreement—with the objectives of the Senator from Oregon, in that where there are bargaining agreements, pension plans, and the like, already in existence, they should be protected. I believe there are 42 cities in the United States having a population of more than 300,000 which now have bargaining agreements with the workers in the transportation field.

The first question that comes to my mind relates to the language on page 3, line 16, of the amendment of the Senator from Oregon:

> Such protective arrangements shall include, without being limited to, such provisions as may be necessary.

Does the Senator from Oregon share my fear that this language, without being limited, might be interpreted by the Administrator of the act to include the right to strike?

Mr. MORSE. Not in violation of Federal or State law in any case where the Federal law has not supervened.

Mr. GOLDWATER. That is a question that comes to my mind, because at the bottom of the subsection this language occurs:

> The contract for the granting of any such assistance shall specify the terms and conditions of such protective arrangements.

It begins:

> It shall be a condition of the granting of any assistance or the financing of any project under this Act—

And so forth and so forth.

My fear is that if there were a State law which prohibited a strike against any segment of government, this language might preempt that State law.

Mr. MORSE. For the purpose of establishing the legislative history, let me assure the Senator from Arizona that such is not the intention of this language. Here we are talking, too, about the status quo; and whatever the status quo was in regard to that situation, it would continue to prevail. Furthermore, we are also talking about a municipally owned and operated transit company, not covered by the Taft-Hartley Act.

Mr. GOLDWATER. That is a point which I wished to make following the one I have made on the question of striking.

Let us assume that in a hypothetical case, company A, in city X, is privately owned, and has a bargaining agreement with the union, and that the agreement recognizes the right to strike, because the agency is not an agency of government and is not covered by State law or by Federal law. If the company were taken over by the city and if the right to strike were one of the rights gained at the bargaining table, would that right continue to exist under the new arrangement, in the opinion of the Senator from Oregon?

Mr. MORSE. The amendment provides that Federal assistance will not be available under the bill for the purpose of enabling a city to acquire a privately owned transit system except in special instances such as bankruptcy. If there should be such an acquisition in these special cases and if there were a State law which prevented public employees from striking, they could not then strike. They would then have all their other rights, but not the right to strike.

Mr. GOLDWATER. I must disagree with the distinguished Senator from Oregon, and this is my major point of disagreement. I think we should reassure the States and cities that there would be no possibility of striking against the local government. I believe that is a very sound provision of law; and I believe it would be unwise to allow any employee of any government to strike against the people. I think collective bargaining for working conditions, and so forth, is perfectly legal, permissible, and desirable, so long as the right to strike is not included in it in such cases. So I suggest that we try to work out some language which will reiterate that, because if that is not done, I think the lan-

guage proposed is such as to completely preempt any State law in this particular field.

Mr. MORSE. First, I wish to answer the hypothetical question of the Senator; and then I wish to point out that under the bill, his hypothetical is not altogether realistic.

But in the few special cases of acquisitions of bankrupt transit systems, for example, then, in my judgment, the collective bargaining if such relations were established, would continue. But continuation of the collective bargaining would not mean that the right to strike a private employer would also continue for the reason that the private employer has been replaced by a municipal employer. The public agency would still have the obligation to carry out all the collective-bargaining obligations of the contract; but if State law forbade a strike against a municipality of course the union would be bound by the State law.

But the Senator's hypothetical is unrealistic, because under the hypothetical and under the bill, the city could not purchase that particular transit line except in the special circumstance which I have mentioned.

The PRESIDING OFFICER. The time yielded to the Senator from Arizona has expired.

Mr. TOWER. Mr. President, I yield 10 minutes on the bill to the Senator from Arizona.

The PRESIDING OFFICER. The Senator from Arizona is recognized for 10 minutes on the bill.

Mr. GOLDWATER. Then, Mr. President, let us extend the hypothetical to a situation in which it could be pertinent. Under the language of the Senator's amendment, which has been changed since he first showed us the other draft, the city could purchase a private company which either was in bankruptcy or was threatened with bankruptcy. Let us assume that company B was going broke, and that the city wished to purchase it, and that the company had a bargaining agreement which recognized the right to strike. Therefore, under this provision of the amendment, in paragraph (c), all rights, privileges, and benefits would be preserved. If one of those rights was recognized as the right to strike, how could the Senator's amendment do other than preserve that right?

Mr. MORSE. In that case, the State law would supervene. The rights we are talking about are those spelled out in the collective bargaining agreement—wages, hours, conditions of employment, pensions, welfare funds. This has nothing to do with the right to strike. In this sense, the right to strike is not part of the collective-bargaining agreement. The State law would be controlling, because a strike would be contrary to the public policy as established by the paramount State law since the National Labor Relations Act, by your hypothesis, does not apply. My amendment does not affect any application made by a public agency operating under such a State policy.

Mr. GOLDWATER. In my opinion, the right to strike is inherent in any bargaining agreement, and is, in my opinion, given to any bargaining agency—to the union, and does not have to be spelled out.

Mr. MORSE. Then the Taft-Hartley Act is not applicable.

Mr. GOLDWATER. But let us assume it were applicable.

Mr. MORSE. Then the situation would be entirely different.

Mr. GOLDWATER. Let us consider a company in Memphis, Tenn., or in New York City, or in Hartford, Conn.—any company in a city where the State line is close by. Therefore, it would be in interstate commerce, and I think the Taft-Hartley Act would apply.

Mr. MORSE. If I understand your point; let me say that your question involves an interpretation of the Taft-Hartley Act, and does not involve this bill.

Mr. GOLDWATER. But I believe the Taft-Hartley Act would apply to this bill or its interpretation, regardless of what the Senator from Oregon or I may think about it. I do not think we can eliminate the application of the Taft-Hartley Act just because there is in the bill a subsection which deals with labor.

Mr. MORSE. If we were dealing with an employer who is subject to Taft-Hartley, the Federal law would preempt any municipal ordinance and State law in conflict with it. However, I am talking about a case in which Federal law does not touch the question of whether there is a right to strike.

Mr. GOLDWATER. Let us consider a case in which an existing private transit system were taken over by a city and were operated at the government level. In the opinion of the Senator, could the bargaining agent strike against the city after it took over the transportation system?

Mr. MORSE. Again, the hypothetical is not realistic except in a few special situations such as a takeover of a bankrupt system, but the agreement in such cases could not supersede State law.

Mr. GOLDWATER. Then is it the opinion of the Senator from Oregon that this language in no way would supersede State law?

Mr. MORSE. Yes, as to the right to strike.

Mr. GOLDWATER. How could it not supersede State law as to the right to strike, but could supersede other law?

Mr. MORSE. That is perfectly clear. The amendment does not supersede any State policy. It makes perfectly clear that if there were a collective-bargaining agreement which covered wages, hours, conditions of employment, pensions, welfare, and all the other forms of collective-bargaining agreements, and if the city wished to obtain a loan or a grant under this bill for an acquisition in the few exceptional cases to which I have referred, and if it proposed to reject the collective-bargaining agreement, it would not be eligible to receive the money.

Mr. GOLDWATER. I understand that perfectly, but my concern does not go to that. My concern is that we would allow the employees of the company, while operating under the city, to have the power to strike against a division of government—which I do not think the Senator from Oregon would agree would be correct.

Mr. MORSE. No, the bill does not allow that and does not cover that.

I repeat that if in a State there is a public policy which forbids government employees to strike, that will prevail and it will in no way affect an application made under the terms of the bill.

Mr. GOLDWATER. I wish to refer to another provision which contains what I believe to be ambiguous language. I refer to subparagraph (4). I shall read it:

> Assurances of employment to employees of acquired mass transportation systems by the acquiring or operating entities—

Then the ambiguity comes in—

> and priority of employment or reemployment of employees terminated or laid off.

In the first part of that sentence there is a prohibition against laying off any employee. In the second part of the sentence the possibility of such a layoff is anticipated. I am not speaking against the Senator. I am suggesting that he might rephrase that provision to erase any idea of it going two ways.

Simply stated, to me the provision means that an employer could not fire an employee, but he might be able to fire an employee.

Mr. MORSE. I do not think we need to change the language. I believe we are covering the point in the legislative history that the Senator and I are now making. The point I wish to stress in the legislative history is that the successor company stands in exactly the same shoes as the predecessor company, and whatever was binding upon the predecessor company in regard to the matter of conditions of employment is binding upon the successor company. The collective bargaining agreement continues until the parties by collective bargaining change the agreement.

Mr. GOLDWATER. Mr. President, I am glad that point was cleared up. I think the Senator will agree that there is some doubt in that sentence. It is a rather fuzzy sentence. I believe it would probably have been just as well to have left the provision as it was or to have stricken the second part of it. It leaves some doubt in my mind as to whether or not the employer would be required to retain the employee.

Mr. MORSE. I believe the point is cleared up in our colloquy. I thank the Senator.

Mr. GOLDWATER. Mr. President, the Senator from Oregon referred to "the declared policy." I wish to state for the legislative record that in title I of the amendment to the National Labor Relations Act, which we call the Taft-Hartley amendment, the following provision appears:

> It is hereby declared to be the policy of the United States to eliminate the causes of certain substantial obstructions to the free flow of commerce and to mitigate and eliminate these obstructions when they have occurred by encouraging the practice and procedure of collective bargaining and by protecting the exercise by workers of full freedom of association, self-organization, and designation of representatives of their

own choosing, for the purpose of negotiating the terms and conditions of their employment or other mutual aid or protection.

I believe the Senator and I understand that language and agree with it. Many times I have stated publicly that when the law was enacted—indeed, when the original Wagner Act was enacted—it was long overdue.

However, in the definitions of section 2, paragraph (2), the following appears:

(2) The term "employer" includes any person acting as an agent of an employer, directly or indirectly, but shall not include the United States or any wholly owned Government corporation, or any Federal Reserve bank, or any State or political subdivision thereof.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. TOWER. Mr. President, I yield 5 additional minutes to the Senator from Arizona.

Mr. GOLDWATER. Mr. President, the Senator had not yielded 5 or 10 minutes——

Mr. TOWER. I yielded 10 minutes on the bill. I now yield 5 minutes on the amendment.

Mr. GOLDWATER. I thank my good friend from Texas.

It has already been stated as national policy that collective bargaining is to be encouraged. It is also a part of national policy that States or political subdivisions thereof are excluded.

My fear about the existing part of the act and the amendment proposed by my friend from Oregon is that either the language of the bill or that proposed by the Senator—and they are almost identical—will be interpreted by the Administrator of the NLRB or some court as preempting State laws that cover the field at the present time.

One final word of assurance from the Senator from Oregon that the intentions expressed in the definitions part of the Taft-Hartley Act will not be violated would be of great help on that point if we are ever attacked in relation to it.

Mr. MORSE. The very reason that the language in the bill reads as it does is in order to make it clear that the Taft-Hartley exemptions are not changed by the amendment.

I cannot emphasize the point more than I already have done in the legislative history in our debate. It deals with municipal and State problems, and not Federal problems.

Mr. GOLDWATER. Then, as a final word, the language proposed by the Senator from Oregon or the language of the bill as it now stands in no way would preempt State law.

Mr. MORSE. The answer is yes; and particularly as I have mentioned. If the collective bargaining should be taken over by a public agency in the exceptional case described, the right to strike against the public agency would be taken away from labor. But that is not a contractual right; it is not among the contractual rights the State agency must recognize in order to have an application for aid considered.

Mr. GOLDWATER. The right to strike against the public agency.

Mr. MORSE. Against the public agency where the State or local law forbids the right to strike.

Mr. GOLDWATER. If there is local law, the language of the Senator from Oregon would not prevail.

Mr. MORSE. The Senator is correct.

Mr. GOLDWATER. If there is not a local law, would it be the interpretation of the Senator from Oregon that employees could strike in spite of the language in the "definitions" clause of the Taft-Hartley Act?

Mr. MORSE. In the absence of any local law, it would be for the State court to decide whether they had that right.

Mr. GOLDWATER. Mr. President, I thank the Senator from Oregon for this discussion. I am very apprehensive about the proposed language, as he knows. I do not desire to destroy the bargaining rights of employees affected. Neither do I desire to destroy the rights of the public by some language that would overrule State laws which are designed to protect, and also overrule national policy which is designed to protect.

Mr. MORSE. Mr. President, if it meets with the approval of the Senator from New Jersey [Mr. WILLIAMS], I should like to yield 10 minutes on the bill to the Senator from Connecticut [Mr. RIBICOFF].

Mr. TOWER. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. TOWER. It was my understanding that I had the floor. I had yielded to the Senator from Arizona.

The PRESIDING OFFICER. The 5 minutes yielded to the Senator from Arizona have expired. The Chair recognizes the Senator from Oregon.

Mr. MORSE. In order to avoid a misunderstanding with the Senator from Texas, I thought I retained the floor. I only asked him, on my time on the floor, if he would be willing to yield time to the Senator from Arizona.

Mr. TOWER. It is quite all right.

Mr. MORSE. I should like now to yield 10 minutes on the bill to the Senator from Connecticut, if the Senator from New Jersey approves.

Mr. WILLIAMS of New Jersey. I shall be happy to have the Senator yield time on the bill to the Senator from Connecticut.

Mr. RIBICOFF. Mr. President, it is important to clarify some doubts in the minds of many Senators. The Senator from Oregon has made some changes in his amendment since yesterday afternoon. As the Senator realizes, there was deep concern on the part of Senators from the New England States and New York concerning the language of the original amendment proposed by the Senator. That would have excluded from financial assistance States or regional authorities which might help or assist commuters by acquiring an interest in a private company already in bankruptcy such as the New Haven Railroad. As the Senator realizes, I offered an amendment to his amendment. Is it correct to say that my amendment No. 31 has now been incorporated in amendment 30 of the Senator from Oregon?

Mr. MORSE. I apologize to the Senator for not making that point clear when I explained my amendment. The Senator and I had a conference yesterday afternoon. We had technical assistance. I thought his amendment was meritorious. I told him it was acceptable to me and I would see if I could not have it included in the bill by obtaining the consensus of the others. They agreed with us, and we find it on line 4, page 2—

Unless (A) such company has, prior to such acquisition, been declared bankrupt or placed into receivership by a court of competent jurisdiction,

The provision means that they could obtain aid under the bill.

That referred also to the objection of the Senators from Rhode Island [Mr. PASTORE and Mr. PELL] in regard to this particular point, but only in regard to that point.

Mr. RIBICOFF. We were all concerned about it. So there is no question at the present time that should the States of Massachusetts, Rhode Island, Connecticut, or New York find that they must develop a program with the bankrupt New Haven Railroad in order to save the commuter traffic and keep the line in existence, and this program were to include some acquisition of the commuter service of a bankrupt line by a public agency or some interest in such service, then under this act and under the amendment of the Senator from Oregon it would be possible to come to the Federal agency for financial assistance.

Mr. MORSE. There is no question about it. They have the authority to do so.

Mr. RIBICOFF. I thank the Senator from Oregon.

Mr. CLARK. Mr. President——

Mr. MORSE. Does the Senator from Pennsylvania wish to ask me a question, or does he desire time of his own?

Mr. CLARK. I should like to have some time.

Mr. MORSE. I temporarily yield the floor, Mr. President.

Mr. WILLIAMS of New Jersey. Mr. President, I will yield to the Senator from Pennsylvania.

Mr. CLARK. Mr. President, the Senator from Texas [Mr. TOWER] was kind enough to say that he would yield me time.

Mr. TOWER. Mr. President, I yield 10 minutes to the Senator from Pennsylvania from the time in opposition to the amendment.

The PRESIDING OFFICER. The Senator from Pennsylvania is recognized for 10 minutes.

Mr. CLARK. Mr. President, with deep reluctance I rise to oppose the Morse amendment.

I am in complete agreement with my good friend, the Senator from Oregon, as to the objectives he seeks to achieve by his amendment. Surely we should not in this legislation attempt to write a labor law. We should leave labor's rights exactly where we found them, once this legislation is disposed of. I

do not wish to see this legislation used to diminish the rights of labor. I believe it inappropriate in this kind of legislation to attempt to increase the rights of labor. I am as opposed to a labor-baiting amendment as I am to a labor-take-over amendment. In this I believe I am in complete accord with my good friend from Oregon.

I think it is as unfortunate to attempt to affect basic labor law by this amendment as it would be to try to write a civil rights rider into the bill. Members of this body know well that I have been a friend of labor. Labor has been kind to me. I have also been a protagonist of civil rights, and this has perhaps aided me in my own community and State, and I believe that the civil rights legislation proposed in this body should be passed. However, this is not the way to do it.

Therefore I must oppose the amendment. I oppose it, Mr. President, because in my judgment nobody knows what the amendment would do. I know that my good friend from Oregon, who is one of the best lawyers who has ever served in this body, did not write this amendment. I am sure that if he had had an opportunity to consider it at great length his trained legal mind would have made many changes in it.

This is not the same amendment which was presented to us yesterday by some of our good friends. This is an amendment rewritten overnight. I say again I do not believe the people who wrote it know what is in it. I suggest this is not the way to deal with so important a matter of legislation on the floor of the U.S. Senate.

The labor provisions in the committee bill—and I was a member of the subcommittee and of the full committee, and I approved them—were carefully thought through and carefully worked out by the Senator from New Jersey, who did a magnificent job, in my opinion, in reconciling the conflicting views of those who wanted to use this legislation to curtail the rights of labor on the one hand and of those who wanted to use this legislation to increase the rights of labor on the other. That language was thought out. It was thought through. It has gone through the crucible of minds battering out the truth on the anvil.

I suggest to my friends in the Senate that the language in the bill as it came from the committee is the language which should remain. That language ignores the radical right and ignores the radical left and goes down the middle with a sound provision.

I should like to summarize it at this point. It appears in subsection (c) on page 26. It states:

> It shall be a condition of the granting of any assistance or the financing of any project under this act that fair and equitable arrangements are made, as determined by the Administrator after consultation with and the concurrence of the Secretary of Labor, to protect the interests of employees affected by such assistance or financing. Such protective arrangements shall include—

Not "may include" but "shall include"—

> without being limited to, such provisions as may be necessary for (1) the preservation of rights, privileges, and benefits (including continuation of pension rights and benefits) under existing collective bargaining agreements; (2) the encouragement of the continuation of collective bargaining rights; (3) the protection of individual employees against a worsening of their positions with respect to their employment; (4) priority of employment or reemployment of employees terminated or laid off; and (5) paid training or retraining programs. The contract for the granting of any such assistance shall specify the terms and conditions of such protective arrangements.

Mr. President, I submit that that lays it on the line in accordance with what the Senator from Oregon is trying so hard to do—what I am trying to do also, and the Senator from Alabama and the Senator from New Jersey are trying to do, which is to go right down the middle to protect existing rights, not to increase them or to diminish them but to protect them.

What have the people who drew up the amendment done? They have drawn up an amendment which says, in the first place, that a public agency could not be utilized to buy a private company. Why, Mr. President, this would knock out two-thirds of the benefits of the bill. Why was that done? It was because they fear that if we allow a public company to buy a private company then the rights of organized labor somewhere in the country might be adversely affected.

Mr. President, I say that they are throwing out the baby with the bath water. So I am opposed to it.

Then they went around and said, "We will fix it up." And they fixed it up overnight. They took care of some of the problems in Massachusetts. They took care of some of the problems in Connecticut. And they took care of half the problems in Pennsylvania, but not the other half. Other Senators come around to say, "But you haven't taken care of me."

Mr. President, we cannot legislate in that way on the floor of the Senate. If there are defects in the bill that came from the committee, if there are things in subsection (c) on page 26 which need to be improved, to assure that the objective of the Senator from Oregon—which is my objective, too—is carried out in the final legislation, there will be ample time to take care of that in conference.

The Senator from Alabama [Mr. SPARKMAN] will be on the conference committee. So will the Senator from New Jersey [Mr. WILLIAMS]. So, God willing, will I.

I make my commitment now that I shall use my every effort in conference to see to it that the objectives of my friend from Oregon are carried out.

But, Mr. President, let us not throw the baby out with the bath water.

I hope the amendment will be rejected.

Mr. MORSE. Mr. President, I yield myself 1 minute.

The PRESIDING OFFICER. The Senator from Oregon is recognized for 1 minute.

Mr. MORSE. I wish to say to my good friend from Pennsylvania that nothing disappoints me more than to find us in disagreement. I am glad we are in agreement as to the objectives, though I am sorry we are in complete disagreement as to how to reach the objectives.

As to the preparation of this amendment, I should like to advise the Senator that some 800 man-hours have been used in the development of this amendment by experienced and skilled experts.

The Senator from Oregon did give instructions to the counsel assisting him as to what the amendment should contain so far as the objectives are concerned. Counsel prepared it, but the Senator from Oregon has gone over it and approves the language of the amendment as carrying out those objectives in complete accord with his instructions.

It is impossible to satisfy all Senators. The reason why it is impossible to satisfy them all is that we cannot satisfy each instance and protect the Federal policy, because some changes are going to have to be brought about in some of the States to conform to the Federal policy.

I do not think there would be any great wrong done if we simply said to a State, "You do not qualify for this Federal grant." It does not mean they are entitled, as a matter of right, to the Federal grants irrespective of the fact that they are not following a policy that is in conformity with a Federal policy which I think is sound public policy.

One of the differences between the Senator from Pennsylvania and the Senator from Oregon is that, in my judgment, the committee bill did not provide for the status quo of labor relations. If it had provided for the status quo of labor relations, I would not have been offering an amendment. There would not have been vigorous opposition to the bill as it came to the floor on the part of labor. When they think a great wrong is being done to them, they have the right, as free men, to oppose legislation, because even the language the Senator from Pennsylvania has referred to——

The PRESIDING OFFICER. The Senator's minute has expired.

Mr. MORSE. I yield myself another minute.

Even that language uses the word "encourages" the maintenance of the status quo, but it does not require it. What does "encourage" mean? It cannot be subjected to a definition that gives any real protection to labor.

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

Mr. MORSE. I yield.

Mr. CLARK. For myself, I would be glad to change the word "encourages" to the word "protects."

Mr. MORSE. Well, I have the bill before me, and the amendment is based on the bill as it is worded.

Under this indefinite language, collective bargaining agreements could be ignored or set aside by systems of public ownership.

Furthermore, there is not a word said about the Washington agreement, or section 5(2)(f) of the Interstate Commerce

Act. It is not even mentioned in the bill. Its present application to the railroads is vital. It is in my amendment. Without it, there will be unified opposition by the railroad brotherhoods to the committee bill. Under those circumstances, they would be right in their opposition. The precious rights obtained by them under the Washington agreement should be indifferently set aside by a federally assisted transportation system as a matter of sound public policy. Therefore, I could not vote for the bill as it came out of the committee, because I disagree with the Senator from Pennsylvania. It does not adequately protect the legitimate rights of labor.

Mr. TOWER. Mr. President, I yield myself 5 minutes.

I should like to express my thanks to the distinguished Senator from Pennsylvania for his clear and lucid argument against the adoption of this amendment, and state that, while my objectives may not be the same as his, I think his reasoning is absolutely right.

I certainly would not want to try to tack any punitive labor legislation onto this bill. I think that is definitely wrong. But we have been reassured time and time again that it is not our intent to supersede or contravene State law. But with the submission of this amendment by the proponents of the bill, a very ugly cat, indeed, has been let out of the bag.

I agree with the Senator from Pennsylvania that we cannot say what these provisions mean. The bill has not been enacted yet. It has not been tested in the courts. There are no precedents. How do we know what it means?

I think it means that, in a State where political subdivisions are prohibited from recognizing unions as bargaining agents, either municipalities in those States will not be able to qualify for aid under this bill or, if they do, they will have to repeal or amend their laws.

Much has been said about our not wanting discrimination in the bill. I tried to get a definition of urban area adopted. It would have excluded smaller communities. Much has been made of the fact that we do not want to discriminate against smaller communities; that they have as much right under the bill as any other communities. But we are discriminating against a number of States that have rigid provisions in their laws relative to bargaining arrangements, strikes, and picketing on the part of public employees.

I intend to offer an amendment to the Morse amendment in a moment which would strike out the labor provision. It appears that this may be a condition for the support of organized labor of the bill, but that certainly is no argument for the adoption of a provision of this sort.

Much was made in committee testimony about featherbedding. Mr. Wirtz said he was utterly opposed to featherbedding, that it was wasteful; but we are perpetuating featherbedding in this bill. That is precisely what we are doing.

There is a provision for buying bankrupt companies. What has made some of these companies bankrupt? They have been caught in the price-cost squeeze, because their costs got higher and higher, in many instances, perhaps, as a result of featherbedding. Yet we want to perpetuate the very thing that may be bankrupting these companies.

It is my fervent hope that the amendment will be roundly and soundly defeated.

I yield 5 minutes to the Senator from Ohio.

Mr. LAUSCHE. Mr. President, I do not want my silence to leave the impression that I agree with the argument that the bill does not in any manner affect the Taft-Hartley law. In my judgment, the bill as it is written and as sought to be amended by the Senator from Oregon will affect the Taft-Hartley law. I shall endeavor to explain my reasons for that judgment.

The Taft-Hartley law provides that the right to concerted action by workers shall be valid. Concerted action includes the right to strike. However, the Taft-Hartley law also provides that it shall not be applicable to Federal or other governmental employees.

Whenever a transportation system crosses a State line or is engaged in a volume of business that affects interstate commerce, even though that system is solely within the boundaries of a State and does not cross the State line, the Taft-Hartley law is applicable.

There are now transportation systems which may be affected by the Taft-Hartley law. Others are not affected because they are governmentally operated. If the pending bill is passed and a private company is taken over by a government, although the Taft-Hartley law provides that it does not apply to governmental operations, the bill says that it shall apply to carry out the previous agreement.

To summarize, no operation in the transportation business now covered by government is affected by the Taft-Hartley Act. Private enterprises are covered, in many instances, by the Taft-Hartley Act. It is now proposed to have a free enterprise system, through the finances granted under the bill, taken over by a government. I submit to the Senate the language is clear that if that private enterprise had a collective bargaining agreement with a union, when it is taken over by a government the collective bargaining agreement applies, even though the present Taft-Hartley law states that governmental operations shall not be affected by the Taft-Hartley Act.

So I submit to my colleagues that, both by the bill as it is now pending and as it is proposed to be amended by the Senator from Oregon, the Taft-Hartley law will be amended if these proposals are adopted.

Mr. MORSE. I yield myself 2 minutes.

First, I wish to say to my friend from Texas that in my judgment no question of featherbedding is involved in this amendment at all. If there is a serious problem of featherbedding in the country, it will have to be handled as a separate matter. If we have that problem, it will have to be solved by procedures that will have to be developed for the handling of it, just as at the present time we are opening consideration of the charge of featherbedding in the railway industry; and just as analyses and studies are being made with reference to featherbedding in the maritime industry.

I suppose one way to get rid of featherbedding is to get rid of unions. According to the Senator from Texas, another way would be the operation of industry by public agencies, but I doubt he wants to advocate that. Neither method would be in keeping with the place that American unions have in our economy, or the part they have played in easing the transition into automation.

I wish to say to my friend, the Senator from Ohio, that I disagree with him on what would be the obligation under the bill. The obligation derives from the arrangements with the Administrator. It does not derive from the Taft-Hartley law at all. They are contractual arrangements. It is the contracts that are binding. I refer Senators to page 26 of the bill, where this language appears:

> (c) It shall be a condition of the granting of any assistance or the financing of any project under this act that fair and equitable arrangements are made, as determined by the Administrator after consultation with and the concurrence of the Secretary of Labor, to protect the interests of employees affected by such assistance or financing. Such protective arrangements shall include—

Then it sets out such terms of the contract with continuation of collective bargaining in any situation where it now exists plus other obligations arising from the arrangement with the Administrator.

An unfair labor practice charge against the municipality under the Taft-Hartley law for any conduct under such arrangement under the amendment would be dismissed by the National Labor Relations Board because the arrangement that was entered into would create the obligation, not the Taft-Hartley law.

Mr. TOWER. Mr. President, the language of the amendment reads:

> The protection of individual employees against a worsening of their positions with respect to their employment which shall in no event provide benefits less than those established pursuant to the provisions of section 5(2)(f) of the Interstate Commerce Act.

Mr. MORSE. It means that the status quo must be preserved with respect to the employer-employee relationship. The relationships of the successor employer under a federally assisted project under the bill would be the same as his predecessor.

All I am saying is the public operation should extend to employees the same protection they had under private operation.

Mr. TOWER. I will yield in a moment to the Senator from Arizona to read the appropriate section of the Interstate Commerce Act. However, I read further from the Senator's amendment:

> Assurances of employment to employees of acquired mass transportation systems by the acquiring or operating entities.

I yield to the Senator from Arizona.

Mr. MORSE. It means that the employees must be taken over with the plant; the position of the successor is

no more or no less than his predecessor under this provision of the amendment.

Mr. TOWER. Whether they are working or not? It means that redundant people must be kept on the payroll.

Mr. GOLDWATER. I thank the Senator from Texas. This is one of the points I failed to cover in my colloquy with the senior Senator from Oregon. He referred to section 5(2)(f) of the Interstate Commerce Act. I am not going to read all of it, but I ask unanimous consent that the entire section be printed in the RECORD at this point in my remarks.

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

(f) As a condition of its approval, under this paragraph (2), of any transaction involving a carrier or carriers by railroad subject to the provisions of this part, the Commission shall require a fair and equitable arrangement to protect the interests of the railroad employees affected. In its order of approval the Commission shall include terms and conditions providing that during the period of four years from the effective date of such order such transaction will not result in employees of the carrier or carriers by railroad affected by such order being in a worse position with respect to their employment, except that the protection afforded to any employee pursuant to this sentence shall not be required to continue for a longer period, following the effective date of such order, than the period during which such employee was in the employ of such carrier or carriers prior to the effective date of such order. Notwithstanding any other provisions of this Act, an agreement pertaining to the protection of the interests of said employees may hereafter be entered into by any carrier or carriers by railroad and the duly authorized representative or representatives of its or their employees.

Mr. GOLDWATER. The point I refer to particularly reads:

In its order of approval, the Commission shall include terms and conditions providing that during the period of four years from the effective date of such order such transaction will not result in employees of the carrier or carriers by railroad affected by such order being in a worse position with respect to their employment.

In other words, let us say that a bus company is taken over by a city. If the bus company practiced featherbedding, the city cannot discharge these employees for a period of 4 years, even though they are not needed.

I wish to make it clear to my colleagues in the Senate, so that they may understand this point. The amendment does perpetuate featherbedding. Let us say that the company has gone broke because of inefficiency, and the inefficiency is to be found in the operation of the vehicles or in the operation of the garage. The people there who are responsible for the inefficiency cannot be removed from their jobs for a period of 4 years. I suggest to my friend from Oregon and to my friend from Texas that this does violence to the concept of collective bargaining. It prohibits anything being done about these men for a period of 4 years. If we accept the Morse amendment today, we will accept a prohibition against the removal of any employees for any reason for a period of 4 years.

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

Mr. TOWER. Mr. President, how much time do I have remaining on the amendment?

The PRESIDING OFFICER. Four minutes.

Mr. TOWER. I yield 2 minutes to the Senator from Ohio.

Mr. LAUSCHE. I have deep respect for the senior Senator from Oregon, but on this legal proposition I cannot accept the answer which he gave me. I repeat that he said that the contemplation here is to preserve the status quo. If we preserve the status quo, and a private company was formerly under the Taft-Hartley law, the Taft-Hartley law would apply. But if the company is taken over by a city, the Taft-Hartley law provides then when the city operates, the Taft-Hartley law shall not apply. The amendment of the Senator from Oregon provides that it shall apply. The conclusion is inescapable that whether the right is derived from the judgment of the Administrator, with which statement I do not agree, the right under the bill is derived from the declaration in the law that collective bargaining agreements shall continue if aid is to be granted, and the Administrator is barred from granting aid unless all the terms and conditions of the collective bargaining agreement shall be carried into effect in accordance with the judgment of the Administrator.

If a company is now privately operated, it is plain that it is subject to the Taft-Hartley law. If that company is taken over by a municipality, it would not be covered by the Taft-Hartley law. However, under the Senator's amendment it would be covered.

Mr. MORSE. I yield myself 5 minutes on the bill. First, I wish to say that municipalities are exempt under the Taft-Hartley law. Second, I wish to point out that preserving the status quo of the contractual arrangement means continuing the present collective bargaining relationship under the arrangement between the parties and the Administrator.

I wish to say to my friend from Arizona that the part of section 19(c) that he read in effect means, basically, that the job protections and standards refer to, first, dismissal allowances for employees who are deprived of employment; second, displacement allowances of employees who are displaced in minimum paying jobs; and, third, moving allowances for employees who are required to change their place of employment.

To my good friends, I say: You cannot have this both ways. You cannot say in one breath that you do not believe the bill should include any labor legislation, and in the next breath propose to follow a course of action which might adversely affect employment without giving the employee the comparable right which he would have had under section 5(2)(F) of the Interstate Commerce Act.

All I am saying is that whatever the arrangement is now—in comparable situations which might not have occurred without the bill, whether in terms of displacement allowances, or of moving allowances—such a severance arrangement is continued and collective bargaining rights are continued.

In effect, if the Senate follows the position of the Senator from Arizona and the Senator from Texas, it will be passing major labor legislation within this bill, and using the bill improperly as a vehicle for major labor legislation.

Let us consider the problems existing in present collective bargaining agreements. How shall we correct abuses and injustices that have developed? They will be corrected just as we are seeking to correct them in the maritime industry, in the railroad industry, and in a good many other industries where there are charges of make-work programs.

I hope that we shall not, at least separately and distinctly, without a single hearing on these questions having been held, pass a transit bill which could and surely would, if the Senator from Texas and the Senator from Arizona have their way, result in denying thousands of employees their precious, hard-earned benefits which free collective bargaining has brought to them over the years.

To continue my argument would be only a matter of constant repetition. What the amendment would do, in spite of all the attacks on it, would be to assure that existing collective bargaining rights would not be taken away from the workers. I think that issue ought to go to conference. My confidence in the chairman of the Senate conferees, the distinguished junior Senator from Alabama [Mr. SPARKMAN], and his associates is such that I am satisfied that they can work out any of the "bugs," so to speak, that may be shown to have developed in the bill at the conference stage.

The distinguished junior Senator from New Jersey [Mr. WILLIAMS], chairman of the subcommittee, will be a member of the committee of conference, as will the distinguished senior Senator from Pennsylvania [Mr. CLARK].

In my judgment, the Senate should, as a matter of public policy, adopt the Morse amendment, underwriting the basic principle that the Senate does not propose to take away from labor, in the mass transit bill, hard-earned collective bargaining rights achieved over the years.

I close by saying that I am making an argument for free enterprise in maintaining to the extent possible private ownership of transportation companies under free collective bargaining. I am standing here fighting for the economic freedom of employers and unions in this country to continue their collective bargaining arrangements without Congress creating a system of public ownership of transit systems which would override in a moment employee rights and interests established in decades of free negotiation.

In any event, cities cannot use Federal funds for that purpose unless a bill to acquire or take over privately owned transport systems is passed save for the exceptional cases of bankruptcy or receivership to which I have already referred.

We are debating a bill which will be of great assistance to one city after another.

But have we a bill, taking it in its totality, which will promote a solution, in many cities, of serious transport problems? I think we have. I am seeking to add to the bill an amendment which will protect the status quo of employer and employee relations. I am making a free enterprise argument. It is an argument which seeks to protect one of the most precious freedoms which American employers and American workers have, namely, the right of employees, through their representatives, to enter into free collective bargaining agreements with private employers and to have those rights preserved and protected.

Mr. WILLIAMS of New Jersey. The Senator from Oregon certainly can make a justification for the amendment far more eloquently than I can; but as a cosponsor of the amendment, I, too, wish to say a word.

First, I was surprised when the senior Senator from Ohio [Mr. LAUSCHE] spoke as he did. I thought he would come here this morning to shout "Hallelujah." But he did not address himself to the first part of the amendment. The other day, in debate, the Senator from Ohio said:

> The pending bill has the machinery to drive private transit systems out of existence.

In speaking of his own bill, he defended it by saying:

> It would stop the Fabianists from pushing the private enterprise system of mass transportation into public, nationalized operation.

Under this amendment, that objective is certainly served, I respectfuly submit to the Senator from Ohio.

I wish to go back some 600 man-hours ago to the time when we were at the beginning of our deliberations on the questions here involved. It seems to me we have two important operative facts.

One fact is, and was, that if the bill shall be enacted, it will be a significant stimulant to reemployment, to increase the number of employees in a very sick industry, the transit industry of the United States. We are all aware of the decline of employment in all the departments of mass transportation. The bill would provide the stimulant necessary to bring workers back to the railroads, back to rapid transit, back to the bus companies. That was an important fact with which we had to deal.

The other fact is that very few, although some, systems might be changed in a way that a few employees might be adversely affected. There could be readjustments; there could be a loss of collective bargaining rights and opportunities.

There is one clear principle which we have sought to preserve. We have sought to do everything possible in the bill to protect the workingman in the rights he has won. That is why we had section 19(c) in the bill. The Senator from Pennsylvania [Mr. CLARK] spelled out the protection there, and we believe we have honored our obligation not to affect working people adversely by the action of the proposed legislation. However, in this sick industry, where there has been a decline in employment, an industry in which transit workers do not know from day to day what will happen to their jobs, they were fearful that this assurance was not guaranteed.

So we labored and labored and labored. Now we are here with a measure that certainly meets the objective of preserving the hard-earned rights and benefits of working people in the transit industry. We have preserved them in a way which certainly furthers private enterprise as the instrument to provide better transportation in this country.

All of us know that over the years one of the men most significant in finding the solution to the mystery in labor-management problems has been the senior Senator from Oregon. I express my personal gratitude for his advice and counsel both in our deliberations in the Senate and in offering this amendment today.

Mr. TOWER. Mr. President, it is my understanding that the time of the Senator from Oregon has expired. I yield back the remainder of my time for the purpose of offering an amendment to the amendment proposed by the Senator from Oregon.

I offer my amendment and ask that it be read.

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. Beginning on page 3, it is proposed to strike out all beginning with line 9 and through line 8 on page 4.

Mr. TOWER. Mr. President, I suggest the absence of a quorum; and I ask unanimous consent that the time required for the quorum call not be charged to the time available to either side.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered; and the clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

MESSAGES FROM THE PRESIDENT—APPROVAL OF BILLS

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries, and he announced that on April 3, 1963, the President had approved and signed the act (S. 1035) to extend the provisions of section 3 of Public Law 87–346, relating to dual rate contracts.

EXECUTIVE MESSAGES REFERRED

As in executive session,

The PRESIDING OFFICER laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

VISIT TO THE SENATE BY DELEGATION FROM THE ECUADORAN CONGRESS

Mr. SPARKMAN. Mr. President, I yield myself 1 minute on the bill.

The PRESIDING OFFICER. The Senator from Alabama is recognized for 1 minute.

Mr. SPARKMAN. Mr. President, at this time we are honored by a visit from a large delegation of Members of Congress from our sister Republic to the south, Ecuador. In a short time they are to be the guests of the Vice President at luncheon. Prior to the luncheon, he has brought them here, for a brief visit to the floor of the Senate.

Mr. President, I know that all of us join in extending to these distinguished guests a very warm invitation to be with us, and a very warm reception. We are delighted that they are visiting in our country. We appreciate very greatly the good relationships between Ecuador and the United States; and we know that these gentlemen will do much to cement further the strong bonds of friendship which our two countries enjoy.

Mr. TOWER. Mr. President, I should like to join the distinguished Senator from Alabama in welcoming our distinguished neighbors. We hope that they feel at home here, and we want them to be welcomed as further evidence of our very fine relationship with their great country. It is our distinct pleasure to welcome them here today. [Applause, Senators rising.]

URBAN MASS TRANSPORTATION ACT OF 1963

The Senate resumed the consideration of the bill (S. 6) to authorize the Housing and Home Finance Administrator to provide additional assistance for the development of comprehensive and coordinated mass transportation systems, both public and private, in metropolitan and other urban areas, and for other purposes.

Mr. TOWER. Mr. President, I suggest the absence of a quorum, and ask unanimous consent that the time required for the quorum call not be charged to the time available to either side under the agreement.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered; and the clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

The question is on agreeing to the amendment of the Senator from Texas [Mr. TOWER] to the amendment of the Senator from Oregon Mr. [MORSE].

Mr. TOWER. Mr. President, on my amendment I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. TOWER. Mr. President, my amendment would merely strike from the Morse amendment the language on what has been referred to as the protective arrangements, and would pre-

serve the language that is in the bill. I am not too happy with the language in the bill, as every Senator knows. But I think that the proposed language is infinitely worse. I am particularly concerned about subparagraph 2, relating to a continuation of collective bargaining in any situation in which it now exists, because I believe that the proposed language would fly in the teeth of several State laws. Probably it would make a number of States ineligible to qualify for aid under the provisions of the bill.

I am still concerned about subsections 3 and 4, because I do not believe, or I have not been satisfied, that those provisions do not perpetuate featherbedding. Let us examine this question. Subsection (3) states—

(3) the protection of individual employees against a worsening of their positions with respect to their employment which shall in no event provide benefits less than those established pursuant to the provisions of section 5(2)(f) of the Interstate Commerce Act;—

which the Senator from Arizona [Mr. GOLDWATER] read a while ago. Subsection (4) states—

(4) assurances of employment to employees of acquired mass transportation systems by the acquiring or operating entities, and priority of employment or reemployment of employees terminated or laid off;

It seems to me that this provision would seal into their jobs people who are no longer needed. For example, a motorman on a street railway who cannot drive a bus, when the street railway changes over to a bus operation rather than a streetcar operation, would fall in this group. The company would be compelled to keep him on his job. They would be compelled to keep him on the payroll even though his services were no longer needed.

I think this provision certainly should be eliminated and we should go back to the the original provision of the bill as worked out very carefully in the committee. As the Senator from Pennsylvania [Mr. CLARK] pointed out a while ago, there was a good deal of deliberation on it and a good deal of give and take in the committee. It was probably the nearest thing to a compromise that one could find.

This proposal is not a compromise, Mr. President. This is a capitulation to the demands of trade union leadership, to demands made the condition for supporting this bill.

If we are going to make the bill satisfactory to everybody, I should like to consult a few interested groups of national importance to see what their condition for supporting the bill would be. Perhaps we could please everybody. I have never seen a piece of proposed legislation which did please everybody, but apparently this is what we are trying to do.

It is pretty obvious that not everybody among the proponents of the bill is entirely happy with the Morse amendment. I think this is the most odious section of it, and certainly it should be stricken.

Mr. MORSE. Mr. President, I yield myself 1 minute.

The PRESIDING OFFICER. The Senator from Oregon is recognized for 1 minute.

Mr. MORSE. Mr. President, I feel that I made the case against the amendment of my good friend from Texas [Mr. TOWER] when I made my argument in support of my own amendment. I wish to emphasize one point I made in support of my own amendment.

Not only would it continue the status quo, but also it would not in fact use the bill as a vehicle for passing major labor legislation. The amendment of the Senator from Texas would do exactly that.

Let us consider this matter of severance pay which is involved in the problem raised by the Senator from Texas.

What does the so-called Washington agreement involve? It states:

If deprived of employment: 60 percent of text period average ranging from 6 months' compensation for service from 1 to 2 years to 60 months' compensation for service 15 years and over, less other railroad compensation. Less than 1 year service: 60 days' lump-sum payment.

That is a very precious right which has been won by railway labor, known as the Washington agreement on this point. These rights are in existence. I am saying that they ought to be continued. I say that whatever the present situation is, it should be continued.

I repeat that the problem of featherbedding, the problem of made work, is very serious, but it does not arise under the amendment. If we wish to solve it legislatively, it ought to be handled in proposed legislation after full hearings on the problem.

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

Mr. MORSE. We should not pass something here which would indirectly accomplish that purpose.

I yield to the Senator from Texas.

Mr. TOWER. I wish to ask the Senator a question. Was not the Washington agreement a voluntary agreement between the carriers and the unions?

Mr. MORSE. It is a part of a collective bargaining agreement, and I want it continued. However, it has become a cornerstone governing layoffs and position downgrading in the federally regulated transportation industries for many years. It finds expression in modified form in section 5(2)(F) of the Interstate Commerce Act and has been the basis for recommendations by Presidential emergency boards under the Railway Labor Act.

As the Senator from New Jersey [Mr. WILLIAMS], the chairman of the subcommittee, pointed out over and over again, there is a sick and dying industry in many parts of the country. The future of the transit companies in many cities is a pretty bleak future. We certainly do not have any right to destroy the rights of workers which have been worked out under collective bargaining agreements, through projects financed under this bill. We ought to preserve those rights.

Then, if there is a problem which calls for special legislation, we ought to consider it in hearings on the whole problem of made work, or featherbedding, or whatever the problem seems to be.

Mr. President, I am ready to yield back the remainder of my time.

The PRESIDING OFFICER. Does the Senator from Texas yield time?

Mr. CLARK. Mr. President, I should like to have 5 minutes in opposition to the Tower amendment.

Mr. MORSE. If it is going to be in opposition, the Senator ought to take some of my time.

Mr. CLARK. I was going to ask the Senator from Oregon for time, if he has time to give me.

Mr. MORSE. I am willing to yield the Senator time from the time on the amendment; otherwise, I am sure he could use some of the time on the bill.

Mr. TOWER. Mr. President, I believe the Senator from Oregon has ample time on the amendment.

Mr. MORSE. I do not intend to use any more time on the amendment myself, so I will yield to the Senator from Pennsylvania.

The PRESIDING OFFICER. The Senator from Pennsylvania is recognized for 5 minutes.

Mr. CLARK. Mr. President, I rise in opposition to the Tower amendment for the same reason that I opposed the Morse amendment.

In my opinion this bill should not be used as a vehicle either for increasing or for decreasing the rights of organized labor. As I said earlier today, as I would oppose a civil rights rider to this bill I oppose either a prolabor or an antilabor rider.

The purpose of subsection (c) on page 26 of the amendment in the nature of a substitute is to protect existing labor rights; not to increase them or to decrease them.

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

Mr. CLARK. I realize that, in making this statement, my judgment is not in accord with the view of the Senator from Texas, to whom I now gladly yield.

Mr. TOWER. Actually, what my amendment would do is to strike out the labor provision of the Morse amendment, which would mean that the labor provision now in the bill would prevail. I would not touch that.

Mr. CLARK. May I ask the Senator a question?

Mr. TOWER. Yes.

Mr. CLARK. Perhaps I misunderstood our colloquy earlier this morning. I had thought that the net effect of the amendment of the Senator from Texas would be to strike from the bill subsection (c), line 6 on page 26, of the amendment in the nature of a substitute.

Mr. TOWER. No.

Mr. CLARK. Is that an incorrect understanding?

Mr. TOWER. The effect of my amendment would be to strike from the Morse amendment the protective-arrangements provision.

Mr. CLARK. What would that leave?

Mr. TOWER. That would leave the present subsection (c) in the bill. It would not touch that at all. In other words, rather than the Morse language substituting for the language in the bill

the language in the bill would continue and prevail.

Mr. CLARK. Mr. President, then I oppose the Tower amendment for another and different reason. [Laughter.]

That is, because the Tower amendment would still leave in the Morse amendment those provisions which would make this bill relatively meaningless for the people of my State and for the people of many of the other States of the Union, for, in a very ingenious and able way, I make no criticism of his motivation, but nevertheless most ingeniously and ably the Senator from Texas would succeed, if his amendment were to prevail, in making it impossible for any public utility owned by a municipality, an authority, or a State to use Federal funds under this program to acquire a privately owned public utility.

This, I think is wrong. This, I think, would defeat one of the major benefits of the bill. Therefore, I am opposed to the amendment. In fact, what would happen would be that, except for completely inadequate exceptions and inclusions of sections (b) (1) and (b) (2) of the Morse amendment, the prohibition would continue, preventing the acquisition of private companies by companies operated by municipalities.

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

Mr. CLARK. I yield to the Senator from Texas.

Mr. TOWER. My amendment would remove only the labor provision. It would not remove the other provisions with which the Senator is concerned. I suggest that we dismember this provision a little at a time. I would be glad to join with the Senator from Pennsylvania in removing other sections and doing a job of general surgery.

Mr. CLARK. I appreciate the Senator's consideration, but I say again his delicate surgeon's knife succeeds, if it does succeed, in taking out a part of the Morse amendment to which I have no serious objection, and leaving in the bill that part of the Morse amendment which I think would largely defeat the purpose of the bill. Therefore, I would like to murder the whole child and defeat the Morse amendment, lock, stock, and barrel, and go to conference with what I believe are the wise provisions of the bill that came out of the committee, with no provision against permitting a municipality to acquire a private company, where that was desirable, and it will be soon in my State, while at the same time giving every possible encouragement, as the provisions are written in the bill, to the continuation and to the health of the existing private properties so long as they can serve their people the way the mass transportation needs of their people require.

So, to recapitulate, I am opposed to the Tower amendment because the net result would be to leave in the Morse amendment those provisions in the bill which are inimical to the interests of many cities in my State, in that it would not permit a public body to acquire a private transit company with funds provided under this bill.

I yield back the remainder of my time.

Mr. TOWER. Mr. President, I simply wish to say to the Senator from Pennsylvania that I would very much like to have his vote on my amendment. If he will support my amendment, I will support him and try to defeat the whole provision. Of course, I am going to vote that way anyway.

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

Mr. TOWER. I yield.

Mr. CLARK. It seems to me that is the kind of arrangement between Pennsylvania and Texas which should not be made on the floor of the Senate.

Mr. TOWER. I think the Senator is correct.

I yield to the Senator from Arizona.

Mr. GOLDWATER. Mr. President, I tried unsuccessfully the other day to amend the whole section out, not because, as I said, I am opposed to arrangements between cities and other organizations, but because of my fear of this pattern of preempting State law. Having failed in my effort to have that subsection amended out of the bill, I must say I greatly prefer that subsection to the one offered by the Senator from Oregon [Mr. MORSE].

I think one feature of his amendment alone should cause all my colleagues apprehension, and I refer to the language beginning on line 24 of page 3 of his amendment: "which shall in no event provide benefits less than those established pursuant to the provisions of section 5(2) (f) of the Interstate Commerce Act."

Section 5(2) (f) prohibits the firing of any person for 4 years after a transfer has been made. This means a man can be totally inefficient, can be drunk on duty, can be a dangerous driver, can pile up a bad record, and yet the city cannot get rid of him because of the provision of the act to which the Senator's amendment refers.

I think this feature alone should cause my colleagues to vote for the Tower amendment.

As I have said, objectionable as the labor section is, I would much prefer to have the one prepared by the committee than the one offered by the Senator from Oregon.

I know he feels sincerely and honestly that this provision will not do damage to State law, but I have not been convinced, from the legislative history, and I am not sure he has been, that it will not. Doing damage to State law has become a habit in this body. I think we do violence to our oath to protect the Constitution when we constantly pass measures that destroy local and State law.

For that reason, I think the Morse amendment is an extremely dangerous amendment, one that would place the entire concept of States' rights in jeopardy. Therefore, I am urging my colleagues to vote for the Tower amendment.

Should the Tower amendment prevail, then we can go to work on the other part of it, if other Senators so desire.

I think the Senator from Texas has done a real service on the floor of the Senate in pointing out the weaknesses of the bill—and there are many of them—but particularly in this field, where there is so much danger of preemption of State law, and where we are hamstringing the rights of people, particularly management, when we tell them they must keep employees for 4 years after arrangements for transfer to a public transit system.

Mr. TOWER. I thank the Senator.

Mr. President, I am prepared to yield back the remainder of my time on the amendment.

Mr. WILLIAMS of New Jersey. Mr. President, no Senator on this side seeks recognition, and I therefore yield back the remainder of my time.

Mr. MORSE. Mr. President, I yield back the remainder of my time.

Mr. WILLIAMS of New Jersey. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

The question is on agreeing to the amendment offered by the Senator from Texas [Mr. TOWER] to the amendment offered by the Senator from Oregon [Mr. MORSE]. The yeas and nays have been ordered.

Mr. DIRKSEN. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. DIRKSEN. Will the Chair restate the proposition before the Senate?

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Texas to the amendment offered by the Senator from Oregon. The yeas and nays have been ordered, and the clerk will call the roll.

Mr. DIRKSEN. If this is a parliamentary inquiry, I should like to have the Chair advise me whether I correctly understand that the amendment of the Senator from Texas would strike out the second half of the so-called Morse amendment.

The PRESIDING OFFICER. It would strike out that portion of the Morse amendment that is found on page 3, beginning in line 9, through line 8 on page 4. The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. HUMPHREY. I announce that the Senator from California [Mr. ENGLE], the Senator from Tennessee [Mr. GORE], the Senator from Washington [Mr. MAGNUSON], the Senator from Utah [Mr. MOSS], the Senator from Florida [Mr. SMATHERS], and the Senator from Texas [Mr. YARBOROUGH] are absent on official business.

On this vote, the Senator from California [Mr. ENGLE] is paired with the Senator from Utah [Mr. BENNETT]. If present and voting, the Senator from California would vote "nay," and the Senator from Utah would vote "yea."

On this vote, the Senator from Washington [Mr. MAGNUSON] is paired with the Senator from Colorado [Mr. DOMI-

NICK]. If present and voting, the Senator from Washington would vote "nay," and the Senator from Colorado would vote "yea."

Mr. KUCHEL. I announce that the Senator from Utah [Mr. BENNETT], the Senator from Kansas [Mr. CARLSON], and the Senator from Colorado [Mr. DOMINICK] are absent on official business.

On this vote, the Senator from Utah [Mr. BENNETT] is paired with the Senator from California [Mr. ENGLE]. If present and voting, the Senator from Utah would vote "yea," and the Senator from California would vote "nay."

On this vote, the Senator from Colorado [Mr. DOMINICK] is paired with the Senator from Washington [Mr. MAGNUSON]. If present and voting, the Senator from Colorado would vote "yea," and the Senator from Washington would vote "nay."

The result was announced—yeas 23, nays 68, as follows:

[No. 38 Leg.]

YEAS—23

Allott	Hickenlooper	Pearson
Byrd, Va.	Holland	Robertson
Cotton	Hruska	Simpson
Curtis	Jordan, N.C.	Stennis
Dirksen	Jordan, Idaho	Thurmond
Eastland	Mechem	Tower
Ervin	Morton	Williams, Del.
Goldwater	Mundt	

NAYS—68

Aiken	Hartke	Miller
Anderson	Hayden	Monroney
Bartlett	Hill	Morse
Bayh	Humphrey	Muskie
Beall	Inouye	Nelson
Bible	Jackson	Neuberger
Boggs	Javits	Pastore
Brewster	Johnston	Pell
Burdick	Keating	Prouty
Byrd, W. Va.	Kefauver	Proxmire
Cannon	Kennedy	Randolph
Case	Kuchel	Ribicoff
Church	Lausche	Russell
Clark	Long, Mo.	Saltonstall
Cooper	Long, La.	Scott
Dodd	Mansfield	Smith
Douglas	McCarthy	Sparkman
Edmondson	McClellan	Symington
Ellender	McGee	Talmadge
Fong	McGovern	Williams, N.J.
Fulbright	McIntyre	Young, Ohio
Gruening	McNamara	Young, N. Dak.
Hart	Metcalf	

NOT VOTING—9

Bennett	Engle	Moss
Carlson	Gore	Smathers
Dominick	Magnuson	Yarborough

So Mr. TOWER's amendment to Mr. MORSE's amendment was rejected.

Mr. MORSE. Mr. President, I move that the vote by which the amendment was rejected be reconsidered.

Mr. HUMPHREY. Mr. President, I move that the motion to reconsider be laid on the table.

The motion to reconsider was laid on the table.

Mr. HUMPHREY. Mr. President, on the question of agreeing to the Morse amendment, I ask that the yeas and nays be ordered.

The PRESIDING OFFICER. Is there a sufficient second?

The yeas and nays were ordered.

Mr. ROBERTSON. Mr. President, on the question of passage of the bill, I ask that the yeas and nays be ordered.

The PRESIDING OFFICER. Is there a sufficient second?

The yeas and nays were ordered.

Mr. JAVITS. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from New York will state it.

Mr. JAVITS. Does the Morse amendment remain open to amendment, notwithstanding the ordering of the yeas and nays?

The PRESIDING OFFICER. Yes.

RATIFICATION BY NEBRASKA LEGISLATURE OF THE ANTI-POLL-TAX AMENDMENT

Mr. TOWER. Mr. President, I ask unanimous consent that the Senator from Nebraska [Mr. HRUSKA] be recognized, to make a statement, and that the time he uses not be charged to the time available to either side under the agreement.

The PRESIDING OFFICER. Is there objection? The Chair hears none; and it is so ordered.

Mr. HRUSKA. Mr. President, I take great pride in announcing that this morning the Nebraska unicameral Legislature ratified the proposed 24th amendment to the Constitution of the United States, the anti-poll-tax amendment, by a vote of 41 to 0, with two members absent, making it the 30th State to ratify the amendment.

Just a little more than 1 year ago, the Senate passed the joint resolution which permitted the States to ratify this amendment. At that time, my colleague, Senator CURTIS, and I joined the Senator from Florida [Mr. HOLLAND] and many other Senators in supporting the joint resolution. In brief, this proposal provides that the right to vote in elections of national officers shall not be denied on account of failure to pay any poll tax or other tax.

Thus, the unanimous approval by the Nebraska unicameral Legislature is most gratifying to me. It signifies the respect which Nebraskans have for the right to vote. Also, it is a tribute to the distinguished Senator from Florida [Mr. HOLLAND] for the effective leadership he provided this very important amendment; and I wish to pay him that tribute, as I believe the Legislature of Nebraska did earlier today.

Mr. HOLLAND. Mr. President, under the same arrangement, may I be recognized for several minutes?

The PRESIDING OFFICER. Without objection, the Senator from Florida is recognized.

Mr. HOLLAND. Mr. President, first, I express my sincere thanks to the distinguished Senator from Nebraska for his very kind words about me. I wish to repeat that sentiment with reference to the unicameral Legislature of Nebraska. If the action it took today by unanimous vote is indicative of what can be expected of unicameral legislatures, perhaps there will be more of them in the days ahead.

Mr. President, I wish to pay my very appreciative thanks, in particular, to the Senators from Nebraska [Mr. HRUSKA and Mr. CURTIS]. Both of them joined in sponsoring my resolution proposing this important amendment to the Constitution, and both of them voted for it. They have been exceedingly diligent in carrying this matter to the members of their State legislature and before the people of their State. It goes without saying that the favorable action taken today by the Nebraska Legislature depended greatly upon their effective leadership and action.

Therefore, Mr. President, I take this occasion not only to thank them, but also to say again that this action illustrates the completely bipartisan nature of the amendment and of the support it has received.

I thank my distinguished friends.

URBAN MASS TRANSPORTATION ACT OF 1963

The Senate resumed the consideration of the bill (S. 6) to authorize the Housing and Home Finance Administrator to provide additional assistance for the development of comprehensive and coordinated mass transportation systems, both public and private, in metropolitan and other urban areas, and for other purposes.

Mr. TOWER. Mr. President, I yield 15 minutes on the bill to the distinguished minority leader, the Senator from Illinois [Mr. DIRKSEN].

The PRESIDING OFFICER. The Senator from Illinois is recognized for 15 minutes.

Mr. DIRKSEN. Mr. President, I address my remarks particularly to the distinguished Senator from Oregon [Mr. MORSE], the author of the pending amendment, on which the yeas and nays have been ordered, and on which we shall vote directly.

I am a little curious about a portion of the amendment which provides that certain conditions must be met if the assistance is to be received; and one of them is that the required facilities either be bankrupt or be in receivership, as declared by a court of competent jurisdiction.

Mr. President, now that we have reached that point, I wonder whether such a provision would act as a bailout of defunct property while operating in bankruptcy, in that one of the conditions for obtaining the assistance is that it go into bankruptcy. I gather that there are transportation systems which are operating on a thin edge. If I do not misunderstand this situation, such a provision would be an invitation in such circumstances simply to go into bankruptcy, and thus become eligible, upon compliance with the other conditions recited in the Morse formula.

The second condition is that the acquired property must be essential to a mass transit system. Why should we write into the bill a provision that a system can be bankrupt and in receivership as a condition for assistance under a policy bill dealing with mass transit? Such a provision intrigues me no end.

In the first part of the formula there is also a provision that the Secretary of Labor and the Administrator must act jointly on these questions. If I were writing the provision and were in support of the bill, I would be pretty careful

about a joint operation and a joint determination, because I can see in such operation no end of trouble when we are dealing with a complicated subject such as mass transportation.

But the second part of the amendment, which would amend the language appearing on page 26, is even more interesting. I do not find a phrase or an expression that relates to the public interest.

For example, we find reference in the bill to protection of the interests of employees affected by such assistance or financing. There is no indication of the public interest. It will have to come from those who ride the systems. The question is, Is the sky the limit in order to provide protection?

Nothing is said in the bill about the public interest. The bill should be amended in line 16, after the word "financing," to include the words "to the extent that it is consistent with the public interest."

We read a little further in the second part of the amendment and we discover that there must be a preservation of the rights, privileges, and benefits, including the continuation of pension rights and benefits, of all beneficiaries. Many of the systems have established pension systems. Everyone knows that officers, directors, and higher echelon employees are always placed in a much higher pension category. What I should like to know is whether the president, the vice president, and the managing and executive personnel who may have pension benefits targeted on amounts such as $50,000, $60,000, or $70,000, would receive the benefits of public funds under the provision which provides that all beneficiaries shall be protected.

Mr. President, I will not vote any authority or any public funds for such purpose. The heads of transit systems may be skating on thin ice. Their pension rights may have been determined long ago. After a certain number of years, the sums are rather fancy. Yet the proposed language would require that the rights and benefits of all beneficiaries shall be preserved.

I call attention to another item which appears in the bill. On page 3, line 21, the provision would apply "under existing collective bargaining agreements, or otherwise."

I have always had a rather precise notion about the English language. But I invite anyone to explain what the words "or otherwise" mean. They may cover a multitude of sins before we are through.

Thus far I have heard no explanation on the floor of the Senate as to what to two words "or otherwise" may include.

Another provision on page 3 provides that:

> The protection of individual employees against a worsening of their positions with respect to their employment which shall in no event provide benefits less than those established pursuant to the provisions of section 5(2)(f) of the Interstate Commerce Act.

If I remember correctly, that if an employee works 2 years, he is entitled to an additional 2 years. If he works 4 years, he is entitled to a second 4 years.

Is the proposal a bundle of feathers? We recently got through with featherbedding. Three years ago I introduced a bill. The Judiciary Committee conducted hearings on it. The bill was designed to relieve some of our carriers of the massive expenses resulting from featherbedding.

We could not obtain action on the bill in this body. The other body would not act on the bill. It remained for the Supreme Court to look at the inequity of the situation. Yesterday an order was issued which is expected to provide as much as or more than $600 million, not in benefits, but in easing of the burdens of the carriers because of rigid featherbedding.

If Senators desire to read some enriching testimony, I suggest that they read the findings of the Commerce Commission of the State of North Dakota. At one time way stations were established along railroad lines. Their distance apart was measured by how far a team and wagon with a load of grain could travel to and from a farm in a given day. Many of those way stations were set 6 miles apart. That is where the country elevator was built. The operator of the station may still be there. The testimony shows that in many cases, for as much as 15 minutes a day, an employee receives a full day's pay. There was no relenting in that equity until a case went from the district court in Chicago to the Court of Appeals for the Fourth Circuit and then to the Supreme Court of the United States.

We will never save the carriers and enable the railroads or any kind of transit system in our country to operate efficiently, if we put that kind of burden on them.

Railroads such as the B. & O., the Pennsylvania, the Illinois Central, the Milwaukee System, and the Chicago & Northwestern are all operating transit systems and carrying commuters. I suppose the New York, New Haven & Hartford is in difficulty today largely on account of their commuter system. When we think of the transportation problem, we must think of the whole problem. Yet what is the approach?

Pending now before the Committee on the Judiciary is a bill which would freeze mergers until the 31st of December 1963. The bill was introduced by the distinguished Senator from Tennessee [Mr. KEFAUVER].

The Senator from Nebraska [Mr. HRUSKA] and I fought the bill to a standstill. There were hundreds of pages of hearings.

The bill was introduced again in the present Congress. A jurisdictional dispute developed, but the Committee on the Judiciary has jurisdiction and there will be hearings.

The New York Central Railroad and the Pennsylvania Railroad are begging, entreating, and supplicating the Interstate Commerce Commission to let them go through with their merger in order to impart health to those systems. If we will quit abusing them with a club, we shall not need the bill that is before us today, with its handouts.

In one breath we belabor the railroads with a club, and then we come along with a bag of sugar candy, as if that would do the job.

On page 4 of the Morse amendment another provision appears to which I should like to call attention:

> (4) assurances of employment to employees of acquired mass transportation systems by the acquiring or operating entities—

What is the general purpose of this bill, if it is not consolidation and efficiency? How will that be achieved, unless some jobs are abandoned in the process? How could people be assured? Suppose they are not needed. Suppose in the case of motormen 100 are lost. What will be done with them? Where will they be put?

This refers to assurances of employment by the operating entities and to priority of employment or reemployment of employees terminated or laid off. That is pretty loose language. I would hate to be confronted with that kind of responsibility, Mr. President if I were going to direct one of these mass transit operations.

Then there are to be paid training or retraining programs. What is to be the limit in terms of money? What is to be the limit in terms of the kind of retraining involved? Shall we go all over the whole field? Would that solve the problem? I have grave doubts.

This is filled with a lot of uncertainty. I must say that the language of the Magnuson proposal is not much better except of course that there is no provision that a bankrupt outfit could get the benefits of the bill.

That is as clear as crystal for anybody to read, "such company has, prior to such acquisition, been declared bankrupt." If that is not an open invitation to go into receivership I give up.

We have some of those situations out home but that does not mean that I have to bail them out with the taxpayers' money or ultimately with the money of the people who are to ride on these systems. That is the public.

I defy Senators to find a line in the Morse amendment that even mentions the public interest. Why that term has been glorified. It has been embroidered. It has been couched in eloquent language on this floor—the public interest.

I ask Senators to find that in the Morse amendment.

I do not want to go down that road. I am not going down that road.

The sensible thing would be not only to send this back to the committee but also to embrace a proposal offered yesterday to let the whole problem go to the Commerce Department, where it belongs, instead of to the Housing and Home Finance Agency, and to let that Department give some real study to it and come up with something quite worthwhile.

The PRESIDING OFFICER. The time of the Senator from Illinois has expired.

Mr. TOWER. Mr. President, I yield 3 more minutes to the Senator from Illinois from the time on the bill.

Mr. DIRKSEN. Finally, Mr. President, we ought to have a better estimate

as to where lies, really, the end of the road. The Administrator himself before the committee estimated a cost of more than $9 billion for this program. His estimate falls far short of the mark. Year after year, under the impulses of inflation, wages and the costs of materials go higher and higher. I do not believe we could consummate that program finally for $20 billion, and I am not going to plow that long furrow until I feel reasonably sure where the end will be, or at least some kind of end, because this is going to be a gargantuan burden before we get through.

Mr. President, it seems to me that every dictate of prudence should persuade the Senate not only to defeat the Morse amendment but also to defeat the bill.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Oregon.

Mr. MORSE. Mr. President, I yield myself 2 minutes.

The PRESIDING OFFICER. The Senator from Oregon is recognized for 2 minutes.

Mr. MORSE. I have made my case against the argument of the Senator from Illinois already today. As to the first point the Senator raises, we have a great dilemma in this debate. There is great concern on the part of many in the Senate about using the bill to enable State governmental agencies to force the purchase of a transit company upon its private owners. We have taken the position that we are not going to be a party to that action. If there is a situation in which a transit company is going bankrupt, has gone bankrupt, or is in receivership, then we think the Administrator should be in a position to make the decision as to whether it is in the public interest for a city which wants to buy that kind of transit company to buy it.

My amendment would make that possible. I tried to make clear earlier today that my amendment would not make it possible for a city to force a transit company to sell when it did not want to sell by getting Federal money it could use in the purchase of that company.

I think that is a pretty good position for us to take. It is a position that meets the objections which many earlier made in respect to the bill.

Now, as to all the arguments which the Senator from Illinois has made as to what the bill would continue, I only repeat that it would continue the status quo. Whatever the labor relations situation is now, it should be continued. What the Senator from Illinois has really proposed is that, without an hour's hearing, we should pass within this bill major labor legislation. He has had much to say about a make-work program.

The PRESIDING OFFICER. The time of the Senator from Oregon has expired.

Mr. MORSE. Mr. President, I yield myself 1 more minute.

As I said earlier, we have problems about make-work programs. We shall have to handle them legislatively and administratively in the next months and a few years in this country, and that ought to be done as a result of legislation designed to handle the problem. We should not pass a transit bill which has a sleeper provision in it which would take away from labor, without any hearing whatsoever or any opportunity to consider proof, hard-won rights which have been won over the years through collective bargaining.

I repeat, as I close, the answer to the Senator from Illinois is that we would extend the status quo so far as transit companies are concerned. We still would have before us the problem of settling the labor problems by way of separate hearings and legislation.

Mr. JAVITS. Mr. President, will the Senator from Alabama yield 2 minutes to me, so that I may ask the Senator from Oregon a question?

Mr. MORSE. I should be glad to yield to the Senator from New York.

The PRESIDING OFFICER. Does the Senator from Alabama yield further time?

Mr. SPARKMAN. Mr. President, I yield 2 minutes from the time on the bill to the Senator from New York.

The PRESIDING OFFICER. The Senator from New York may proceed for 2 minutes.

Mr. JAVITS. I thank the Senator from Alabama.

I should like the Senator from Oregon to tell us one thing.

It seems to me that, apart from the clauses in the amendment relating to the acquisition of private companies, the amendment would add one thing to the labor clauses already in section 19(c) of the bill and that is the so-called Washington agreement, which is incorporated in section 5(2)(f) of the Interstate Commerce Act. I understand that that section has been made a part of the RECORD, but, to be sure, I ask unanimous consent that it may be included with my remarks at this point.

Mr. MORSE. I have already put that in the RECORD, but I think it should be included now.

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

(f) As a condition of its approval, under this paragraph (2), of any transaction involving a carrier or carriers by railroad subject to the provisions of this part, the Commission shall require a fair and equitable arrangement to protect the interests of the railroad employees affected. In its order of approval the Commission shall include terms and conditions providing that during the period of 4 years from the effective date of such order such transaction will not result in employees of the carrier or carriers by railroad affected by such order being in a worse position with respect to their employment, except that the protection afforded to any employee pursuant to this sentence shall not be required to continue for a longer period, following the effective date of such order, than the period during which such employee was in the employ of such carrier or carriers prior to the effective date of such order. Notwithstanding any other provisions of this Act, an agreement pertaining to the protection of the interests of said employees may hereafter be entered into by any carrier or carriers by railroad and the duly authorized representative or representatives of its or their employees.

Washington agreement, May 21, 1936: Employees affected solely by or in anticipation of a "coordination." Does not apply to employees affected solely by other causes. Employee not regarded as deprived of employment in case of death, resignation, retirement, dismissal for cause, furlough because of reduction of forces due to seasonal requirements of service, or if not affected within 3 years of coordination.

Mr. JAVITS. The Senator from Arizona, when he argued this matter, said that would compel us to continue the employment of a man who might be a drunkard, who might be a bad driver, who might have some reason for being fired under the normal work rules.

As I understand the language, so that the language may be clear, the so-called Washington agreement uses the following operative words: that the employees shall not be "in a worse position with respect to their employment."

Does the Senator construe that to mean—this is the way I construe it—that all the normal work rules and practices in effect at present under collective bargaining would remain fully in effect? It would not mean that a man could not be fired for proper cause as he can under present conditions. It would merely mean that he shall not enjoy a worse tenure than he enjoys now under a collective bargaining agreement or any other agreement or arrangement.

Mr. MORSE. The Senator from New York has put more clearly and potently than has the Senator from Oregon exactly the position of the Senator from Oregon. That is what the amendment means.

Mr. JAVITS. Does the Senator mean that the only thing added by the labor aspect of the provision is the Washington agreement?

Mr. MORSE. That is correct.

Mr. JAVITS. Other than that, we are dealing with acquisition of private companies, and so forth?

Mr. MORSE. Yes.

Mr. JAVITS. The Senator has gone a long way to meet the worries of persons like myself in the way the amendment is drafted. I certainly am glad to associate myself in support of the amendment.

Mr. TOWER. Mr. President, I yield myself 1 minute from the time on the bill.

I point out that the inclusion of the reference to section 5(2)(f) of the Interstate Commerce Act is not the only change. I call the attention of Senators to protective arrangement No. 2. The bill as we now have before us contains the language: "the encouragement of the continuation of collective bargaining rights."

The Morse amendment reads: "the continuation of collective bargaining in any situation where it now exists."

That is an important and significant change.

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

Mr. TOWER. I yield 1 minute on the bill to the Senator from Iowa.

Mr. MILLER. Mr. President, I have at the desk an amendment, to the Morse

amendment which I now call up and ask to have stated, and which I offer on behalf of myself and the Senator from Texas [Mr. TOWER].

The PRESIDING OFFICER (Mr. BREWSTER in the chair). The amendment to the amendment will be stated.

The LEGISLATIVE CLERK. It is proposed to insert, after the comma on line 14, page 3, of the Morse amendment, the following: "and not inconsistent with the laws of the State in which the project or a portion of the project is located,".

Mr. MILLER. Mr. President, this amendment by the Senator from Texas and myself is the same amendment we proposed 2 days ago to apply at page 26 of the main bill. We did it in an effort to make absolutely certain that the statements by the Senator in charge of the bill and some of the proponents of the bill, namely, that it was not intended that State law be usurped directly or indirectly by this legislation, would be effective.

I am happy to point out that the distinguished Senator from Alabama [Mr. SPARKMAN], who is handling the bill, voted for the amendment. He carried out his commitment, that it was his intention that the bill not supersede State law, by supporting the amendment. I regret to say that there were only 36 votes in support of the amendment. I suggest that some Senators who voted against the amendment might have had difficulty in voting against it in view of the statement made that it was not intended, directly or indirectly, to supersede State law.

All this amendment does is to make absolutely certain that where there is a State law which is inconsistent with the standards established by the Administrator and the Secretary of Labor, the State law will not be superseded or overridden.

It is all very well and good to say that a State does not have to take this aid; that it can go on with an inconsistent provision and not receive aid from the Federal Government. But I do not think that is fair, and it certainly is an indirect way of having Federal law supersede State law.

While some of us may not have great concern about State law being superseded in the areas itemized on page 3 of the Morse amendment, the language "without being limited to" opens it up to an unknown quantity.

All that the amendment which I have offered proposes to do is carry out what the Secretary of Labor expressed as an opinion as to what would be the case and, what the proponents of the main bill have stated is their intention.

The PRESIDING OFFICER. Does the Senator from Iowa yield back the remainder of his time?

Mr. MILLER. I shall be happy to yield the floor for questions or comments on my amendment. I do not wish to yield back the remainder of my time as yet.

Mr. MORSE. Mr. President, I hope the amendment to my amendment will be defeated, because the subject matter of the amendment was the subject of rather extensive debate earlier today, in which it was pointed out that the only time a transit company would be taken over would be in a case in which it is bankrupt, or is in receivership, or is fast growing defunct, and the Administrator feels it is in the public interest that it be taken over. Only in those situations could public money be made available by the Administrator for the takeover.

That provision protects the private enterprise system from having pressure put on it, vis-a-vis Federal funds, to force the private company to go out of business.

Earlier in the day we discussed the hypothetical case of a need to take over a company which has a collective bargaining agreement with its employees, but where there is a State law which prohibits the municipality, for example, from bargaining with the employees. We said that if such a situation should exist, in those limited cases—and they would be few and far between—Federal money could not be made available unless it was done by use of the Memphis formula. We discussed the Memphis formula. Also it might be done in line with the possible use of the Atlanta, Ga., case.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. MORSE. I yield myself another 2 minutes.

We are still waiting to learn whether or not the Atlanta, Ga., case is an appropriate hypothetical case, because we have not been able to ascertain whether or not there is such a law in Georgia. But let us assume there is.

The Memphis formula involves a situation in which a transit line is publicly owned, but in which there is a law which prohibits collective bargaining with the union. However, use has been made of the device of establishing a private managerial commission to operate the line; and the private commission, under contract with the city, handles labor relations and can enter into collective bargaining with the employees.

I want to be very frank as I say this today: In rare cases in which local law prohibits collective bargaining, Federal money would not be available, because it would be in conflict with the policy of the bill.

I have just been informed that the Georgia law does not prohibit collective bargaining by the cities, and therefore the Georgia case has been removed from the debate.

The only situation we have is the hypothetical case that I have discussed, in which there might be a line that is defunct, or is going defunct, which the city wants to take over, and in which there is a State law which prohibits the municipality from having a collective bargaining agreement with the employees of the system, in the event the municipality takes over the private company, whereas the provision of the bill is that the agreement must be continued. But in that situation all a city needs is a good lawyer, such as the city of Memphis had. It established a private commission, under a contract by which the private commission operates the line and has an agreement with the employees.

I hope the pending amendment will be defeated, because it would cause great confusion.

Mr. MILLER. Mr. President, I yield myself 1 minute. The Senator from Oregon has pointed out that a singular type of situation might arise, but I suggest that the phrase "without being limited to" opens this subject up to an unknown quantity, and that the singular situation to which the Senator from Oregon has referred could be very widespread. I can see no harm to the legislation resulting from the adoption of the amendment. I think the fact that the other day there were 36 votes in favor of the amendment to the main bill, which was supported by the Senator in charge of the bill, pretty well speaks for itself.

I hope my amendment will be adopted.

I will not press for a yea-and-nay vote on the amendment.

Mr. SPARKMAN. Mr. President, I yield back the remainder of my time.

Mr. MILLER. I yield back the remainder of my time.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Iowa [Mr. MILLER].

The amendment was rejected.

The PRESIDING OFFICER. The question now recurs on the amendment offered by the Senator from Oregon [Mr. MORSE]. The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. HUMPHREY. I announce that the Senator from Tennessee [Mr. GORE], the Senator from Utah [Mr. Moss], the Senator from Florida [Mr. SMATHERS], and the Senator from Texas [Mr. YARBOROUGH] are absent on official business.

Mr. KUCHEL. I announce that the Senator from Utah [Mr. BENNETT], the Senator from Kansas [Mr. CARLSON], and the Senator from Colorado [Mr. DOMINICK] are absent on official business.

If present and voting, the Senator from Utah [Mr. BENNETT] and the Senator from Colorado [Mr. DOMINICK] would each vote "nay."

The result was announced—yeas 52, nays 41, as follows:

[No. 39 Leg.]

YEAS—52

Aiken	Hartke	McNamara
Anderson	Hayden	Metcalf
Bartlett	Humphrey	Morse
Bayh	Inouye	Muskie
Beall	Jackson	Nelson
Bible	Javits	Neuberger
Brewster	Johnston	Pastore
Burdick	Keating	Pell
Byrd, W. Va.	Kefauver	Prouty
Cannon	Kennedy	Proxmire
Case	Kuchel	Randolph
Cooper	Long, Mo.	Ribicoff
Dodd	Magnuson	Saltonstall
Douglas	Mansfield	Symington
Edmondson	McCarthy	Williams, N.J.
Engle	McGee	Young, Ohio
Gruening	McGovern	
Hart	McIntyre	

NAYS—41

Allott	Ellender	Jordan, N.C.
Boggs	Ervin	Jordan, Idaho
Byrd, Va.	Fong	Lausche
Church	Fulbright	Long, La.
Clark	Goldwater	McClellan
Cotton	Hickenlooper	Mechem
Curtis	Hill	Miller
Dirksen	Holland	Monroney
Eastland	Hruska	Morton

Mundt	Simpson	Thurmond
Pearson	Smith	Tower
Robertson	Sparkman	Williams, Del.
Russell	Stennis	Young, N. Dak.
Scott	Talmadge	

NOT VOTING—7

Bennett	Gore	Yarborough
Carlson	Moss	
Dominick	Smathers	

So Mr. MORSE's amendment was agreed to.

Mr. MORSE. Mr. President, I move that the Senate reconsider the vote by which the amendment was agreed to.

Mr. HUMPHREY. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. LONG of Louisiana. Mr. President, I call up my amendment 22 and ask that it be read.

The VICE PRESIDENT. The amendment will be stated.

The LEGISLATIVE CLERK. On page 10, between lines 21 and 22, it is proposed to insert the following new subsection:

(d) No part of any appropriated funds may be expended pursuant to authorization given by this Act for any technological research or development activity unless such expenditure is conditioned upon provisions determined by the Administrator, with the approval of the Attorney General, to be effective to insure that all information, uses, products, processes, patents, and other developments resulting from that activity will (with such exceptions and limitations as the Administrator may determine after consultation with the Secretary of Defense to be necessary in the interest of the national defense) be made freely and fully available to the general public. Nothing contained in this subsection shall deprive the owner of any background patent relating to any such activity of any right which that owner may have under that patent.

Mr. LONG of Louisiana. Mr. President, I yield myself 5 minutes.

On pages 9 and 10 of the bill provision is made for a considerable amount of research and development to be done by Government financing. My amendment follows the precedent which Congress has followed on other occasions with respect to the Department of Agriculture, the Department of the Interior, the coal research bill, the helium gas research bill, the Atomic Energy Commission, and the practice in the Federal Aviation Agency, which provides that when Federal money is spent upon research, the benefits of that research will be made fully available to the people of the country.

My amendment is designed to prevent the sort of thing which occurs in some departments, when a contractor is permitted to have a private patent upon the fruits of the research and either charge a higher fee or deny the benefits of the patent completely to the people of the country in general.

So the purpose of the amendment is to make certain that in spending research money, the benefits of the research will be made available to all the people of the country and to all communities which are sought to be benefited by the bill.

To my knowledge, this proposal was not considered by the committee. I believe that if it had been considered by the committee, the committee would have included in the bill language to cover this situation, just as the Committee on Interior and Insular Affairs, the Committee on Agriculture and Forestry, and other committees have cared for this type of proposal in considering measures relating to research.

I believe the managers of the bill will agree to accept the amendment. I hope that it will be agreed to.

Mr. SPARKMAN. Mr. President, as I understand, a similar amendment has been added to several pieces of legislation in recent years. I am willing to accept the amendment; I think it is a good one.

Mr. LONG of Louisiana. I believe it has been added to every piece of legislation authorizing research that has been passed by Congress.

Mr. SPARKMAN. As I understand, that is correct.

Mr. KEFAUVER. Mr. President, will the Senator from Louisiana yield?

Mr. LONG of Louisiana. I yield.

Mr. KEFAUVER. Several Senators have been considerably alarmed by the fact that language similar to this is in the Space Agency Act—the act creating NASA. Whereas contractors receive, on a cost-plus basis, 7 percent for doing research and development, the act intends that the fruits of the research, in the form of patents, should be the property of the United States. However, the Administrator of NASA has apparently been trying to promulgate rules which would enable him to give patents to the contractors, in addition to the 7 percent they receive on a cost-plus basis. The Senator from Louisiana has taken the lead in opposing that practice, and I have joined him. However, hearings were called for when Congress was not in session, and no one from the legislative branch was present to protest.

Is the amendment of the Senator from Louisiana worded so that there will not be a repetition of what is sought to be done by the Space Agency in connection with patents?

Mr. LONG of Louisiana. I am familiar with the problem in NASA. In that instance, the Administrator of the Agency has the power to waive patent rights if he finds such action to be in the national interest. What the Administrator of NASA proposes to do is to find that a monopoly is in the national interest as a general rule; and to waive patent rights in general in all cases in which it can be established in advance that patent rights should be waived.

The language of my amendment is more closely drawn. The language in the NASA Act was a compromise. I believe it satisfies no one. The language of this amendment is drawn strictly on the principle that the public is entitled to the full benefit of information derived from Government research.

Mr. KEFAUVER. Is it not true that NASA, having failed to have the legislation amended so that it could give away patent rights, is attempting to do so by regulations?

Mr. LONG of Louisiana. I regret to say that that seems to be the situation.

Mr. KEFAUVER. I congratulate the Senator from Louisiana upon his amendment. It is drawn so that there will not be a repetition of that kind of action.

Mr. LONG of Louisiana. I believe that to be the case.

Mr. ANDERSON. Mr. President, I desire to compliment the Senator from Louisiana upon his diligence in this field and to thank him for offering the amendment.

Mr. MAGNUSON. Mr. President, will the Senator from Louisiana yield 2 minutes to me?

Mr. LONG of Louisiana. Mr. President, I yield 2 minutes to the Senator from Washington.

Mr. MAGNUSON. Mr. President, as I understand, with all amendments disposed of, the bill now contains five amendments which were recommended by the Committee on Commerce.

Mr. SPARKMAN. The Senator is correct.

Mr. MAGNUSON. I desire to take this opportunity to express my deep appreciation to the subcommittee on Surface Transportation for its expeditious handling of the bill in the Committee on Commerce. I especially wish to thank the distinguished Senator from South Carolina [Mr. THURMOND], chairman of the subcommittee, who was opposed to the bill and will vote against it.

I pay my sincere compliments to the distinguished Senator from Nevada [Mr. CANNON] for his remarkably fine presentation of the bill in so short a time; and to Mr. Levin, our able assistant, who helped us all the way.

I urge the Senate to pass the bill, so that it may accomplish the purpose for which it was introduced.

Mr. THURMOND. Mr. President, will the Senator from Texas yield me 3 minutes?

Mr. TOWER. I yield 3 minutes to the Senator on the bill.

The PRESIDING OFFICER. The Senator from South Carolina is recognized for 3 minutes.

Mr. THURMOND. Mr. President, as I stated in my individual views in the Commerce Committee report on this legislation, I am opposed to enactment of the urban mass transit legislation. This proposal deals primarily with transportation, and yet the Commerce Committee was allowed slightly less than 2 weeks to consider it. The field of transportation falls entirely within the realm of responsibility of the Commerce Committee. During this short period, hearings were held by the Surface Transportation Subcommittee and every attempt was made to amend the bill so as to make it more consistent with a strong and vibrant national transportation policy.

The basic objective of our Nation's transportation system is, in the words of President Kennedy, "to assure the availability of the fast, safe, and economic transportation services needed in a growing and changing economy to move people and goods at the lowest cost consistent with health, convenience, national security, and other broad public objectives." This pronouncement by the President is certainly the objective which we all seek to achieve for our Nation's transportation system. As is usually the

case, however, although there is no disagreement as to the basic objective in mind, there are many and varied opinions as to the method of achieving this objective. Last year, the Secretary of Commerce, Hon. Luther H. Hodges, in a hearing before the Senate Commerce Committee, stated the basic principle of the Department of Commerce in striving to achieve this goal. He said:

> We believe that this basic objective can and must be achieved primarily by continued reliance on unsubsidized, privately owned facilities, operating under the incentives of private profit.

Mr. President, I wholeheartedly subscribe to the underlying principle contained in this statement, and it is my belief that this urban mass transit legislation fails to meet the test prescribed by the Secretary of Commerce.

There is no constitutional authority for the National Government to enter this field of activity, which is purely local in nature. There have been very few attempts to justify this activity under the Constitution for the obvious reason that any argument must fall of its own weight. Certainly it does not fall within the scope of the commerce clause of the Constitution, and the welfare clause was never intended to cover expenditures for such activities as this. Had the welfare clause been intended to cover such a broad area, there would have been no necessity for the specific enumeration of delegated powers to Congress, which are found in article I, section 8 of the Constitution. Also, had the welfare clause been intended to cover such a broad scope, the 10th amendment would have been meaningless, for the National Government would have had all powers under the welfare clause and there would have been no powers to reserve to the States and to the people.

The urban mass transit proposals would violate the organizational structure of our federated system of government. Municipalities are subdivisions of States, although the States are not subdivisions of the National Government. The Congress should not deal directly with a subdivision of a State. If the pending bill shall be enacted, it will mean that the State governments will be bypassed and the local communities will be required to place more reliance on the National Government. This would, in effect, accomplish the same purpose which the creation of the Cabinet position of the Department of Urban Affairs, which was defeated in the last session of Congress, would have accomplished. It would erode the principles upon which our Federal system is based and relegate the State governments to a position inferior to the National Government in questions affecting municipalities and urban areas.

The Federal aid made available under the terms of the bill would be advanced directly to the local municipalities for their use as they saw fit, as long as they complied with the regulations issued by the Administrator of the HHFA. This would, of necessity, result in Federal control to a large extent over the transit systems of municipalities and urban areas. The funds would be made available to these municipalities and urban areas only on the condition that they complied with strict Federal regulations, without deviation. Such National Government intervention would result in complete control over this aspect of local governmental affairs. It is easy to visualize how complete control over this one area could be expanded over many other areas which would otherwise be under the control of the local governmental unit. Compliance with almost any request would be virtually assured by the threat of withholding funds for transit systems.

Mr. President, I submit that the subsidy program would set a precedent and would merely be the forerunner of what could be expected later. Without a doubt, such programs would be extended to cover interstate carriers and would increase National Government control to such an extent that the only alternative would be the complete nationalization of transportation systems.

Urban mass transit is not a national question. It is a local one, and should be left for local solution and local control. Municipalities can sell bonds, exempt from taxation by the National Government, to finance their own transit systems. All that this requires is that the citizens of the local areas recognize their problem and display the willingness to solve it locally. It would be unjust to saddle the entire economy with the tax burden which would be required upon approval of this legislation. The present state of our Nation's economy dictates the need for less Federal expenditures rather than more. While it is impossible to foresee the exact amount of expenditures which would result from enactment of this measure, it is quite apparent that the total could reach the $10 billion mark, or possibly more.

Even if the National Government had jurisdiction to act in this field, and this authority is completely lacking, the funds which would be required are simply not available. After viewing the problem objectively, it is apparent that the United States cannot afford to spend this huge sum, considering the present state of our fiscal affairs.

Mr. President, very little research has been conducted in the area of urban mass transportation. The testimony before the Surface Transportation Subcommittee reveals a startling lack of knowledge in the field. Coupled with this is a sparsity of information as to the practical aspects of this plan. It would be foolish for Congress to authorize this vast expenditure of funds for programs which have never been investigated, and whose effectiveness has not been demonstrated and cannot be assured.

Mr. FONG. Mr. President, speaking relative to Senate bill 6, I want to say there is no doubt that a serious transportation problem does exist. The rapid growth of our cities has spawned many new suburban complexes, unsightly freeways, and inadequate and outdated mass transit facilities. Our population continues to increase steadily, and Americans are stepping up their migration from rural to urban areas. These trends both point up and aggravate the problem of urban mass transportation.

I sympathize deeply with the millions of commuters who must daily spend several hours battling clogged highways and traffic jams.

Opponents of this measure are critical that the entire program is placed under the Federal Housing Administrator who is empowered to determine which plans the Government will underwrite and which it will not. It leaves too much to the arbitrary whim and discretion of the Administrator.

They also contend that enactment of this measure would be another attempt to solve municipal problems at the Federal level and would be another long step toward domination of essentially local responsibilities by the Central Government.

Many urban communities have already indicated a preference to resolve their transit problems without Federal grants. For example, voters in the San Francisco Bay area last year approved a $792-million bond issue to finance an entirely new transit system without outside help. In Los Angeles, plans are already underway to finance a costly monorail system almost entirely from fare-box revenues. And so it goes, in many other cities as well—Boulder, Colo.; Cleveland, Ohio; Chicago, Ill.; the Greater St. Louis area in Illinois and Missouri.

For me, I am not overly concerned about these criticisms to the measure. However, I am greatly concerned with our financial plight and our large numbers of unemployed people.

In such a situation, every Member of Congress is obliged to set up priorities to determine which of the many worthwhile measures proposed before the Congress he can, consistent with fiscal responsibility, and in good conscience support.

We must be very careful to husband our resources, so that those resources which are available to meet our domestic problems must be applied only to those problems which are most pressing.

The domestic problem which looms as most critical is our ailing economy—large numbers of Americans who are unemployed, our shaky fiscal situation. The President himself has called this America's No. 1 problem; he has recognized this in the proposed budget for fiscal 1964, which calls for a reduction in Federal expenditures in those areas not related to national defense.

In spite of the limited 3-year authorization of $375 million called for in the mass transit bill, there is little doubt that the program will cost billions of dollars over the next decade, with no end in sight. A report prepared for the Secretary of Commerce and the Housing Administrator has estimated that capital requirements alone in the next 10 years would total nearly $9 billion.

Once the program is started, very few city administrations with a real or imagined transit problem will be able to resist the appeal of a free handout from Washington, no matter how able they might be to solve the problem on their own.

It would be fiscally irresponsible to talk about committing the Government to spending $9 billion, at a time when our national budget faces a deficit of at least $8.8 billion in the current fiscal year, and at least $11.9 billion in fiscal 1964.

It would be financially disastrous to balloon the Federal debt beyond the present high level of $300 billion, and add to the high interest costs the Federal Government already is paying on this tremendous indebtedness.

It would be economically unsound to enact at this time legislation which would substantially increase domestic expenditures on a matter which, while serious, is considerably overshadowed by the problems of our lagging economy.

The plight of our economy requires that a substantial tax cut be enacted this year, a reduction sizable enough to invigorate our national economy. A reasonable scale of priorities does not justify enactment of this $375 million bill which eventually would cost $10 billion and would threaten passage of a tax cut measure indispensable to strengthen our economy.

I should also point out that if this bill is enacted into law, my own State, Hawaii, would be required to pay all out of proportion to the benefits it would derive from Federal grants. Figuring on the basis of population, Hawaii's nearly 700,000 citizens would have a $37 million bill over the next 10 years. The total assets of the Honolulu Rapid Transit Co., Ltd., according to the 1961 figures appearing in the Manual of Hawaii Securities, was valued at less than $5 million. Based on these figures, the $37 million that would be taken away from the people of Hawaii would be sufficient to replace the assets and facilities of the Honolulu Rapid Transit Co. seven times over.

I am quite sure that Hawaii's transit problems can be solved for far less than the $37 million that this legislation will take from us. This, however, is not the overriding reason I am voting against this measure.

The primary reasons I am voting against this proposal are because of our great deficit and our need to cut taxes. I feel strongly that we must have a large tax cut this year to reinvigorate our economy and to cut down our large unemployment. For these reasons, I do not feel that I can at this time support the measure now under consideration.

Under more favorable economic circumstances, when we have recovered our economic vitality, reduced our unemployment, and at a time when we can again enjoy a forward surge along all economic fronts, the mass transit bill might more reasonably be considered. But under our present national economic stress, a national fiscal policy for sound economic growth requires that there be greater selectivity of our new nondefense spending programs.

The VICE PRESIDENT. If there be no further amendment to be proposed, do the Senators who are in charge of the time yield back the remainder of the time available to them?

Mr. SPARKMAN. I yield back the remainder of the time under my control.

The VICE PRESIDENT. The question is on agreeing to the amendment of the Senator from Louisiana.

The amendment was agreed to.

Mr. TOWER. Mr. President, I shall yield back most of my time.

Let me say that I do not think the bill will be defeated — unfortunately — although I have labored in this vineyard for 4 days now, in an effort to obtain its defeat.

I believe everyone should understand what is at issue here. The question is not whether there is need for improvement of mass transportation facilities. We can assume that there is such need. The question is not whether there will be increased utilization as a result of such improvement. The issue here is that once more the Federal Government is invading the responsibilities of the people in their capacity as citizens of the local communities. We are constantly and steadily reducing the people of the country to a state of dependency on the Federal Government, to the extent that one day they will be completely subordinate to the Federal Government. We are weakening the moral fiber of our people by destroying their sense of local responsibility and initiative.

What else are we doing? At a time when we are piling deficit upon deficit and at a time when we are mortgaging the future of generations yet unborn, we are spending still more money—$750 million in this case.

Mr. President, I submit that it is both economically unsound and immoral for us to saddle our children and their children with such debts that we may have things for ourselves. That is the basic consideration which is involved in this case; and perhaps some day the people will judge the actions we take in this Chamber on that basis.

Mr. President, I yield back the remainder of the time under my control.

The VICE PRESIDENT. All remaining time has been yielded back.

The question now is on the engrossment and third reading of the bill.

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

The VICE PRESIDENT. The question is, Shall the bill pass?

On this question, the yeas and nays have been ordered.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that I may proceed for 2 minutes.

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

Mr. MANSFIELD. Mr. President, we have spent 4 arduous days on this measure. I desire to take this occasion to commend the chairman of the subcommittee, the distinguished Senator from Alabama [Mr. SPARKMAN], for the managerial skill he has, as usual, displayed in the handling of the bill.

The Senator from New Jersey [Mr. WILLIAMS] is also entitled to high commendation, for his original sponsorship of the bill, and for his tireless efforts to amend it so as to assure its adoption.

The Senator from Pennsylvania [Mr. CLARK] worked assiduously to bring to the floor of the Senate a bill which would benefit the urban areas of the country.

The distinguished Senator from Nevada [Mr. CANNON] has contributed mightily, because of his work in connection with the Commerce Committee amendments.

I extend praise also to the chairman of the Commerce Committee, the Senator from Washington [Mr. MAGNUSON].

I believe a great deal of credit should go to the Senator from Oregon [Mr. MORSE] for the skillful and talented way in which he handled the very difficult amendment which has been considered and approved by the Senate. As usual, he has displayed great skill, and discrimination in connection with these matters.

I also wish to commend the distinguished Senator from Ohio [Mr. LAUSCHE], who, although he was not in favor of the bill, made his fight, and then accepted the verdict the Senate rendered. I would say that in a sense he is responsible for bringing to the floor of the Senate a better bill, because of his initiative in having the bill considered by the Commerce Committee, after it had once been cleared by the Banking and Currency Committee.

Mr. President, I would be remiss in the performance of my duty if I did not commend and compliment the distinguished Senator from Texas [Mr. TOWER], who has led the opposition to the bill during the last 4 days, and who has comported himself with dignity and restraint. Certainly he has performed in a way which does credit to the Senate and to himself.

Lastly, let me extend my appreciation, on behalf of those who support this measure, to the distinguished chairman of the Committee on Banking, the Senator from Virginia [Mr. ROBERTSON]. While he has never favored the bill, he interposed no objection to early hearings on it in his committee, and in fact displayed great courtesy by assisting in the expeditious handling of the matter.

Mr. DIRKSEN. Mr. President, will the majority leader yield?

Mr. MANSFIELD. I yield.

Mr. DIRKSEN. I wish to ask the majority leader about the program for the remainder of today and the remainder of the week.

However, first I should observe that the debate on the bill was kept on a high and a constructive note, and there was probably an absolute minimum of speeches on extraneous matters, not related to the measure before the Senate.

I, too, salute all the members of the two committees; and I give a particular salute to my genial and able friend, the Senator from Texas [Mr. TOWER], who has handled himself with extraordinary skill, and who very ably did his homework before coming to the floor to make his observations on this measure.

Mr. MANSFIELD. Mr. President, I agree with everything the distinguished minority leader has said.

Mr. DIRKSEN. Mr. President, now I should like to ask the distinguished majority leader what he contemplates for the remainder of today and for the remainder of the week, and, in view of a rather interesting event which will take

place on Monday in this city, whether he has any plans for the schedule for that day.

Mr. MANSFIELD. Mr. President, in reply let me say there will be no further business before the Senate today, except speeches and the like, with the possible exception of consideration of some noncontroversial nominations and immigration bills, following completion of our action on the pending measure; and it is anticipated that then the Senate will adjourn until Monday morning.

ORDER FOR ADJOURNMENT TO 9 A.M., MONDAY

Mr. MANSFIELD. Mr. President, I ask unanimous consent that when the Senate concludes its session today, it adjourn until 9 a.m. on Monday.

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

AUTHORIZATION FOR ARMED SERVICES COMMITTEE TO FILE REPORT ON MILITARY PROCUREMENT BILL

Mr. RUSSELL. Mr. President, if the Senate is to adjourn from today to Monday, I hope we may obtain unanimous consent that the Committee on Armed Services may report H.R. 2440, the procurement bill, so it can be available for consideration by the Senate.

The VICE PRESIDENT. Is there objection? Without objection, it is so ordered.

Mr. MANSFIELD. Mr. President, that is another bill which we would like to bring up next week.

LEGISLATIVE PROGRAM

Mr. MANSFIELD. Mr. President, it is intended to have the Senate take up, later today, the wilderness bill, although no other action will be taken today on that measure. The distinguished Senator from New Mexico [Mr. ANDERSON], the distinguished Senator from Idaho [Mr. CHURCH], and the distinguished Senators from Colorado [Mr. ALLOTT and Mr. DOMINICK] have all been informed, and have given their approval to having the Senate take up the bill this afternoon and to having the consideration of the bill begin sometime Monday. That is our hope.

However, as the minority leader has noted, Monday is a special day, because it marks the beginning of the American League baseball season; and I understand that the Washington Senators and some other team will have a game, that day, and that there will be the usual festivities attendant to that.

So we shall begin our session on Monday at 9 a.m., in the hope that there will be debate on the wilderness bill, or on the off chance that, if not, we shall perhaps be able to take up the nominations to the Communications Satellite Corp.

Mr. DIRKSEN. Mr. President, if the distinguished Senator from Montana will yield further, and if this is a fair question, I am wondering when he proposes to schedule the so-called youth opportunities bill. It was reported this week from the Committee on Labor and Public Welfare.

Mr. MANSFIELD. I hope we can take it up on Tuesday, or upon completion of the wilderness bill.

Mr. DIRKSEN. Mr. President, in the best of grace and spirit, let me say that I always ask the majority leader, whenever opportunity affords, whether he can give us some comfort and solace regarding a possible recess in the Easter season, when the joys of spring are everywhere, the delights of the cherry blossoms somehow tantalize the eye and the taste, and the spirit of resurrection is upon the earth as the swelling buds burst into life, and the jonquils, the tulips, and the hyacinths spring forth in all their beauty.

However, thus far, I have received no real comfort from my friend, the distinguished Senator from Montana; but I hope this spirit is having an impact upon his affable genius, and that he can give us some comfort.

Mr. MANSFIELD. Well, Mr. President, there is a possibility that there will be some comfort and some solace, but it depends on how rapidly we get our work done. If the work is done, some comfort will be forthcoming.

Mr. RUSSELL. That is invoking the carrot and the stick.

Mr. DIRKSEN. I should like to ask the majority leader one further question. How many Easter eggs must go into the administration basket in order that we might earn our vacation?

Mr. MANSFIELD. Mr. President, my comment is "No comment."

COMMITTEE MEETING DURING SESSION OF THE SENATE NEXT MONDAY

Mr. BIBLE. Mr. President, will the majority leader yield, so that I may make a unanimous-consent request?

Mr. MANSFIELD. I yield.

Mr. BIBLE. I understand that the Senate will convene next Monday at 9 o'clock a.m.

Mr. MANSFIELD. The Senator is correct.

Mr. BIBLE. The Subcommittee on Public Lands has scheduled hearings on an important national park bill, in which the two Senators from Missouri are vitally interested. Arrangements have been made to hear two witnesses from Missouri on Monday at 10 o'clock. I ask unanimous consent that the Public Lands Subcommittee be authorized to meet during the session of the Senate on Monday morning.

Mr. DIRKSEN. Mr. President, I shall interpose no objection.

The VICE PRESIDENT. Is there objection? The Chair hears none, and it so ordered.

AUTHORIZATION TO FILE COMMITTEE REPORTS DURING ADJOURNMENT

Mr. HUMPHREY. Mr. President, I ask unanimous consent that the Committee on Interior and Insular Affairs be authorized to file certain reports during the recess or adjournment of the Senate.

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

URBAN MASS TRANSPORTATION ACT OF 1963

The Senate resumed the consideration of the bill (S. 6) to authorize the Housing and Home Finance Administrator to provide additional assistance for the development of comprehensive and coordinated mass transportation systems, both public and private, in metropolitan and other urban areas, and for other purposes.

The VICE PRESIDENT. The bill having been read the third time, the question is, Shall it pass? On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. HUMPHREY. I announce that the Senator from Tennessee [Mr. GORE], the Senator from Utah [Mr. Moss], the Senator from Florida [Mr. SMATHERS], and the Senator from Texas [Mr. YARBOROUGH] are absent on official business.

On this vote, the Senator from Tennessee [Mr. GORE] is paired with the Senator from Utah [Mr. BENNETT].

If present and voting, the Senator from Tennessee would vote "yea," and the Senator from Utah would vote "nay."

On this vote, the Senator from Texas [Mr. YARBOROUGH] is paired with the Senator from Colorado [Mr. DOMINICK].

If present and voting, the Senator from Texas would vote "yea," and the Senator from Colorado would vote "nay."

I further announce that if present and voting, the Senator from Florida [Mr. SMATHERS] would vote "nay."

Mr. KUCHEL. I announce that the Senator from Utah [Mr. BENNETT], the Senator from Kansas [Mr. CARLSON], and the Senator from Colorado [Mr. DOMINICK] are absent on official business.

If present and voting, the Senator from Kansas [Mr. CARLSON] would vote "nay."

On this vote, the Senator from Utah [Mr. BENNETT] is paired with the Senator from Tennessee [Mr. GORE].

If present and voting, the Senator from Utah would vote "nay," and the Senator from Tennessee would vote "yea."

On this vote, the Senator from Colorado [Mr. DOMINICK] is paired with the Senator from Texas [Mr. YARBOROUGH].

If present and voting, the Senator from Colorado would vote "nay" and the Senator from Texas would vote "yea."

The result was announced—yeas 52, nays 41, as follows:

[No. 40 Leg.]

YEAS—52

Anderson	Dodd	Jackson
Bartlett	Douglas	Javits
Beall	Engle	Johnston
Bible	Fulbright	Keating
Brewster	Gruening	Kefauver
Burdick	Hart	Kennedy
Byrd, W. Va.	Hartke	Kuchel
Cannon	Hayden	Long, Mo.
Case	Hill	Long, La.
Church	Humphrey	Magnuson
Clark	Inouye	Mansfield

McCarthy	Neuberger	Sparkman
McGovern	Pastore	Symington
McNamara	Pell	Talmadge
Metcalf	Randolph	Williams, N.J.
Monroney	Ribicoff	Young, Ohio
Morse	Russell	
Nelson	Scott	

NAYS—41

Aiken	Goldwater	Muskie
Allott	Hickenlooper	Pearson
Bayh	Holland	Prouty
Boggs	Hruska	Proxmire
Byrd, Va.	Jordan, N.C.	Robertson
Cooper	Jordan, Idaho	Saltonstall
Cotton	Lausche	Simpson
Curtis	McClellan	Smith
Dirksen	McGee	Stennis
Eastland	McIntyre	Thurmond
Edmondson	Mechem	Tower
Ellender	Miller	Williams, Del.
Ervin	Morton	Young, N. Dak.
Fong	Mundt	

NOT VOTING—7

Bennett	Gore	Yarborough
Carlson	Moss	
Dominick	Smathers	

So the bill (S. 6) was passed, 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 "Urban Transportation Act of 1963".

FINDINGS AND PURPOSES

SEC. 2. (a) The Congress finds—

(1) that the predominant part of the Nation's population is located in its rapidly expanding metropolitan and other urban areas, which generally cross the boundary lines of local jurisdictions and often extend into two or more States;

(2) that the welfare and vitality of urban areas, the satisfactory movement of people and goods within such areas, and the effectiveness of housing, urban renewal, highway, and other federally aided programs are being jeopardized by the deterioration or inadequate provision of urban transportation facilities and services, the intensification of traffic congestion, and the lack of coordinated transportation and other development planning on a comprehensive and continuing basis; and

(3) that Federal financial assistance for the development of efficient and coordinated mass transportation systems is essential to the solution of these urban problems.

(b) The purposes of this Act are—

(1) to assist in the development of improved mass transportation facilities, equipment, techniques, and methods, with the cooperation of mass transportation companies both public and private;

(2) to encourage the planning and establishment of areawide urban mass transportation systems needed for economical and desirable urban development, with the cooperation of mass transportation companies both public and private; and

(3) to provide assistance to State and local governments and their instrumentalities in financing such systems, to be operated by public or private mass transportation companies as determined by local needs.

SEC. 3. (a) In accordance with the provisions of this Act, the Administrator is authorized to guarantee qualified revenue bonds or, where the Administrator has determined that such guaranteed revenue bonds would not provide the financial assistance required by the applicant, to make grants or loans (directly, through the purchase of securities or equipment trust certificates, or otherwise) to assist States and local public bodies and agencies thereof, and mass transportation companies both public and private, in financing the acquisition, construction, reconstruction, and improvement of facilities and equipment for use, by operation or lease or otherwise, in mass transportation service in urban areas and in coordinating such service with highway and other transportation in such areas. Assistance may be provided for land and improvements acquired or constructed in advance of such use, if the Administrator obtains adequate assurance of repayment of the assistance where the land and improvements are not in fact put to the proposed use within a reasonable period of time. Eligible facilities and equipment may include land (but not public highways), buses and other rolling stock, and any other real or personal property needed for an efficient and coordinated mass transportation system. No guarantee of revenue bonds, grant or loan shall be provided under this section unless the Administrator determines that the applicant (which in no case shall be a private company) has or will have (1) the legal, financial, and technical capacity to carry out the proposed project, and (2) satisfactory continuing control, through operation or lease or otherwise, over the use of the facilities and equipment. The applicant shall, with respect to private mass transportation companies, give full consideration to the exercise of such continuing control through the appropriate existing governmental regulatory agency authorized to issue to the operating company, in the form of certificates of public convenience and necessity, franchises, or other indicia of operating authority, the authority to operate as a private mass transportation company. No such funds shall be used for payment of ordinary governmental or nonproject operating expenses.

(b)(1) No financial assistance shall be made available under this Act to any State or local public body or agency thereof for the purpose, directly or indirectly, of acquiring any interest in, or purchasing any facilities or other property of a private mass transportation company, or for the purpose of constructing, improving, or reconstructing any facilities or other property acquired, after the effective date of this Act, from any such company; unless (A) such company has, prior to such acquisition, been declared bankrupt or placed into receivership by a court of competent jurisdiction, or (B) the Administrator finds that such assistance is essential to a program, proposed or under active preparation, for the acquisition of mass transportation facilities or property which are supplementary to the service provided by an existing publicly owned or operated mass transportation system, and (C) in either situation under A or B, the Administrator and the Secretary of Labor, acting jointly in accordance with the provisions of section 19(c) of this Act, find that the project to be assisted complies with the requirements set forth therein.

(b)(2) No financial assistance shall be made available under this Act to any State or local public body or agency thereof for the purpose of providing by contract or otherwise for the operation of mass transportation facilities or equipment in competition with, or supplementary to, the service provided by an existing mass transportation company unless (A) the Administrator finds that such assistance is essential to a program, proposed or under active preparation, for a unified or officially coordinated urban transportation system as part of the comprehensively planned development of the urban area, (B) the Administrator finds that such program, to the maximum extent feasible, provides for the participation of private mass transportation companies and (C) the Administrator and the Secretary of Labor, acting jointly in accordance with the provisions of section 19(c) of this Act, find that such program complies with the requirements set forth therein.

(c) No Federal assistance under this Act shall be extended to any State or local public body or agency thereof to assist any private mass transportation company unless the Administrator is assured that the State or States and the local public bodies or agencies thereof in the area covered by a proposed project have afforded the company every feasible relief, compatible with their own fiscal responsibilities, including, but not necessarily limited to, relinquishment of real property taxes, personal property taxes and franchise taxes; and no Federal assistance shall be extended under this Act to any State or local public body or agency thereof to assist a public mass transportation company or any division or segment of its operations when one or more other divisions or segments are operating profitably unless the Administrator is assured that the transfer of funds from one division or segment to another would not be compatible with the maintenance of a coordinated mass transportation system in the area covered by the proposed project.

(d) No loan shall be made under this section for any project for which a grant is made under this section, except grants made for relocation payments in accordance with section 16(b). Loans under this section shall be subject to the restrictions and limitations set forth in paragraphs (1), (2), and (3) of section 202(b) of the Housing Amendments of 1955. The authority provided in section 203 of such amendments to obtain funds for loans under clause (2) of section 202(a) of such amendments shall (except for undisbursed loan commitments) hereafter be exercised by the Administrator (without regard to the proviso in section 202(d) of such amendments) solely to obtain funds for loans under this section.

(e) Section 203(a) of the Housing Amendments of 1955 is amended by inserting before the period at the end of the third sentence a semicolon and the following: "except that notes or other obligations issued by the Administrator to the Secretary of the Treasury to obtain funds to provide financial assistance under section 202(a)(2) (as modified by section 3(d) of the Urban Mass Transportation Act of 1963) shall bear interest at a rate determined by the Secretary of the Treasury on the basis of the current average yield on outstanding marketable obligations of the United States of comparable maturities as of the last day of the month preceding the issuance by the Administrator of the notes or other obligations".

SEC. 4. Except as specified in section 14, no Federal financial assistance shall be provided pursuant to section 3 unless the Administrator determines that the facilities and equipment for which the assistance is sought are needed for carrying out a program, meeting criteria established by him, for a unified or officially coordinated urban transportation system as a part of the comprehensively planned development of the urban area, and are necessary for the sound, economic, and desirable development of such area. Such a program shall encourage, to the maximum extent feasible, the participation of private enterprise. Where facilities and equipment are to be acquired which are already being used in mass transportation service in the urban area, the program must provide that they shall be so improved (through modernization, extension, addition, or otherwise) that they will better serve the transportation needs of the area.

GUARANTEED BOND PROGRAM

SEC. 5. (a) The Administrator, upon application of a State, local public body or agency thereof, is authorized, in accordance with the provisions of this Act—

(1) to guarantee the payment of so much of the interest and the repayment of so much of the principal on the revenue bonds of such State, local public body, or agency thereof as would, but for such guarantee, be unpaid when due; and

(2) upon such terms as he may prescribe, to make commitments to guarantee the payment of interest and principal of any such revenue bonds prior to the date of execution or sale thereof.

(b) Each contract of guarantee made under this Act shall run to, and shall be for the benefit of, the owners of such revenue bonds.

(c) The faith and credit of the United States is solemnly pledged to the payment of so much of the interest and to the repayment of so much of the principal on each revenue bond guaranteed or committed to be guaranteed under this Act as would, but for the guarantee provided for by this Act, be unpaid, when due.

(d) The Administrator shall not enter into any contract of guarantee (or of commitment to guarantee) under this Act if such contract, when taken together with other contracts of guarantee outstanding under this Act, would guarantee the payment of bonds exceeding $375,000,000.

(e) The Administrator shall charge in connection with every contract of guarantee under this Act a premium equal to one-quarter of 1 per centum of the face value of the bonds so guaranteed.

SEC. 6. To be eligible for a guarantee under this Act, any revenue bond shall—

(1) expressly state on its face that the State, local public body, or agency thereof issuing said bond has waived the normal status of said bond as exempt from the provisions of the Federal income tax laws, and the interest on any bond expressing such waiver shall not be exempt from taxation under the Federal income tax laws;

(2) be issued for the purpose of securing funds for a program (as described in sections 3(a) and 4) approved by the Administrator, and at least 25 per centum of the financing of such program shall be by bonds or securities not guaranteed under this Act, so that the federally guaranteed portion shall not constitute more than 75 per centum of the total cost of the program;

(3) bear interest at an average interest rate approved by the Administrator and have a maturity date not in excess of fifty years;

(4) be determined by the Administrator to be of such sound value or so secured as reasonably to assure the punctual payment of principal and interest on the date or dates such payments are due and payable; and

(5) be issued under a trust indenture duly entered into between the State, local public body, or agency thereof and a corporate trustee approved by the Administrator containing all of the provisions required by section 7 of this Act and such other provisions as may be required by the Administrator and as may be agreed upon between such State, local public body or agency thereof and the trustee.

SEC. 7. (a) A trust indenture or supplemental trust indenture under which revenue bonds guaranteed under this Act are issued shall include provisions satisfactory to the Administrator—

(1) requiring the State, local public body, or agency thereof to insure that the mass rapid transit system or those portions thereof financed with the proceeds of the bonds is properly operated, kept at all times in good repair, working order, and condition, and that all lawful claims for labor, materials, and supplies or other charges are discharged and paid;

(2) requiring the State, local public body, or agency thereof to insure that the rates, fares, tolls, rentals, or other charges in connection with the services and facilities furnished from the mass rapid transit system, or any part thereof, financed from part or all of the proceeds of the bonds, are at least sufficient to pay the principal of and interest on the bonds as they become due and payable, together with all expenses of operation, maintenance, and repair of the system;

(3) requiring the State, local public body, or agency thereof to punctually pay or cause to be paid from its revenues the principal of all guaranteed revenue bonds and the interest thereon on the date or dates, at the place or places, and in the manner specified in the bonds; and

(4) providing for the systematic accumulation of revenues for the payment of the principal of all guaranteed revenue bonds and the interest thereon, which provisions shall be designed to assure that the State, local public body, or agency thereof, or the trustee of the trust indenture or supplemental trust indenture under which the guaranteed revenue bonds were issued, shall have accumulated revenues on or before the fifteenth day prior to the date or dates on which any installment of principal or interest becomes due and payable sufficient to pay in full such installment of principal or interest.

(b) Any such trust indenture or supplemental trust indenture shall also include provisions satisfactory to the Administrator requiring that in the event the State, local public body, or agency thereof has not, on the fifteenth day prior to the date or dates on which any installment of principal or interest becomes due and payable, accumulated, in the manner provided in paragraph (4) subsection (a) of this section, revenues sufficient to pay in full such installment of principal or interest, the State, local public body, or agency thereof, or the trustee of the trust indenture or supplemental trust indenture under which the guaranteed revenue bonds were issued, shall forthwith make and serve upon the Administrator a written demand for the amount of money needed to pay in full such installment of principal or interest, less the amount of revenues then accumulated for the payment of that installment of principal or interest. Such written demand shall be accompanied by a note made payable to the Federal transit revenue bond guarantee fund, created by section 10 of this Act, which shall constitute a binding obligation of the State, local public body, or agency thereof, as determined by the Administrator, and shall be in a principal amount equal to the amount of money demanded of the Administrator. Such note shall mature on or before a date six months following the date established for the retirement of the guaranteed revenue bond issue or, in case any prior note or notes are then held by the Secretary, on or before a date six months following the date of maturity of the prior note of latest maturity. Such note shall bear interest at a rate one-quarter of 1 per centum per annum higher than the average net interest cost of the entire guaranteed revenue bond issue, and shall be payable at maturity: *Provided*, That in no event should the interest rate of the notes so obtained be less than the interest rate accruing on Federal borrowings, as determined by the Secretary of the Treasury on the obligations of the United States of comparable maturities as of the last day of the month preceding the issuance of the notes. Nothing in this section shall preclude the Administrator from taking any remedial action otherwise available.

SEC. 8. Within ten days from the date of any demand made by a State, local public body, or agency thereof or trustee pursuant to the trust indenture provision required by section 7 of this Act, the Administrator shall pay to the trustee of the trust indenture or supplemental trust indenture under which the guaranteed revenue bonds were issued the amount of money specified in the demand, which money shall be applied by the trustee to the payment of the installment of principal or interest (or both) for which such money was demanded. Any money required to be paid by the Administrator to the trustee pursuant to this section shall be paid in funds good to the trustee on the payment date.

SEC. 9. The Administrator may, by rule or regulation, require States, local public bodies, or agencies thereof having outstanding revenue bonds guaranteed under this Act to submit to the Administrator from time to time such reports as in the opinion of the Administrator are necessary or desirable to enable the Administrator to anticipate in advance possible demands which may be made upon the Administrator for moneys required to be paid by the Administrator under section 8 of this Act.

SEC. 10. There is created a Federal transit revenue bond guarantee fund (hereinafter referred to as the "fund") which shall be used by the Administrator as a revolving fund for carrying out the provisions of this Act relating to the guarantee of revenue bonds and for the administrative expenses in connection therewith. All premiums and earnings on the assets of the fund shall be credited to the fund. Any moneys required to be paid by the Administrator under section 8 of this Act, and all administrative expenses in connection with the guarantee of revenue bonds under this Act, shall be paid from the fund; and there is authorized to be appropriated to the fund such sums as may be necessary to make such payments. The faith and credit of the United States is solemnly pledged to the payment of all moneys required to be paid by the Administrator under section 8 of this Act. Moneys in the fund not needed for current operations under this Act shall be deposited with the Treasurer of the United States to the credit of the fund or invested in bonds or other obligations of, or guaranteed as to principal and interest by, the United States.

SEC. 11. The Administrator is authorized and directed to make such rules and regulations as may be deemed necessary or appropriate to carry out the purposes and provisions of this Act: *Provided*, That no provisions of this Act shall be construed to authorize the Administrator to regulate in any manner the mode of operation of any mass rapid transit system or the rates, fares, tolls, rentals, or other charges fixed or prescribed by any State, local public body, or agency thereof.

SEC. 12. The limitations and restrictions on the powers of national banking associations contained in paragraph "Seventh" of section 5136 of the Revised Statutes, as amended (12 U.S.C. 24), as to dealing in, underwriting, and purchasing for their account investment securities shall not apply to revenue bonds of a State, local public body, or agency thereof which are guaranteed by the Administrator under this Act.

GRANT PROGRAM

SEC. 13. (a) The Administrator shall estimate what portion of the cost of a project to be assisted under section 3 of this Act cannot be reasonably financed from revenues—which portion shall hereinafter be called "net project cost". The Federal grant for such a project shall not exceed two-thirds of the net project cost. The remainder of the net project cost shall be provided, in cash, from sources other than Federal funds, and no refund or reduction of that portion so provided shall be made at any time unless there is at the same time a refund of a proportional amount of the Federal grant. In determining net project cost for any project to be assisted under section 3, any estimate of revenues shall not be reduced by any amount to be allocated as a reserve for replacement of equipment or facilities. No grant shall be made for any project pursuant to section 3 unless the Administrator determines that (1) there exists a commitment from non-Federal sources to supply the remainder of the net project cost, and (2)

the Federal Government's interest in the project is adequately protected in the event of a default or a failure to complete such project.

(b) To finance grants under this Act there is hereby authorized to be appropriated at any time after its enactment not to exceed $75,000,000 for fiscal years 1963 and 1964; $150,000,000 for fiscal year 1965; and $150,000,000 for fiscal year 1966. Any amount so appropriated shall remain available until expended; and any amount authorized but not appropriated for any fiscal year may be appropriated for any succeeding fiscal year. The Administrator is authorized, notwithstanding the provisions of section 3648 of the Revised Statutes (31 U.S.C. 529) as amended, to make advance or progress payments on account of any grant made pursuant to this Act.

(c) Any application under section 3 for a grant to assist any project for the provision of mass transportation service in an urban area shall include a schedule of fares, determined by the Administrator to be economically sound, and upon the basis of which the Administrator shall make his estimate of net project cost. If, at any time after the making of such grant while any revenue obligations issued to finance the project are outstanding, a change is effected in such schedule which the Administrator determines will substantially reduce revenues from the project and lessen the chances for an economically sound operation, he shall so notify the recipient of such grant. Thereafter, the Administrator shall not extend any assistance under any law administered by the Housing and Home Finance Agency (except pursuant to a commitment entered into prior to such notice) to finance in whole or in part any project to be undertaken in such area, until he determines that such schedule has been so revised, or that other action has been so taken, as to permit an economically sound operation.

EMERGENCY PROGRAM

SEC. 14. Prior to July 1, 1966, Federal financial assistance may be provided pursuant to section 3 where (1) the program for the development of a unified or officially coordinated urban transportation system, referred to in section 4, is under active preparation although not yet completed, (2) the facilities and equipment for which the assistance is sought can reasonably be expected to be required for such a system, and (3) there is an urgent need for their preservation or provision. The Federal grant for such a project shall not exceed one-half of the net project cost: *Provided*, That where a Federal grant is made on such a one-half basis, and the planning requirements specified in section 4 are fully met within a three-year period after the execution of the grant agreement, an additional grant may then be made to the applicant equal to one-sixth of the net project cost. The remainder of the net project cost shall be provided, in cash, from sources other than Federal funds, and no refund or reduction of that portion so provided shall be made at any time unless there is at the same time a refund of a proportional amount of the Federal grant.

RESEARCH, DEVELOPMENT, AND DEMONSTRATION PROJECTS

SEC. 15. (a) The Administrator is authorized to undertake research, development, and demonstration projects in all phases of urban mass transportation (including the development, testing, and demonstration of new facilities, equipment, techniques, and methods) which he determines will assist in the reduction of urban transportation needs, the improvement of mass transportation service, or the contribution of such service toward meeting total urban transportation needs at minimum cost. He may undertake such projects independently or by contract (including working agreements with other Federal departments and agencies). In carrying out the provisions of this section, the Administrator is authorized to request and receive such information or data as he deems appropriate from public or private sources.

(b) The Administrator may make available to finance projects under this section not to exceed $10,000,000 of the mass transportation grant authorization provided in section 13 (b), which limit shall be increased to $20,000,000 on July 1, 1964, and to $30,000,000 on July 1, 1965. In addition, notwithstanding the provisions of section 4 of this Act or of section 103(b) of the Housing Act of 1949, the unobligated balance of the amount available for mass transportation demonstration grants pursuant to the proviso in such section 103(b) shall be available solely for financing projects under this section.

(c) Nothing contained in this section shall limit any authority of the Administrator under section 602 of the Housing Act of 1956 or any other provision of law.

(d) No part of any appropriated funds may be expended pursuant to authorization given by this Act for any technological research or development activity unless such expenditure is conditioned upon provisions determined by the Administrator, with the approval of the Attorney General, to be effective to insure that all information, uses, products, processes, patents, and other developments resulting from that activity will (with such exceptions and limitations as the Administrator may determine after consultation with the Secretary of Defense to be necessary in the interest of the national defense) be made freely and fully available to the general public. Nothing contained in this subsection shall deprive the owner of any background patent relating to any such activity of any right which that owner may have under that patent.

RELOCATION REQUIREMENTS AND PAYMENTS

SEC. 16. (a) No financial assistance shall be extended to any project under section 3 unless the Administrator determines that an adequate relocation program is being carried on for families displaced by the project and that there are being or will be provided (in the same area or in other areas generally not less desirable in regard to public utilities and public and commercial facilities and at rents or prices within the financial means of the displaced families) an equal number of decent, safe, and sanitary dwellings available to those displaced families and reasonably accessible to their places of employment.

(b) Notwithstanding any other provision of this Act, financial assistance extended to any project under section 3 may include grants for relocation payments, as herein defined. Such grants may be in addition to other financial assistance for the project under section 3, and no part of the amount of such relocation payments shall be required to be contributed as a local grant. The term "relocation payments" means payments by the applicant to individuals, families, business concerns, and nonprofit organizations for their reasonable and necessary moving expenses and any actual direct losses of property except goodwill or profit, for which reimbursement or compensation is not otherwise made, resulting from their displacement by the project. Such payments shall be made subject to such rules and regulations as may be prescribed by the Administrator, and shall not exceed $200 in the case of an individual or family, or $3,000 (or if greater, the total certified actual moving expenses) in the case of a business concern or nonprofit organization. Such rules and regulations may include provisions authorizing payment to individuals and families of fixed amounts (not to exceed $200 in any case) in lieu of their respective reasonable and necessary moving expenses and actual direct losses of property.

COORDINATION OF FEDERAL ASSISTANCE FOR HIGHWAYS AND FOR MASS TRANSPORTATION FACILITIES

SEC. 17. (a) In order to assure coordination of highway and railway and other mass transportation planning and development programs in urban areas, particularly with respect to the provision of mass transportation facilities in connection with federally assisted highways (including the acquisition of land and the acquisition or construction of improvements in advance of such use), the Administrator and the Secretary of Commerce shall consult on general urban transportation policies and programs and shall exchange information and otherwise cooperate with respect to the planning, financing, and construction of proposed projects in urban areas.

(b) In order to be assured that proposed projects will not unnecessarily disrupt or otherwise have a deleterious effect (of a temporary or permanent nature) upon rail or motor carriers currently engaged in interstate commerce and subject to regulation by the Interstate Commerce Commission, the Administrator shall consult with the Chairman of the Interstate Commerce Commission with respect to proposed projects affecting inverstate transportation, and the Administrator and the Chairman of the Interstate Commerce Commission shall exchange information and otherwise cooperate with respect to such projects.

GENERAL PROVISIONS

SEC. 18. (a) In the performance of, and with respect to, the functions, powers, and duties vested in him by this Act, the Administrator shall (in addition to any authority otherwise vested in him) have the functions, powers, and duties set forth in section 402, except subsections (c)(2) and (f), of the Housing Act of 1950. Subject to the provisions of section 10, funds obtained or held by the Administrator in connection with the performance of his functions under this Act shall be available for the administrative expenses of the Administrator in connection with the performance of such functions.

(b) To insure that small business concerns are given an equitable opportunity to share in all procurement aspects of any project for which a loan or grant is made under this Act, the Administrator shall cooperatively develop with the Small Business Administration within four months after the effective date of this paragraph a small business contracting program to be applicable to all such projects. The program shall contain such provisions as may be necessary to (1) enable small business concerns to have an equitable opportunity to compete, either directly or as subcontractors, for contracts and procurements for property and services awarded in the implementation and effectuation of the purposes of this Act, and (2) enable the Small Business Administration to obtain from the local public bodies and mass transportation companies such reasonably obtainable information concerning contracts and procurement, including subcontracts thereunder, awarded in the implementation and effectuation of the purposes of this Act.

(c) All contracts for construction, reconstruction, or improvement of facilities and equipment in furtherance of the purposes for which a loan grant, or guarantee is made under this Act, entered into by applicants under other than competitive bidding procedures as defined by the Administrator, shall provide that the Administrator and the Comptroller General of the United States, or any of their duly authorized representatives, shall, for the purpose of audit and examination, have access to any books, documents, papers, and records of the contracting parties that are pertinent to the operations or activities under such contracts.

(d) As used in this Act—

(1) the term "States" means the several States, the District of Columbia, the Commonwealth of Puerto Rico, and the possessions of the United States;

(2) the term "local public bodies" includes municipalities and other political subdivisions of States; public agencies and instrumentalities of one or more States, municipalities, and political subdivisions of States; and public corporations, boards, and commissions established under the laws of any State;

(3) the term "Administrator" means the Housing and Home Finance Administrator;

(4) the term "urban area" means any area that includes a municipality or other built-up place which is appropriate, in the judgment of the Administrator, for a public transportation system to serve commuters or others in the locality taking into consideration the local patterns and trends of urban growth; and

(5) the term "mass transportation" means transportation by bus or rail or other conveyance, either publicly or privately owned, serving the general public and moving over prescribed routes, but does not include charter or sightseeing service, or aircraft or steamship service (other than ferrying service).

(e) There are hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, the funds necessary to carry out all functions under this Act except loans under section 3. All funds appropriated under this Act for other than administrative expenses shall remain available until expended.

(f) Except as otherwise provided in this subsection, contracts for grants under section 3 (other than relocation payments in accordance with section 16(b)) for projects in any one State shall not exceed in the aggregate 12½ per centum of the amount of grant funds appropriated under the authority contained in section 13(b). The Administrator may make additional contracts for such grants (subject to the limitations prescribed in section 13(b)) aggregating not to exceed 10 per centum of the amount appropriated, but such additional contracts for grants for projects in any one State shall not exceed in the aggregate 1 per centum of the amount appropriated. In the case of any project undertaken in two or more States, in accordance with a duly approved compact or other agreement, the Administrator may apply the foregoing limitations by allocating any portion of the grants contracted for such project to any one or more of such States.

(g) The Administrator shall make an annual report to the President for submission to the Congress on the administration of this Act. Such report shall indicate to whom financial assistance has been extended pursuant to this Act, the purposes for which such assistance is to be utilized, and the amounts involved, and may include such other information, comments, and recommendations as the Administrator deems appropriate.

(h) The first sentence of section 814 of the Housing Act of 1954, as amended (42 U.S.C. 1434), is amended by—

(1) inserting after "grant,", the first place it appears, the following: "guaranteed revenue bond issue,";

(2) inserting after "grant,", the second place it appears, the following: "guaranteed revenue bond issue (including the revenues from which the bonded indebtedness is to be repaid),"; and

(3) inserting after "grant,", the third place it appears, the following: "guaranteed revenue bond issue,".

LABOR STANDARDS

SEC. 19. (a) The Administrator shall take such action as may be necessary to insure that all laborers and mechanics employed by contractors or subcontractors in the performance of construction work financed with the assistance of loans or grants under this Act shall be paid wages at rates not less than those prevailing on similar construction in the locality as determined by the Secretary of Labor in accordance with the Davis-Bacon Act, as amended. The Administrator shall not approve any such loan or grant without first obtaining adequate assurance that these labor standards will be maintained upon the construction work.

(b) The Secretary of Labor shall have, with respect to the labor standards specified in subsection (a), the authority and functions set forth in Reorganization Plan Numbered 14 of 1959 (15 F.R. 3176, 64 Stat. 1267 5 U.S.C. 133z–15), and section 2 of the Act of June 13, 1934, as amended (48 Stat. 948, 40 U.S.C. 276c).

(c) It shall be a condition of the granting of any assistance or the financing of any project under this Act that fair and equitable arangements are made, as determined jointly by the Administrator and the Secretary of Labor, to protect the interests of employees affected by such assistance or financing. Such protective arrangements shall include, without being limited to, such provisions as may be necessary for (1) the preservation of rights, privileges, and benefits (including the continuation of pension rights and benefits of all beneficiaries) under existing collective bargaining agreements or otherwise; (2) the continuation of collective bargaining in any situation where it now exists; (3) the protection of individual employees against a worsening of their positions with respect to their employment which shall in no event provide benefits less than those established pursuant to the provisions of section 5(2)(f) of the Interstate Commerce Act; (4) assurances of employment to employees of acquired mass transportation systems by the acquiring or operating entities, and priority of employment or reemployment of employees terminated or laid off; and (5) paid training or retraining programs. The contract for the granting of any such assistance shall specify the terms and conditions of such protective arrangements.

AIR POLLUTION CONTROL

SEC. 20. In providing financial assistance to any project under section 3, the Administrator shall take into consideration whether the facilities and equipment to be acquired constructed, reconstructed, or improved will be designed and equipped to prevent and control air pollution in accordance with any critera established for this purpose by the Secretary of Health, Education, and Welfare.

Mr. SPARKMAN. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. HUMPHREY. Mr. President, I move to lay that motion on the table.

The PRESIDING OFFICER. The question is on agreeing to the motion to lay on the table.

The motion to lay on the table was agreed to.

Mr. SPARKMAN. Mr. President, I ask unanimous consent that the bill, as passed by the Senate, be printed.

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

Mr. WILLIAMS of New Jersey subsequently said:

Mr. President, I had the high honor to be the principal sponsor of the mass transportation bill which has just passed the Senate. I did not take the time during the debate, but I should like to do so now, to say that the bill was a very complicated procedural and substantive measure which was considered over many weeks, if not months. It was complicated by the fact that both the Committee on Banking and Currency and the Committee on Commerce had jurisdiction. We encountered very complex problems. The staffs of other committees were included in our discussions.

The Senate employees presented one of the finest examples of the highest dedication of staff personnel in the Senate. Their willingness to work all day and literally all night was an example of the finest public service. I want the record to reflect that sentiment. So many persons worked on the preparation of the bill that I shall not mention any names; but they included the staffs of the Committee on Banking and Currency, the Committee on Commerce, and the Committee on Labor and Public Welfare, and members of the staffs of many Senators.

TRANSACTION OF ROUTINE BUSINESS

By unanimous consent, the following routine business was transacted:

REPORT OF SECRETARY OF HEALTH, EDUCATION, AND WELFARE ON PLACEMENT AND FOSTER CARE OF DEPENDENT CHILDREN—MESSAGE FROM THE PRESIDENT

The VICE PRESIDENT laid before the Senate the following message from the President of the United States, which, with the accompanying report, was referred to the Committee on Finance:

To the Congress of the United States:

Pursuant to section 155 of Public Law 87–543, I transmit herewith a report of the Secretary of Health, Education, and Welfare regarding experience under subsection (a) of that section.

JOHN F. KENNEDY.

THE WHITE HOUSE, *April 4, 1963.*

EXECUTIVE COMMUNICATIONS, ETC.

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

DISTRICT OF COLUMBIA CHARTER ACT

A communication from the President of the United States, transmitting a draft of proposed legislation to provide an elected mayor, city council, and nonvoting Delegate to the House of Representatives for the District of Columbia, and for other purposes (with an accompanying paper); to the Committee on the District of Columbia.

STOCKPILING, STORAGE, AND DISTRIBUTION OF ESSENTIAL FOODSTUFFS

A letter from the Secretary of Agriculture, relating to a proposed bill transmitted to the Senate on March 25, 1963, "to provide for the stockpiling, storage, and distribution of essential foodstuffs, including wheat and feed grains, to assure supplies to meet emergency civil defense needs, and other purposes," advising that enactment of the proposed legislation would be in accord with the President's program; to the Committee on Agriculture and Forestry.

PLANS FOR WORKS OF IMPROVEMENT IN VARIOUS STATES

A letter from the Director, Bureau of the Budget, Executive Office of the President, transmitting, pursuant to law, plans for works of improvement in the States of Florida, Iowa, Missouri, New Mexico, North Carolina, Pennsylvania, West Virginia, and South Dakota (with accompanying papers); to the Committee on Agriculture and Forestry.

REPORT ON REAPPORTIONMENT OF APPROPRIATIONS

A letter form the Director, Bureau of the Budget, Executive Office of the President, reporting, pursuant to law, that two appropriations to the executive branch for the fiscal year 1963 had been reapportioned on a basis which indicates the necessity for supplemental estimates of appropriation; to the Committee on Appropriations.

AMENDMENT OF TITLE 10, UNITED STATES CODE, RELATING TO DISPOSITION OF CERTAIN NATIONALS OF THE UNITED STATES IN FOREIGN COUNTRIES

A letter from the Secretary of the Army, transmitting a draft of proposed legislation to amend title 10, United States Code, to provide for the disposition of certain nationals of the United States in foreign countries who are alleged and determined to be of unsound mind, and dangerous to persons or property, and for other purposes (with an accompanying paper); to the Committee on Armed Services.

AMENDMENT OF FEDERAL CIVIL DEFENSE ACT OF 1950, TO AUTHORIZE CERTAIN AMOUNTS RECEIVED BY WAY OF REIMBURSEMENT FOR MEDICAL SUPPLIES AND EQUIPMENT

A letter from the Secretary of Health, Education, and Welfare, transmitting a draft of proposed legislation to amend the Federal Civil Defense Act of 1950, as amended, to authorize certain amounts received by way of reimbursement for medical supplies and equipment to be used to purchase other medical supplies and equipment (with an accompanying paper); to the Committee on Armed Services.

REPORT ON NATIONAL INDUSTRIAL RESERVE

A letter from the Assistant Secretary of Defense, Installations and Logistics, transmitting, pursuant to law, a report on the National Industrial Reserve, dated April 1, 1963 (with an accompanying report); to the Committee on Armed Services.

HOUSING FOR THE ELDERLY

A letter from the Administrator, Housing and Home Finance Agency, Washington, D.C., transmitting a draft of proposed legislation to provide additional housing for the elderly (with accompanying papers); to the Committee on Banking and Currency.

LIST OF REAL PROPERTY EXEMPT FROM TAXATION IN THE DISTRICT OF COLUMBIA

A letter from the President, Board of Commissioners, District of Columbia, transmitting, pursuant to law, a list of real property exempt from taxation in the District of Columbia, for calendar year 1961 (with an accompanying report); to the Committee on the District of Columbia.

REPORTS ON REAL PROPERTY EXEMPT FROM TAXATION IN THE DISTRICT OF COLUMBIA

A letter from the President, Board of Commissioners, District of Columbia, transmitting, pursuant to law, reports on real property exempt from taxation in the District of Columbia, for the calendar year 1961 (with accompanying reports); to the Committee on the District of Columbia.

AMENDMENT OF SECTION 7 OF ADMINISTRATIVE EXPENSES ACT OF 1946, TO PROVIDE FOR THE PAYMENT OF CERTAIN TRAVEL COSTS

A letter from the Chairman, U.S. Civil Service Commission, transmitting a draft of proposed legislation to amend section 7 of the Administrative Expenses Act of 1946, as amended, to provide for the payment of travel cost for applicants invited by a department to visit it for purposes connected with employment (with accompanying papers); to the Committee on Government Operations.

REPORT ON REVIEW OF OVERPRICING OF TARGET SEEKING SYSTEMS FOR THE BOMARC MISSILE UNDER CONTRACT WITH THE BOEING CO., SEATTLE, WASH.

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report on the review of overpricing of target seeking systems for the Bomarc missile under Department of the Air Force negotiated contract AF 33(600)-38098 with the Boeing Co., Seattle, Wash., dated March 1963 (with an accompanying report); to the Committee on Government Operations.

REPORT ON PROPOSED CONTRACT RELATING TO DRAINAGE WORK ON CROOKED RIVER PROJECT, OREGON

A letter from the Assistant Secretary of the Interior, transmitting, pursuant to law, a proposed contract relating to proposed drainage work on the Crooked River project, Oregon (with an accompanying paper); to the Committee on Interior and Insular Affairs.

REPORTS RELATING TO VISA PETITIONS

A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting, pursuant to law, reports concerning visa petitions approved by that Service, according the beneficiaries of such petitions first preference classification (with accompanying papers); to the Committee on the Judiciary.

SUSPENSION OF DEPORTATION OF CERTAIN ALIENS

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

EXTENSION OF JUVENILE DELINQUENCY AND YOUTH OFFENSES CONTROL ACT OF 1961

A letter from the Secretary of Health, Education, and Welfare, transmitting a draft of proposed legislation to extend for 3 years the provisions of the Juvenile Delinquency and Youth Offenses Control Act of 1961 (with an accompanying paper); to the Committee on Labor and Public Welfare.

PLANS FOR WORKS OF IMPROVEMENT IN MARYLAND AND KENTUCKY

A letter from the Director, Bureau of the Budget, Executive Office of the President, transmitting, pursuant to law, plans for works of improvement on Upper Rock Creek, Md., and Buck Creek, Ky. (with accompanying papers); to the Committee on Public Works.

JOINT RESOLUTION OF CALIFORNIA LEGISLATURE

The VICE PRESIDENT laid before the Senate a joint resolution of the Legislature of the State of California, which was referred to the Committee on Public Works, as follows:

ASSEMBLY JOINT RESOLUTION 15

Resolution relative to memorializing Congress to enact legislation authorizing flood control appropriations to the Yuba County Water Agency

Whereas the Yuba County Water Agency was created by special act of the Legislature of the State of California, approved June 3, 1959, to develop and promote the beneficial uses and regulation of the water resources of Yuba County, including flood control; and

Whereas the people of Yuba and Sutter Counties have been subjected to devastating floods; and

Whereas the flood experienced during the Christmas season, 1955, was of particular severity, requiring three major evacuations from the Marysville-Yuba city area and causing loss of lives and millions of dollars of property; and

Whereas the Yuba County Water Agency has completed studies and has proceeded expeditiously and at great expense to the taxpayers of Yuba County to develop the water resources of the Yuba River for the conservation of water for agriculture, domestic, and recreational uses, for the generation of power, and for flood control; and

Whereas it is the policy of the Congress of the United States as manifested in many enactments adopted by the Congress over the years to allocate to flood control, on a nonreimbursable basis, such costs of construction of a project as may be found to be proper for the purposes of flood control under criteria established by the appropriate agencies of the United States; and

Whereas authorization for flood control appropriations is essential to the economic feasibility of the Yuba River development as proposed by the Yuba County Water Agency: Now, therefore, be it

Resolved by the Assembly and Senate of the State of California, jointly, That the legislature memorialize the Congress of the United States to enact legislation authorizing flood control appropriations to be made to the Yuba County Water Agency under appropriate criteria established in such legislation; and be it further

Resolved, That the chief clerk of the assembly be hereby directed to transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, and to each Senator and Representative from California in the Congress of the United States.

REPORT ENTITLED "ORGANIZATION OF FEDERAL EXECUTIVE DEPARTMENTS AND AGENCIES"—REPORT OF A COMMITTEE (S. REPT. NO. 110)

Mr. McCLELLAN. Mr. President, as chairman of the Committee on Government Operations, I am filing a report on behalf of the Committee on the Organization of Federal Executive Departments and Agencies, depicting the number of Federal employees assigned to the Executive Office of the President, the 13 departments and to the 50 independent agencies of the Federal Government, as of January 1, 1963.

The 2,462,262 employees reported by the executive branch of the Government compares to 2,418,864 reported on January 1, 1962; an increase of 43,469 during the calendar year 1962. For security reasons no employees of the Central Intelligence Agency are reported.

During the last 2 years, the Executive Office of the President reduced its personnel by 1,215, due primarily to the transfer of 1,106 civil defense employees from OCDM to the Department of Defense in 1961. The 13 executive departments reported total net increases of 57,643 in 1961 and 32,342 in 1962. The independent agencies showed net increases totaling 17,955 in 1961 and 11,127

in 1962. These increases reflected a total of 117,852 more employees in the executive branch of the Government than was reported on January 1, 1961.

The total of 2,462,262 employees reported by the executive branch represents an increase of 501,233 over the number employed as of January 1, 1950, the low since World War II, and prior to the Korean conflict. During the last 16 years, beginning on January 1, 1947, when this committee released its first report, there has been an overall net increase of 199,637 employees.

The increases of 43,469 in the departmental total during 1962 were reported by the Department of Defense, 7,330; Health, Education, and Welfare, 4,879—attributed largely to the amendments to the Social Security Act, totaling 12,903 in the last 2 years, bringing about an increase of more than 100 percent since the Department was created in 1953; Agriculture, 5,109; Interior, 4,496; Treasury, 3,457; Post Office, 2,591; State 1,210; Commerce, 1,167; Labor, 1,151; and Justice, 952.

The independent agencies reported a net increase of 11,127 in 1962, which with the increases of 17,955 reported in 1961, aggregate a total of 29,082 new employees during the past 2 calendar years. In 1962, the largest increases were reported by the National Aeronautics and Space Administration, 6,724; the Federal Aviation Agency, 2,048; the General Services Administration, 1,403; the Housing and Home Finance Agency, 1,365; the Panama Canal Company, 520; and the U.S. Information Agency, 493. Thirteen of the executive agencies reported decreases in personnel during calendar year 1962: Veterans Administration, 3,047; Tennessee Valley Authority, 520; and the remaining 11 reported a combined total decrease of 209 employees.

As of January 1, 1962, 174,178 civilian employees of the executive branch were engaged in oversea activities, of which 61,523 were American citizens and 112,655 were nationals of other countries. This was a decrease of 704 American citizens and an increase of 3,182 foreign nationals over those reported on January 1, 1962.

The employment statistics contained in the report were developed by the committee staff, based on information furnished by officials of the executive branch, to accompany a chart outlining the organization of the major components of the Government, both of which are being released by the committee today.

I ask that the report be printed.

The PRESIDING OFFICER (Mr. BREWSTER in the chair). The report will be received and printed, as requested by the Senator from Arkansas.

BILLS INTRODUCED

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

By Mr. HAYDEN:

S. 1269. A bill for the relief of the Arizona Milling Co., of Phoenix, Ariz.; to the Committee on the Judiciary.

By Mr. McGOVERN:

S. 1270. A bill to amend the Packers and Stockyards Act, 1921, to strengthen independent competition by providing for competitive enterprise in the retail sales of meat, meat food products, livestock products, and other food items; to the Committee on Agriculture and Forestry.

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

By Mr. METCALF:

S. 1271. A bill to amend section 18 of the Railroad Retirement Act of 1937 to restore free transportation on any railroad carrier subject to that act for individuals receiving annuities or pensions under that act, and for their dependents, and for other purposes; to the Committee on Labor and Public Welfare.

By Mr. JAVITS:

S. 1272. A bill for the relief of Viktor Jaanimets; to the Committee on the Judiciary.

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

By Mr. GRUENING (for himself, Mr. McGOVERN, Mr. BARTLETT, Mr. KUCHEL, and Mr. MUNDT):

S. 1273. A bill to establish in the Department of the Interior a Gold Procurement and Sales Agency, and for other purposes; to the Committee on Interior and Insular Affairs.

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

By Mr. SCOTT (for himself, Mr. BYRD of West Virginia, and Mr. RANDOLPH):

S. 1274. A bill to amend the Area Redevelopment Act so as to provide preference in the awarding of certain Government contracts to contractors in areas of substantial and persistent unemployment; to the Committee on Banking and Currency.

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

By Mr. KUCHEL (for himself and Mr. Moss):

S. 1275. A bill to clarify the relationship of interests of the United States and of the States in the use of the waters of certain streams; to the Committee on Interior and Insular Affairs.

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

By Mr. FULBRIGHT (by request):

S. 1276. A bill to amend further the Foreign Assistance Act of 1961, as amended, and for other purposes; to the Committee on Foreign Relations.

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

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

S. 1277. A bill to establish a system for the classification and compensation of professional engineering, physical science, and related positions in the Federal Government, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. PELL:

S. 1278. A bill to provide that the National Bureau of Standards shall conduct a program of investigation, research, and survey to determine the practicability of the adoption by the United States of the metric system of weights and measures; to the Committee on Commerce.

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

PREVENTION OF MONOPOLY IN THE MEAT INDUSTRY

Mr. McGOVERN. Mr. President, I have been concerned for several years about the growing concentration of power and monopolistic practices in livestock, meat and poultry marketing. This problem has been made more acute by the recent sharp decline in cattle and beef practices. Throughout the meat and poultry industry the vertical integration of retailing with wholesaling, transportation, manufacturing, processing, and production including livestock feeding has added to the concentration of economic power. In addition, the acquisition by large corporate food chains of competing retailers and manufacturing and processing plants is a further threat to independent business.

For these reasons I am today introducing a bill to amend the Packers and Stockyards Act of 1921 to strengthen competition by preventing packers from entering retail business or cattle feeding and likewise prohibiting large retailers from entering the packing business or feeding. Similar legislation has been introduced in the other body by the distinguished gentleman from California [Mr. ROOSEVELT]. This bill, I am convinced, would be a great help to livestock feeders and poultry growers in preventing the use of feedlots and packinghouses to depress prices.

In a letter to the Committee on Agriculture of the House of Representatives in 1961, Assistant Secretary of Agriculture John P. Duncan, Jr. wrote:

> The Department agrees with the objective of the bill and strongly supports the principle of strengthening competition in all areas of livestock, meat and poultry marketing. It recognizes that the extent of the influence and control that may be exercised over the livestock and poultry industry by integrated packing and retailing operations can very definitely affect that competition. This is a very real problem area in this industry as reflected in the views and fears expressed to the Department by producer and industry groups alike.

I feel confident that some of my colleagues will wish to join me in sponsoring this legislation. I ask unanimous consent that the text of the bill be printed at this point in the RECORD and that it may lie on the table for 1 week, so that those who wish to do so may add their names.

The PRESIDING OFFICER. The bill will be received and appropriately referred; and, without objection, the bill will be printed in the RECORD, and lie on the desk, as requested by the Senator from South Dakota.

The bill (S. 1270) to amend the Packers and Stockyards Act, 1961, to strengthen independent competition by providing for competitive enterprise in the retail sales of meat, meat food products, livestock products, and other food items, introduced by Mr. McGOVERN, was received, read twice by its title, referred to the Committee on Agriculture and Forestry, and ordered to be printed in the RECORD, as follows:

Be it enacted by the Senate and House of Representatives of the United States of

America in Congress assembled, That title II of the Packers and Stockyards Act, 1921, is amended by inserting immediately after section 202 thereof the following new section:

"SEC. 202A. (a) It shall be unlawful for any packer whose gross sales were more than $30,000,000 during the preceding calendar year, or for any person engaged in the business, manufacturing or preparing livestock products for sale or shipment in commerce, or in wholesale marketing in commerce of meats, meat food products, livestock products, dairy products, poultry, poultry products, or eggs, whose gross sales were more than $30,000,000 during the preceding calendar year, to engage in the business of selling at retail meats, meat food products, livestock products, dairy products, poultry, poultry products, or eggs, and shall not engage in the business of feeding livestock, but nothing in this section shall preclude any person from engaging in such retail business if (1) his operations as a packer are limited solely to meat preparation operations customary in the conduct of such retail business, such as the slicing or grinding of meat, the breaking of carcasses, or the fabricating of meat cuts, or (2) he is primarily engaged in wholesaling dairy products or eggs and his retail operations are limited to the retail sale of such products through home delivery routes or company operated dairy stores. The gross sales referred to above shall include the sales of all corporations, partnerships, associations, and individuals owned or controlled in any manner whatsoever, in whole or in part, through stock ownership or otherwise, by such packer or person, or by the owners, officers, directors, agents, or employees of such packer or person.

"(b) A violation of this section which occurs on more than one day shall be considered a separate violation for each day on which such violation occurs.

"(c) Whoever violates this section shall be fined not more than $50,000, or imprisoned not more than one year, or both.

"(d) For the purposes of the Act entitled 'An Act to supplement existing laws against unlawful restraints and monopolies, and for other purposes,' approved October 15, 1914 (38 Stat. 730), and the Federal Trade Commission Act, this section shall be considered to be an antitrust law."

VIKTOR JAANIMETS

Mr. JAVITS. Mr. President, it will be recalled that when Chairman Khrushchev was here some years ago he came over on a vessel called the *Baltika.* In New York Harbor Viktor Jaanimets, a seaman on that vessel, sought asylum here in the United States. Since then I have been trying to get his admission here regularized. For that purpose I send to the desk a private bill for the relief of Viktor Jaanimets.

I ask unanimous consent that there may be printed in the RECORD as a part of my remarks a newspaper story from the Utica, N.Y., Observer Dispatch, explaining the situation in detail, and what animated Mr. Jaanimets to make his break for freedom, together with an article published in the New York Sunday News of September 17, 1961.

The PRESIDING OFFICER. The bill will be received and appropriately referred; and, without objection, the articles will be printed in the RECORD as requested by the Senator from New York.

The bill (S. 1272) for the relief of Viktor Jaanimets, introduced by Mr. JAVITS, was received, read twice by its title, and referred to the Committee on the Judiciary.

The articles presented by Mr. JAVITS are as follows:

[From the Utica, N.Y., Observer Dispatch, Sept. 24, 1961]

EX-RED LIKES HIS FREEDOM

(By Jules Loh)

NEW YORK.—Each evening after work Viktor Jaanimets goes through approximately the same routine. Many would consider it inordinately dull.

He enters his $17-a-week second-story walkup with his own door key, makes a couple of cold meat sandwiches, gets a beer from the refrigerator, flicks on his small radio and sits down at the slightly wobbly kitchen table.

If the night is warm he might take in a picture show. It doesn't matter much what's playing; it's air conditioned, and Jaanimets hasn't yet got a good hold on the language anyway. Sometimes he stretches out on the bed, opens his bilingual dictionary, and tries to snatch from the radio announcer's rapid spiel some of the words he's struggling to master.

To Jaanimets, handsome, blond, 30-year-old bachelor, this seemingly lackluster routine is pure contentment—well worth risk of a man's life.

Not for a moment, he says, has he regretted his daring feat of a year ago October 10. That was the day he ditched his shipmates from Nikita Khrushchev's yacht, the *Baltika,* and made it to safety after a frantic search for someone who could understand his tongue.

Only Khrushchev's shoe-pounding demonstration at the United Nations during the same week matched the Jaanimets incident for headlines.

Speaking through Interpreter John Jaan Tiivel, Secretary General of the Estonian National Committee, Jaanimets said he was glad the hustle and bustle of his first months in the United States was over and at last he could lose himself in the anonymity of New York's millions.

To the countless requests for Jaanimets' presence at meetings of patriotic organizations, for speeches, for interviews, the former seaman asks Tiivel to "tell them, politely, no."

This Tiivel does gladly. He, for one, doesn't feel Jaanimets takes enough precaution against the possibility of being kidnaped by Soviet agents.

It sounds dramatic, but according to Tiivel and others who work closely with defectors the eventuality is not farfetched, especially as regards someone with the propaganda value of Jaanimets, a member of Khrushchev's handpicked crowd.

Jaanimets, smiling, says, "I can take care of myself." Looking at him you get the impression that he can, at least physically. He is a lithe and leathery 175 pounds, stands 5 feet 10.

On the advice of others, he rented his apartment under an assumed name and believes his landlord is not aware of his identity.

It is his own idea, however, to keep secret his address and his place of employment and to avoid striking up acquaintance with persons unknown to his relatively small circle of friends at the Estonian House, a social and cultural club for Estonian-Americans.

Jaanimets works as a machinist (the craft he learned in an Estonian trade school) at a small manufacturing plant headed by one of the more than 200 persons who offered him a job.

He started at $80 a week, has had two $10 raises since, and regards himself a wealthy man. Last month he bought a car and now is taking driving lessons.

"In the Soviet system it would take 5 to 7 years to get a car after you applied," he said. "I was amazed that all you have to do here is walk in and buy one. Also, there it would take many years' salary.

"As for having my own room," said Jaanimets, "I never had a room of my own since the Russian occupation in 1940.

"You need a permit to get a room, and when I applied in Tallinn (his hometown in Estonia) they told me to apply in Leningrad (the *Baltika's* home port); in Leningrad, they told me to apply in Tallinn."

More than his newfound wealth, Jaanimets said his greatest delight in America—one that he hasn't quite gotten used to—"is just doing what you like, saying what you like, going where you like." It was obvious he wasn't trying to impress, nor say something he thought he might be expected to say.

Jaanimets said he had anticipated there would be reprisals against his family in Tallinn, a widowed mother, a sister, and three brothers. Recently he learned "through Estonian sources" his brother had been jailed for a time and released. He knows no further details.

Naturally this saddens him. But he said "everyone has to live his own life and fight for his own freedom. I'm sorry for my family, but I can't help it."

Naturally, too, Jaanimets is somewhat lonely. But there are the soccer games at the Polo Grounds and the Friday night dances at the Estonian House and he vehemently dismisses as a foolish idea any notion he might ever have regretted the choice he made a year ago.

His main goal now is American citizenship. Senator JACOB JAVITS, of New York, has submitted a private bill now pending in the Senate Judiciary Committee, which would grant Jaanimets citizenship immediately rather than through the normal 5-year process.

Jaanimets went to sea in 1950 and was assigned to the *Baltika* in 1956, after careful screening. Because its crew was exposed at times to life outside the Iron Curtain, political indoctrination lectures were conducted twice weekly by an officer with a higher rank than the captain.

Jaanimets said he had planned to escape for 3 years before he finally pulled it off. Once in London and again in Stockholm he came close, but each time something happened to upset his plan.

The opportunity didn't come for him in New York until his third leave after the ship docked September 19.

"It's not easy," he explained. "You're always being spied on. There are spies on spies on spies." His own assignment was to spy on his shipmates to guard against smuggling.

Baltika seamen went ashore in groups of five, ostensibly "to protect each other from American thugs," and were not allowed to take cameras "because we were told we would be arrested as spies."

About an hour before his October 10 shore leave was to end, Jaanimets told his four companions he wanted to buy some hair tonic. He went into a large department store and quickly ducked out another door.

"I wasn't sure whether someone would overtake me," he said. "I just took a chance." Had he been caught, he said, the penalty would have been death.

He tried to hail a cab, but the cabbie couldn't make out what he wanted and drove off. Jaanimets began walking fast, not running. Several blocks away he slipped into a bar and ordered a beer. He tried to buy some cigarettes from a machine, and when it became obvious he couldn't figure out how to work it an American seaman, 50-year-old Brian Quinn, offered to help.

"He kept repeating, 'Estonian, not Russian,'" said Quinn, "and I finally figured out he was in some sort of trouble."

Quinn called the Estonian House and handed the phone to the frightened sailor.

"That moment was the start of my new life," Jaanimets said.

[From the New York (N.Y.) Sunday News, Sept. 17, 1961]

HOW IT FEELS TO BE FREE—"I GO WHERE I WANT," SAYS VIKTOR JAANIMETS A YEAR AFTER JUMPING KHRUSHCHEV'S SHIP—BUT HE STILL LOOKS OVER HIS SHOULDER

(By John Gregg)

At about 5:45 every summer morning a young, blond-haired man stepped out the front door of his brownstone apartment building somewhere in Manhattan and turned up the block in a fast trot. Dressed in light trousers, cotton T-shirt, and leather sandals he jogged around the corner, down the avenue and around the next corner. The only other life on the street was around a curbside newspaper stand and a beat cop swinging his nightstick.

The sprinter was Viktor Jaanimets. Remember him * * * the Estonian sailor who pushed the World Series off the front page last October when he jumped Khrushchev's ship, the *Baltika*, tied up in the East River? Today he is Refugee Jaanimets, an apprentice toolmaker in a metropolitan-area factory, and the early-morning lap around the block has been part of his daily regimen—until recently, that is.

"I stopped it when a policeman gave me a suspicious look one morning, like I might be a thief or a crazy man," Jaanimets told me when I met him last week at the Estonian House, 243 East 34th Street. "Now I do calisthenics in my room."

NO LONGER CENTER OF POLITICAL STORM

In the eye of an international hurricane less than a year ago, Viktor Jaanimets, 30 in July, now lives alone—and quietly—in a two-room apartment somewhere in the city. He rises every morning at 5:30 sharp and turns his radio on in the living room. (Viktor likes listening to American music and the newscasts and already has a favorite station.)

Then he does his exercises—pushups, knee-bends and some other gymnastics. At 7 a.m. he leaves for work. There is no Jaanimets listed on a mailbox in the foyer. Only his closest friends know where he lives or where he works. He has taken a different name and none of the other tenants in the building, not even his landlord, knows him as Viktor Jaanimets, the former Estonian seaman.

The FBI has told him to be careful. Friends have cautioned "Keep your head out of the limelight, Viktor, or someone will chop it off." And Jaanimets himself is naturally guarded in all he says and does. Meetings with reporters—and there have been few since the first of the year—are arranged through John Tiivel, secretary of the Estonian National Committee, at the Estonian House.

Jaanimets will speak on the evils of Soviet communism as readily as he'll eat an Estonian pancake, but is reluctant to discuss anything having to do with his personal life. He insists that this attitude does not stem from fear. But when a man has been raised under the heel of oppression, maybe fear—and cunning—are too deeply imbedded to be shucked off within a year.

Viktor Jaanimets was only 9 years old when Soviet troops occupied his city, Tallinn, a port on the Gulf of Finland and capital of Estonia. Except for 3 years under the Nazis during World War II, Estonia has been under Russian control since 1940.

"You have no idea what it is like," Jaanimets began. Two lines across his forehead deepened into furrows from the strain of speaking English and the intensity of his feeling. Then he lapsed into Estonian, which Tiivel translated.

"The secret police are so efficient over there, if a lonely shoemaker in a cobblestone alley thinks only once, 'We will overthrow them.'—he cannot sleep that night; the next day he will be taken away. The younger Russians are ready to kill their mothers and fathers for the ideal—communism."

When Viktor was 15 his father died. His mother was left with two sons older than Viktor and a daughter younger. Two years later, Viktor joined the Russian merchant marine and worked for several years on coastal freighters plying the Baltic Sea.

In 1956 he joined the crew of the *Molotov*, a Soviet passenger liner which made regular runs between Leningrad and London, frequently mooring at Stockholm, Copenhagen, and Helsinki.

"One day in 1957, we woke up and found the ship had been renamed the *Baltika*," Jaanimets noted with grim humor, for Vyacheslav M. Molotov, the Stalinist leader, had fallen into disgrace.

Viktor considered jumping ship in London, but was afraid English authorities might turn him back to the Russians. Finally, on September 19, 1960, the *Baltika* tied up alongside pier 73, at the foot of 25th Street and the East River with passenger Khrushchev aboard.

While the Soviet Premier aired his socks in the U.N. General Assembly, Jaanimets was given three shore leaves. His third began at 10 a.m. on October 10, when he left the ship with two Russian girls—chambermaids aboard ship—a Russian sailor and an Estonian officer, who was in charge of the group. They were ordered to stay together.

LOVE WITH STRONG DOSE OF PROPAGANDA

"We were told not to see any movies, for fear we might lose some of our political indoctrination," Viktor said. "In Russia, there is more politics in a film romance than kissing."

Jaanimets was wearing a black wool suit he'd bought in Leningrad for 1,600 rubles ($400), a little over 2 months' salary for a first-class oiler. His shoes had cost him the equivalent of $93. The only way a Russian seaman could beat the cost of living was through the black market, and that's the business they had in mind when the two Estonians and three Russians began hiking downtown to shop in stalls and stores on Orchard Street.

Some of them bought a particular kind of tapestry evidently well known to Baltic sailors. Almost as thick as rugs, they are woven in such hues as green, gold, purple and scarlet, with designs showing grazing deer or fan-tailed peacocks. A tapestry bought for around $5 on the lower East Side sells for 1,100 rubles ($725) in the Leningrad black market, according to Jaanimets.

Carrying their treasure, the two girls and three men started back in the general direction of their ship on foot. Their tour took them through some of the worst slum areas in New York, sights which still impress Jaanimets. "People here should be penalized more for such littering," he says. "If a man wants to throw garbage into the street, let him pay for the privilege."

The party crossed the Bowery, skirted Greenwich Village and stopped on the southeast corner of 14th Street and 5th Avenue, in front of Lane's Department Store. It was about 3 p.m. They were due back aboard the *Baltika* in an hour. The girls asked if they could buy a few things before they returned. The Russian sailor wanted to take a look at some woolen scarves, and Jaanimets said he'd like to buy some hair oil. The Estonian officer consented, but he was too tired to ride herd on them inside the store.

"I'll wait here," he told them wearily. "Hurry up."

The four walked through the 14th Street entrance and the girls immediately took the escalator to the second floor. The Russian spotted a counter display of shawls and set off in that direction. Jaanimets strode diagonally across the store. He hesitated for a moment in front of the double glass doors opening onto Fifth Avenue, then he bolted through them.

He hurried westward—away from the Baltika. Then he zigzagged downtown, across one block, down the next. He knew his fellow crewmen at Lane's would hunt for him; they would be punished for coming back to the ship without him.

To this day, the Estonian refugee does not know which streets he hurried through. He hailed a cab and repeated to the driver "Estonian House," words he had heard over the Voice of America radio broadcast, but the driver didn't understand and Jaanimets walked away.

ESTONIAN ODYSSEY CONTINUES INTO BAR

A couple of hours later he entered a bar and grill on South Street, near the Battery, all the way down at the southern tip of Manhattan. There he met an old Irish seaman who understood some Russian and helped him phone the Estonian House. The Irishman was asked to bring Jaanimets to the house on 34th Street immediately by cab. The two left the bar.

The old sailor evidently thought it a reckless waste to hire a taxi, because he led the refugee to a South Ferry-First Avenue bus. To Jaanimets' utter horror, the bus took them uptown alongside the East River docks, heading right for Pier 73 and the Baltika. He was about to leap out the rear door, when the vehicle turned inland.

Only 3 hours later the Estonian sailor who jumped Khrushchev's ship was on the seventh floor of the News Building telling his story.

Jaanimets was granted political asylum, and for 3 months he lectured across the United States: Kansas City, Chicago, Minneapolis, Milwaukee, Los Angeles and San Francisco, which he calls "the white city," because it is so clean and many of the buildings are surfaced in white stone or stucco.

With John Tiivel as his interpreter, he told how the Soviets had crushed resistance within Russia and her satellites. "There will never be a spontaneous rebellion in Russia," he told them. "The people are flattened with fear and propaganda. The constant hammering of propaganda is unbelievable. No one stands up against it forever. Even a stone will crumble if it is struck enough times by drops of water."

In February of this year, Viktor got a job as an apprentice toolmaker and holds the same job today. Anyone who regards the slogan "America, the land of the free" as a tired cliche ought to see Jaanimets' grin when he talks of freedom.

"I can go where I want," he almost shouted, tossing his hand into the air. "I go to Broadway, see a movie any time I like. No one tells me what to believe, what to think, not to talk to people, where to go, where not to go."

Sometimes he comes home from work late, having put in a few hours of overtime. "I turn on the radio again, open a bottle of beer, light a cigarette and lean back in my chair with my feet up on the wall," he says. "That's the way I relax."

STILL STRUGGLING WITH HIS ENGLISH

Often in the evening he studies English from an Estonian-English dictionary and a Russian-English grammar. He has had no professional instruction so far, but plans to take a class this fall. Right now he speaks the language haltingly and there is much he doesn't yet understand, but what he does speak is grammatically perfect, with very little accent.

On Friday nights, after work, Viktor often drops by the Estonian House for dinner, a bottle or two of beer at the bar, and some

continental-style dancing. The kitchen there is run by Mrs. Ada Parlin, who operated the only Estonian restaurant in New York, the Four Seasons on 34th Street, until her building collapsed into a neighboring excavation pit last December.

"Viktor likes my Estonian pancakes," she said, "but his favorite seems to be my mulgikapsad—a sauerkraut dish prepared with crushed barley and meat." Estonian pancakes are thick and fluffy, like a souffle, and Mrs. Parlin serves them with a topping of lingenberries and melting butter.

Viktor has bought a small standard-shift car, the first he has ever owned. He has a learner's permit and on weekends a friend on Long Island teaches him how to drive.

He is still classified by the Department of Immigration and Naturalization as a "refugee parolee," who is required to report to their office at least once a year and to notify them of any change in address.

On April 18, Senator JACOB JAVITS introduced a bill to have the Estonian's status changed to that of a refugee with permanent residence. With this classification, he could apply for citizenship within 5 years. But the Senate hasn't yet acted on JAVIT's bill.

"We are hoping they will take care of Jaanimets before Congress adjourns at the end of September," said Tiivel. "We have had experience with this kind of bill before. They are always the last ones considered before a session ends. So we still have hope. Viktor wants very much to become a U.S. citizen."

THE NEED TO INCREASE U.S. GOLD PRODUCTION IS CLEAR

Mr. GRUENING. Mr. President, more than a year ago I suggested that it was time to subsidize the Nation's gold mines in the public interest.

On February 12, 1962, I said:

Nearly 30 years have gone by since our Government took a realistic look at the costs involved in gold mining. The expense in some instances is many times that of 1934, when the price of gold last was adjusted.

Commenting on the need to boost domestic gold production, I cited statistics appearing in the 1960 Minerals Yearbook which showed the United States producing 1,679,000 ounces in 1960, as opposed to U.S.S.R. figures of 11 million estimated ounces.

I suggested then that this should concern all of us.

Regrettably, there has been no marked change in the situation.

According to the 1961 Minerals Yearbook:

U.S. mine production of recoverable gold in 1961 was 1.5 million ounces valued at $54.2 million, a decrease in production of 7 percent from 1960. This output was the lowest since 1885, except for 4 years (1943–46) during and immediately following World War II.

The "1961 Minerals Yearbook" further states:

World gold production rose for the eighth successive year to a new high of 47.7 million ounces, valued at $1.7 billion.

Can the need for the United States to increase its gold production capability be made more clear? How clear must be the handwriting on the wall?

The writers of the gold report in the "1961 Minerals Yearbook" have no bias. They have given to us, and, I might add, to all of the world, the sorry story of U.S. gold production. It is not, I suggest, a pretty picture.

The report states bluntly:

The decline in domestic production reflected curtailed operations in some areas and continuing unfavorable economic conditions owing to rising costs in relation to the fixed price of gold.

I found it revealing to read that the consumption of gold in domestic arts and industries, although decreasing slightly, nevertheless managed to be substantially higher than the amount produced. The domestic arts and industries consumed 2.8 million ounces or about 1.2 million ounces more than domestic mine production.

Just how clear does the handwriting have to be?

World production of gold continues to soar. In less than 10 years it has risen from 35.6 million troy ounces to 47.7 million troy ounces.

The minerals yearbook says domestic mine production decreased "principally because of first, a decline in placer mining in Alaska and California; and, second, a lower output of gold-bearing copper ores in Utah and Montana. And except for small increases in production in Arizona and Colorado, all the major gold-producing States recorded lower outputs." Alaska, sadly, dropped from third to fifth place among gold-producing States.

Mr. President, I ask unanimous consent to place in the RECORD at this time a table showing mine production of recoverable gold in the United States, by States, over the past 10 years. It should be observed that in the majority of cases production declined. The 1952–56 total was 1,879,233 troy ounces. The 1961 total was 1,548,270 troy ounces.

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

TABLE 5.—*Mine production of recoverable gold in the United States, by States*

[Troy ounces]

State	1952–56 (average)	1957	1958	1959	1960	1961	State	1952–56 (average)	1957	1958	1959	1960	1961
Alaska	240,288	215,467	186,435	178,918	168,197	114,216	Pennsylvania	1,449	(1)	(1)	(1)	(1)	(1)
Arizona	122,743	152,449	142,979	124,627	143,064	145,959	South Dakota	531,471	568,130	570,830	577,730	554,771	557,855
California	235,241	170,885	185,385	145,270	123,713	97,644	Tennessee	232	172	124	99	123	152
Colorado	105,241	87,928	79,539	61,097	61,269	67,515	Texas	8					
Idaho	16,731	12,301	15,896	10,479	6,135	5,718	Utah	435,915	378,438	307,824	239,517	368,255	342,988
Montana	27,767	32,766	26,003	28,551	45,922	35,377	Vermont	168	62				
Nevada	87,804	76,752	105,087	113,443	58,187	54,165	Washington	65,821	[1] 89,708	[1] 113,353	[1] 118,394	[1] 129,012	[1] 117,331
New Mexico	2,859	3,212	3,378	3,155	5,423	6,201	Wyoming	245	573	117		40	1
North Carolina	257	1,373	876	965	1,826	2,094							
Oregon	4,993	3,381	1,423	686	835	1,054	Total	1,879,233	1,793,597	1,739,249	1,602,931	1,666,772	1,548,270

[1] Production in Pennsylvania and Washington combined.

Mr. GRUENING. Mr. President, I think it equally important that we consider world production of gold. Therefore, I ask unanimous consent to place in the RECORD at this point in my remarks a table showing world production of gold by countries over the past 10 years.

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

TABLE 14.—*World production of gold by countries* [1] [2]

[Troy ounces]

Country [1]	1952–56 (average)	1957	1958	1959	1960	1961
North America:						
Canada	4,363,943	4,433,894	4,571,347	4,483,416	4,628,911	4,442,153
Central America and West Indies:						
Costa Rica [3]	[4] 535	705	310			
Cuba [3]	1,154	915	804	615	348	
Dominican Republic	124	286	780	513	[3] 308	
Guatemala [5]	253	360	370			
Honduras	20,469	2,025	1,714	[3] 2,798	[3] 2,172	[3] 1,685
Nicaragua	240,660	203,636	214,882	218,302	210,200	226,250
Salvador	11,985	2,508	2,372	2,474	1,121	
Mexico	412,643	346,328	332,246	313,663	300,256	268,684
United States [6]	1,899,606	1,800,000	1,759,000	1,635,000	1,679,800	1,566,800
Total	6,951,000	6,790,000	6,884,000	6,657,000	6,823,000	6,506,000

See footnotes at end of table.

TABLE 14.—*World production of gold by countries* [1] [2]—Continued

[Troy ounces]

Country [1]	1952–56 (average)	1957	1958	1959	1960	1961
South America:						
Argentina	7,671	7,732	3,054	[3] 1,782	[3] 201	[3] 1
Bolivia	25,873	27,685	[7] 19,115	[7] 35,246	[7] 45,457	[7] 86,184
Brazil	153,400	150,000	186,000	180,000	[5] 180,000	[5] 180,000
British Guiana	21,944	16,490	17,500	3,448	2,364	1,702
Chile	130,835	103,590	110,952	78,640	100,055	110,000
Colombia	411,233	325,114	371,715	397,929	433,947	399,877
Ecuador	20,568	16,840	19,685	18,450	15,159	15,210
French Guiana	5,375	8,954	20,000	16,100	18,940	7,944
Peru	149,876	161,831	159,127	150,299	141,001	133,570
Surinam	6,665	6,516	4,258	5,826	4,932	4,011
Venezuela	43,828	89,654	76,009	53,766	46,868	30,071
Total [5]	977,000	914,000	987,000	941,000	998,000	963,000
Europe:						
Finland	18,654	22,377	22,152	23,374	20,351	20,602
France	42,053	35,173	35,559	42,150	39,545	41,796
Germany, West	4,256	3,681	[5] 4,000	[5] 4,000	[5] 4,000	[5] 4,000
Greece	[4] 4,957	7,877	5,787	4,340	4,823	[5] 4,800
Italy	9,184	6,334	4,802	3,261	3,310	600
Portugal	20,461	23,277	17,747	20,769	21,927	20,959
Spain	9,769	11,901	14,211	15,239	13,986	[5] 14,000
Sweden	91,784	[6] 7,063	127,574	103,000	91,100	[5] 110,000
U.S.S.R. [8] [9]	9,300,000	10,000,000	10,000,000	10,000,000	11,000,000	12,000,000
Yugoslavia	41,423	51,988	55,364	59,640	63,980	[5] 64,300
Total [1] [5]	9,700,000	10,400,000	10,500,000	10,500,000	11,600,000	12,700,000
Asia:						
Burma	233	104	190	212	[7] 304	194
Cambodia	[4] 482	1,608	322	4,823	4,180	4,180
India	227,188	179,182	170,110	165,283	160,593	156,510
Japan	230,899	252,563	260,630	261,547	261,482	293,954
Korea:						
North [10]	130,000	130,000	130,000	130,000	130,000	130,000
Republic of	36,889	66,578	72,071	65,690	65,814	84,105
Malaya	20,427	11,157	22,484	26,739	20,745	12,486
Philippines	438,272	379,982	422,833	402,615	410,618	423,983
Sarawak	576	883	864	2,450	3,326	4,132
Saudi Arabia	37,052					
Taiwan	29,318	20,548	21,345	13,497	15,699	17,490
Total [1] [5]	1,300,000	1,260,000	1,410,000	1,390,000	1,390,000	1,440,000
Africa:						
Angola	37		26	42	42	48
Bechuanaland	944	190	215	198	203	261
Cameroon, Republic of	1,066	10,899	2,009	971	415	538
Central Africa, Republic of	[8] 557	614	932	495	291	80
Congo, Republic of the (formerly Belgian)	365,749	371,020	352,276	347,967	316,195	232,611
Congo, Republic of	[8] 10,296	7,404	6,048	3,665	2,628	1,788
Eritrea	1,385	4,501	6,430	16,718	5,144	5,529
Ethiopia	27,128	[8] 25,000	36,369	41,439	40,915	[8] 41,500
Gabon, Republic of	[8] 143,336	22,727	15,921	16,172	17,696	15,286
Ghana	706,881	790,381	852,834	913,200	893,113	970,135
Kenya	9,958	7,388	7,753	9,145	8,646	[8] 12,122
Liberia	824	[11] 381	[8] 400	1,401	1,036	2,088
Malagasy Republic	1,353	842	804	193	273	347
Morocco	2,937				104	136
Mozambique	1,277	1,080	695	295	225	105
Nigeria	777	389	646	950	994	676
Rhodesia and Nyasaland, Federation of:						
Northern Rhodesia	2,776	3,270	3,729	4,685	5,527	4,279
Southern Rhodesia	518,947	536,849	554,838	566,883	562,703	570,095
Ruanda-Urundi	4,064	3,215	3,858	3,119	1,566	817
Sudan	1,980	1,158	1,571	1,419	2,605	1,500
Swaziland	51	7			806	1,325
Tanganyika [12]	72,095	63,280	68,250	95,794	107,009	101,067
Uganda (exports)	405	212	329	334	642	355
Union of South Africa	13,499,069	17,030,737	17,656,447	20,065,515	21,383,019	22,941,561
United Arab Republic (Egypt)	12,580	3,026	1,812	2,486	1,000	[8] 1,000
West Africa (formerly French)	959	331	3,247	[8] 8,000	[8] 8,000	[8] 8,000
Total	15,380,000	18,890,000	19,580,000	22,100,000	23,360,000	24,910,000
Oceania:						
Australia	1,050,444	1,083,941	1,103,980	1,085,104	1,086,014	1,070,467
Fiji	73,005	75,150	86,794	72,565	72,203	83,417
New Guinea	96,452	68,564	43,254	46,663	45,019	41,820
New Zealand	38,405	30,195	24,981	36,758	33,326	28,294
Papua	374	466	558	156	132	[8] 130
Total	1,258,680	1,258,316	1,259,567	1,241,246	1,236,694	1,224,128
World total (estimate) [1]	35,600,000	39,500,000	40,600,000	42,800,000	45,400,000	47,700,000

[1] In addition to countries listed, gold is also produced in Austria, Bulgaria, China, Czechoslovakia, East Germany, Hungary, Indonesia, Rumania, and Thailand, but production data are not available; estimates for these countries are included in the total. For some countries accurate figures are not possible to obtain, owing to clandestine trade in gold (as, for example, in former French West Africa).

[2] This table incorporates some revisions. Data do not add exactly to totals shown because of rounding where estimated figures are included in the detail.

[3] Imports into the United States.

[4] One year only, as 1956 was first year of commercial production.

[5] Estimate.

[6] Refinery production.

[7] Exports.

[8] Average for 1953–56.

[9] Output from U.S.S.R. in Asia included with U.S.S.R. in Europe.

[10] Estimate according to Minerais et Metaux (France), except 1961.

[11] Purchases. Production may be greater.

[12] Including gold in lead concentrates exported amounting to: 5,526 ounces, 1952–56 (average); 9,192 ounces in 1957; 11,951 ounces in 1958; 10,391 ounces in 1959; 8,963 ounces in 1960; and 521 ounces in 1961.

Compiled by Augusta W. Jann and Richard W. Peters, Division of Foreign Activities.

Mr. GRUENING. Mr. President, it will be seen in the table that the U.S.S.R. production estimate has been increased by 1 million troy ounces, or from 11 to 12 million ounces.

How clear does the handwriting have to be?

According to the minerals yearbook report, technology is important. It has, for example, reduced operating costs and extended the life of the older mines in the Union of South Africa. And, as the lay person might guess, production in the Union of South Africa increased in the 10-year period from 13,499,069 troy ounces to 22,941,561 troy ounces.

The handwriting again is clear.

I shall have more to say as to the urgent need for domestic aids with which to help our miners, hard-working Americans who would not have needed such aids had the Federal Government been realistic.

On March 16, 1962, I suggested that gold is a weapon and that because it is we should arm. Our national gold balance, as reported by U.S. Treasury, indicates that we have not armed.

U.S. gold reserves have dwindled by nearly $1 billion from February 12, 1962, to September 5, 1962, when the figure dribbled away from $16,788,000,000 to $15,878,000,000. They have been $24,771,000,000 in August 1949, an alltime high.

Yes; the handwriting is clear.

Mr. President, I ask unanimous consent that there be placed in the RECORD at this point in my remarks a table showing by the week the dwindling of U.S. gold reserves from September 5, 1962, to the present. These figures have been supplied by the Legislative Reference Service of the Library of Congress and come from U.S. Treasury sources.

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

Week ending:	*Total amount of gold*
1962:	
Sept. 5	$16,098,000,000
Sept. 12	16,093,000,000
Sept. 19	16,067,000,000
Sept. 26	16,068,000,000
Oct. 3	16,068,000,000
Oct. 10	16,067,000,000
Oct. 17	16,067,000,000
Oct. 24	16,052,000,000
Oct. 31	16,006,000,000
Nov. 7	15,977,000,000
Nov. 14	15,978,000,000
Nov. 21	15,978,000,000
Nov. 28	15,978,000,000
Dec. 5	15,977,000,000
Dec. 12	15,978,000,000
Dec. 19	15,978,000,000
Dec. 26	15,978,000,000
1963:	
Jan. 2	15,978,000,000
Jan. 9	15,978,000,000
Jan. 16	15,963,000,000
Jan. 23	15,928,000,000
Jan. 30	15,928,000,000
Feb. 6	15,928,000,000
Feb. 13	15,928,000,000
Feb. 20	15,928,000,000
Feb. 26	15,927,000,000
Mar. 6	15,878,000,000
Mar. 13	15,878,000,000
Week ending:	*Total amount of gold*
1963:	
Mar. 20	15,878,000,000
Mar. 27	15,878,000,000

Source: Federal Reserve Bulletins, Legislative Reference Service.

Mr. GRUENING. Mr. President, during the 87th Congress a variety of bills were introduced by Senators concerned with the decline of the mining industry. I was a cosponsor of Senate Joint Resolution 44 introduced by the Senator from California [Mr. ENGLE], who is most knowledgeable both on the mining and economic aspects of gold. The resolution offered as a tentative approach a $35 an ounce subsidy for each ounce of newly mined domestic gold. The proposal did not increase the price of gold, and was in no way, shape, or manner related to any change in the price of gold.

Interesting and informative hearings were held on Senate Joint Resolution 44. The ominous defects of existing controls which have placed the gold mining industry in a straitjacket were discussed and noted.

Under Secretary of the Treasury for Monetary Affairs Robert V. Roosa, speaking for Secretary of the Treasury Dillon, testified on June 8, 1962, at the hearing on Senate Joint Resolution 44. He offered no solution to the crisis in which the gold mining industry found, and still finds, itself. He said that the Department of the Treasury had carefully studied earlier hearings on the proposed domestic subsidy, but had not changed its view that a subsidy would upset this Nation's monetary system. He said:

> An understandable, compassionate effort, in the spirit of which we can all share, to assist a relatively few people to keep or obtain employment in the gold mining industry—desirable as employment there would be, or their employment, in any event—that effort, instead of helping those in the gold mining industry, would, in our considered and deliberate judgment, disrupt the monetary system upon which not only their own livelihood, but also that of all the rest of us, depends.
>
> To us, it seems there is no compensating advantage in the promise that subsidies would produce a vast enlargement of the existing gold stock. The fact is that even if productive capacity would achieve the most optimistic estimate of the Department of Interior, American facilities could not in less than a century add—these are additions—to our gold production the amount of gold contemplated by the present terms of Senate Joint Resolution 44. But even if that total could by some alchemy be produced within a single year, it could not begin to offset the losses to the world economy that would be created by devaluation of the dollar. And in blunt, simple terms, if the U.S. Government should add an unprecedented subsidy to the official $35 price for gold, such action would be construed by the rest of the world as evidence that devaluation was underway.
>
> I would be glad to discuss further any aspects of this question relating to the function of gold in the world's monetary system, along whatever lines the chairman and members of this committee may wish to pursue. But I would stress, before we begin, that I can give you full assurance, based on intimate, continuous, extensive contact with financial officials of most of the leading countries of the world that a step of the kind contemplated by this resolution would be regarded as synonymous with a declaration of intent to devalue the dollar of the United States. That is why the Treasury Department is opposed to this resolution.

Mr. President, the members of the Senate Interior and Insular Affairs Subcommittee asked Secretary Roosa if he could suggest ways in which the mining crisis could be lessened and to date there have been no constructive comments coming from the Department of the Treasury.

It is obvious that little if any thought has been given to this enormously important problem. Perhaps more will be given in future days.

As chairman of the Minerals, Materials, and Fuels Subcommittee of the Senate Committee on Interior and Insular Affairs, I have scheduled hearings April 9 and 11 to explore more fully the problems which face the mining industry. One of the areas to be explored will concern the gold mining crisis.

Of course, the then adamant, continuing refusal of the Department of the Treasury to realize that domestic gold production was a matter not to be coupled with balance of payments or the monetary aspects of gold, did not help the mining industry. And I detect as yet, I regret to say, no change in the attitude of the Department of the Treasury. Its attitude is not based on party principles. Its resistance was the same under the Eisenhower administration as to date it has been under the Kennedy administration.

But we are another Congress. We have new opportunity to take steps to correct the inequities which plague the mining industry, generally, and the gold mining industry in particular. Inequity is perhaps too weak a word. Injustice is probably more apt. Under our supposedly free enterprise system, gold is the only commodity compelled to sell at a price established 29 years ago, and compelled to limit its sales to one purchaser, the Government of the United States.

I am, therefore, in an effort to remedy this unfair, unjust and uneconomic situation, today introducing a bill which would establish in the Department of the Interior a Gold Procurement and Sales Agency. The bill directs the Secretary to survey the domestic gold mining industry and determine the troy ounce price—up to $105 per troy ounce which should be paid to domestic producers. The Gold Procurement and Sales Agency would be instrumental in achieving maximum production of gold from U.S. mines.

The Gold Procurement and Sales Agency proposed would, first, be the only Agency authorized to buy gold from domestic producers and sell it for nonmonetary purposes within the United States, its territories and possessions, and the Commonwealth of Puerto Rico; second, pay to domestic producers, for all gold mined after December 31, 1963, the price determined by the Secretary

of the Interior; third, annually resurvey the domestic gold mining industry to determine whether the price paid to such producers for gold should be modified. The purchase price of domestically mined gold for the next succeeding calendar year shall be the price as so determined, or $105 per troy ounce, whichever is less; fourth, sell gold for defense, industrial, professional, artistic, and other nonmonetary uses at a price equivalent to that which was paid for the purchase of gold during the month prior to the sale; and, fifth, transfer to the Treasury Department any domestically mined gold not disposed of under the preceding clauses; and the Treasury Department shall reimburse the Gold Procurement and Sales Agency at the rate of $35 per ounce or such other amount as is, at the time of transfer, the monetary value of gold in accordance with applicable statutes and treaties.

The bill suggests an approach both realistic and reassuring. This proposed legislation was first introduced in the 87th Congress by Congressman HAROLD T. JOHNSON who has again reintroduced it this year. I am pleased to introduce it today on behalf of myself, my colleague from Alaska [Mr. BARTLETT], the Senator from South Dakota [Mr. MCGOVERN], the Senator from California [Mr. KUCHEL], and the Senator from South Dakota [Mr. MUNDT].

Mr. President, I ask unanimous consent that the bill be printed in the RECORD at this time.

The PRESIDING OFFICER. The bill will be received and appropriately referred; and, without objection, the bill will be printed in the RECORD.

The bill (S. 1273) to establish in the Department of the Interior a Gold Procurement and Sales Agency, and for other purposes, introduced by Mr. GRUENING (for himself and other Senators), was received, read twice by its title, referred to the Committee on Interior and Insular Affairs and ordered to be printed in the RECORD, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Interior shall make a survey of the domestic gold mining industry and determine the price, not to exceed $105 per troy ounce, required to be paid to domestic producers in order to achieve maximum production of gold from mines in the United States. The result of the survey, together with the Secretary's determination of the price necessary to accomplish the aforementioned objective, shall be reported to the President of the Senate and the Speaker of the House of Representatives not later than December 31, 1963.

SEC. 2. Effective January 1, 1964, there is established in the Department of the Interior the Gold Procurement and Sales Agency which shall be headed by a Director, who shall be appointed by the President of the United States, with the advice and consent of the Senate, and shall receive an annual salary of $20,000.

SEC. 3. The Good Procurement and Sales Agency shall, on and after January 1, 1964—

(1) be the only agency authorized to buy gold from domestic producers and sell it for nonmonetary purposes within the United States, its territories and possessions, and the Commonwealth of Puerto Rico;

(2) pay to domestic producers, for all gold mined after December 31, 1963, the price determined by the Secretary of the Interior in accordance with section 1 of this Act;

(3) annually resurvey the domestic gold mining industry to determine whether the price paid to such producers for gold should be modified. The report of the agency shall be transmitted to the Secretary of the Interior who shall, not later than December 31 of each year, advise Congress of the price he has determined to be necessary to meet the objective of section 1 of this Act. The purchase price of domestically mined gold for the next succeeding calendar year shall be the price as so determined, or $105 per troy ounce, whichever is less;

(4) sell gold for defense, industrial, professional, artistic, and other nonmonetary uses at a price equivalent to that which was paid for the purchase of gold during the month prior to the sale under the preceding clauses of this section; and

(5) transfer to the Treasury Department any domestically mined gold not disposed of under the preceding clauses; and the Treasury Department shall reimburse the Gold Procurement and Sales Agency at the rate of $35 per ounce or such other amount as is, at the time of transfer, the monetary value of gold in accordance with applicable statutes and treaties.

SEC. 4. There are hereby authorized to be appropriated such sums as may be necessary for the administration of this Act, including funds for the Gold Procurement and Sales Agency to absorb the difference between the purchase price of domestically mined gold and the sale of any quantities thereof to the Treasury Department at the rate fixed by this Act.

SEC. 5. Nothing contained herein shall be construed to repeal, supersede, or modify existing provisions of law relating to the monetary system of the United States or to interfere with the right of the Treasury Department to obtain gold from sources other than domestic producers.

SEC. 6. The term "domestic" as used in this Act refers to the United States, its territories and possessions, and the Commonwealth of Puerto Rico.

Mr. GRUENING. Mr. President, it is significant that the approach incorporated in this bill has been endorsed by the Legislature of the State of Alaska. The Alaskan resolution passed the house on March 20 and the senate on March 22.

The members of the Alaskan Legislature believe the proposal "will provide the incentive for a great new gold-mining development." Further, the bill has the endorsement of the Mining Advisory Committee of the Western Governor's Conference.

Mr. President, I ask unanimous consent that the text of house joint resolution 17 be printed in the RECORD at this time.

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

HOUSE JOINT RESOLUTION 17

Joint resolution relating to pending Federal legislation on gold-mining development, in the Legislature of the State of Alaska, third legislature, first session

Be it resolved by the Legislature of the State of Alaska:

Whereas gold production in our Nation, now at an alltime low, is essential to the stability of the monetary system of the United States; and

Whereas use of gold for industrial and commercial purposes has increased to more than 3 million ounces annually and is still increasing; and

Whereas mining production of gold has been only 1,500,000 ounces, the deficit being made up by sales from the Nation's monetary reserve; and

Whereas it is evident that the gold miners of this Nation need higher prices to produce gold; and

Whereas an increase in the dollar price of gold may interfere with international monetary policy, but incentive payments for newly mined gold from domestic gold mines would not; and

Whereas such an incentive would reopen closed gold mines and restore lost jobs, particularly in the State of Alaska which is in need of such an industrial incentive to bring back a great Alaskan industry; and

Whereas the passage of H.R. 1095 now pending before Congress will provide the incentive for a great new gold-mining development and still protect the monetary stability of the United States; and

Whereas H.R. 1095 has been endorsed by the mining advisory committee of the Western Governor's Conference;

Be it resolved, That the Congress of the United States is respectfully urged to take favorable action on H.R. 1095; and be it further

Resolved, That copies of this resolution be sent to the Honorable John F. Kennedy, President of the United States; the Honorable Lyndon B. Johnson, Vice President and President of the Senate; the Honorable John W. McCormack, Speaker of the House of Representatives; the Honorable Wayne Aspinall, chairman, House Committee on Interior and Insular Affairs; the Honorable Henry M. Jackson, chairman, Senate Committee on Interior and Insular Affairs; and members of the Alaskan delegation to Congress.

Passed by the house March 20, 1963.

BRUCE KENDALL,
Speaker of the House.

Attest:

PATRICIA R. SLACK,
Chief Clerk of the House.

Passed by the senate March 22, 1963.

FRANK PERATROVICH,
President of the Senate.

Attest:

EVELYN K. STEVENSON,
Secretary of the Senate.

Certified true, full, and correct.

———— ————,
Governor of Alaska.

PATRICIA R. SLACK,
Chief Clerk of the House.

Mr. GRUENING. Mr. President, I have, during the past year, stressed the urgency for the Congress to move ahead—if the executive department fails to act. Crucial problems face us. To name but a few, they are: First, declining gold reserves; second, an industry crippled by a fixed gold price which does not pay for the production let alone provide for a profit; third, daily closing of mines; fourth, decrease of dredging operations; fifth, inadequate Federal assistance for the miner or miners; sixth, continuing waste of a great industry coupled with expeditious need to find new mining methods; seventh, reeducation of miners in an age of automation; and, eighth, inadequate supply of gold for national defense and space efforts. These are but a few of the problems which must be solved.

Mr. President, on June 25, 1962, I placed in the CONGRESSIONAL RECORD a table showing how the cost of living in

our Nation had increased while the price of gold remained stationary. The comparison today is equally valid.

Mr. President, I ask unanimous consent that the chart be inserted in the RECORD at this time.

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

Cost of living increases while the price for gold remains stationary

Commodity	1934 price	1962 price [1]	Percent price increase
Bread, loaf, 1 pound	7 cents, A. & P.	21.1 cents, CPI	201.42
Milk, quart	13 cents, Nationwide	24.9 cents, CPI	91.53
Flour, 5 pounds	27 cents, A. & P., Pillsbury	56.2 cents, CPI	108.14
Chicken, 1 pound	29 cents, fryers	40.4 cents, CPI	93.31
Pork chops, 1 pound	27 cents, A. & P., center cuts	87.4 cents, CPI	223.70
White potatoes:			
5 pounds	15 cents, Idaho baking		
10 pounds	15 cents, regular A. & P.	55.8 cents, A. & P., CPI	272.00
Corn	2 No. 2 cans, 23 cents, Piggly-Wiggly	1 No. 303 can, 20.2 cents, CPI	75.65
Tomatoes	1 medium can, 8 cents A. & P.	No. 303 can, 15.8 cents, CPI	97.50
Eggs, 1 dozen	29 cents, A. & P.	2 for 85 cents, A. & P. (large size)	46.55
Apples	3 pounds, cooking, 17 cents, Delicious	1 pound, 13.7 cents, CPI	1.94
Cheese, 1 pound, American	21 cents, A. & P.	49 cents, sliced, A. & P.	133.33
Lard, 1 pound, Crisco	19 cents, A. & P.	36 cents, A. & P.	89.47
Coffee, 1 pound	19 cents, A. & P., 8 O'clock	Pound can, 71.2 cents	274.74
Butter, 1 pound	31 cents, A. & P.	76.2 cents, CPI	145.81
Man's winter suit	$25, Hecht's	$55–$115, Hecht's	120.00
	$23.50 Raleigh's	$69.50–$135, Raleigh's	195 74
Woman's everyday dress	$2.95 Palais Royal	$3.99, Woodward & Lothrop budget store	35.25
Car, Chevrolet	$625, Master 6 sedan, Taylor Motor Co.	$2,402.94, Biscayne 6 sedan, Hicks Chevrolet	284.46
Room and board	$35 a month	$90 a month	157.14
Canned spaghetti, 15½-ounce can	5 cents, Phillips	2 for 29 cents, Safeway, Franco-American	190.00
California oranges	2 dozen, 49 cents	74.5 cents a dozen CPI	204.07
Season ticket to National Symphony, 8 concerts	$3	$6 plus $5 dues, Prince Georges series	272.72
Ground beef, 1 pound	18 cents, Piggly-Wiggly	51.5 cents, CPI	186.11
Electric iron	$1.95, Kann's Universal	$7.77, Sears', Kenmore	298.46
Jewelry:			
Gold bead necklace	$70, Galt & Bros., Inc.	$100	[2] 30.00
Gold cuff links	$50, Galt & Bros., Inc.	$65	[2] 30.00
14-carat gold ring	$50, Galt & Bros., Inc.	$60	[2] 30.00
Man's hat	$5, $4	$9.95, $11.95, Hecht's	139.00
Lamb, 1 pound	21 cents	49 cents, Safeway, shoulder cut	133.33
Men's shoes	$5, Hecht's	$17.95, Hecht's average price	259.00
Wilson Line (ride to Mount Vernon)	50 cents, round trip	$2.75, round trip	450.00
Rye or bourbon, case of 12 quarts	$11.95, Star Liquor Co.	$38, Star Liquor Co.	217.99
Calves liver, 1 pound	17 cents, Swifts	$1.39, Safeway	717.65
New home in Foxhall Village, Washington, D.C., 7 rooms	$8,950–$9,250	$32,500–$50,000	[2] 253.10

[1] Consumer Price Index (CPI), U.S. Department of Labor, January 1962. Prices for 1934 obtained from the Washington Post (September 1934). Remaining prices were obtained from personal phone contact, stores listed above have headquarters in Washington, D.C.

[2] Approximate.

NOTE.—Mining equipment cost has increased 190 percent since 1934 according to information supplied by the industry.

Mr. GRUENING. Mr. President, I believe the gold mining industry suffers unique and flagrant discrimination, unfortunately.

It is perfectly obvious that we must mine more gold to replenish depleted stocks. When shoes wear out, the consumer buys a new pair or has them repaired. According to information supplied by the Legislative Reference Service, two firms supply 57 percent of all gold mined today in the United States. Seventeen firms supply 35 percent and the remaining 8 percent is supplied by an estimated 500 firms or individuals. It is obvious that individual efforts have reached the point of near extermination. Production figures in Alaska for example indicate that in 1940 the then territory produced approximately $26.5 million in gold. That figure in 1961 was approximately $4 million.

Let us, therefore, pay attention to the many warning signs before us before time runs out.

AMENDMENT OF AREA REDEVELOPMENT ACT TO PROVIDE PREFERENCE IN THE AWARD OF CERTAIN CONTRACTS

Mr. SCOTT. Mr. President, for myself, and the Senators from West Virginia [Mr. BYRD and Mr. RANDOLPH] I introduce for appropriate reference a bill to amend the Area Redevelopment Act so as to provide preference in the awarding of certain Government contracts to contractors in areas of substantial and persistent unemployment.

I ask unanimous consent that the bill be allowed to lie on the desk until Monday, April 8, for additional cosponsors.

The PRESIDING OFFICER. The bill will be received and appropriately referred; and, without objection, the bill will be printed in the RECORD, and lie on the desk, as requested by the Senator from Pennsylvania.

The bill (S. 1274) to amend the Area Redevelopment Act so as to provide preference in the awarding of certain Government contracts to contractors in areas of substantial and persistent unemployment, introduced by Mr. SCOTT (for himself and other Senators), was received, read twice by its title, referred to the Committee on Banking and Currency, and ordered to be printed in the RECORD, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Area Redevelopment Act is amended by redesignating section 29 as section 30 and by adding a new section 29 as follows:

"GOVERNMENT CONTRACTS

"SEC. 29. (a) As used in this section—

"(1) the term 'Government agency' means an executive or military department, and any commission, independent establishment, corporation wholly or partially owned by the United States which is an instrumentality of the United States, or other agency, in the executive branch of the Government.

"(2) the term 'Government procurement contract' means a contract to which a Government agency is a party for the procurement for the use of the Government of articles, materials, or supplies or of research or development services.

"(b) For the purposes of this section, the areas designated as redevelopment areas in accordance with section 5(a) of this Act shall be classified by the Secretary at the beginning of each year into six categories in accordance with the relative rates of unemployment for such areas as determined by the Secretary of Labor for the preceding calendar year. The category of areas having the lowest rate of unemployment shall be designated as Class 1, and the remaining categories shall be designated as Classes 2 to 6 in the order of increasing rates of unemployment therein.

"(c) (1) Notwithstanding any other provision of law, for the purpose of determining the successful bidder on any Government procurement contract to be awarded on the basis of competitive bidding there shall be deducted from the price bid or offered by any bidder whose place or places of business for the purpose of performing at least 75 per centum of the work under the contract is in a redevelopment area an amount determined in accordance with the following table:

"Classification of area:	*Rate of reduction (percent)*
1	2
2	4
3	6
4	8
5	10
6	12

"(2) Where a bidder has places of business for the purpose of performing a contract in two or more redevelopment areas, the rate of reduction provided in paragraph (1) shall be adjusted in accordance with

regulations of the head of the contracting agency, giving due weight to the portions of the work to be performed in each such area.

"(d) In any case in which Government procurement contracts are awarded on a basis other than competitive bidding, the head of the contracting agency shall weigh the various factors upon the basis of which the contract is awarded in such a way as to give to prospective contractors whose place or places of business for the purpose of performing the contract is in one or more redevelopment areas, as nearly as may be possible, a degree of preference comparable to that which is accorded bidders from such areas under subsection (c) in the case of contracts awarded on a competitive bidding basis.

"(e) The provisions of this section shall not apply to any contract with respect to which the President finds and declares that such application is inconsistent with the national interest. Any such finding and declaration, together with the reasons therefor, shall be published in the Federal Register."

FEDERAL-STATE WATER RIGHTS: NOW IS THE TIME FOR CONGRESSIONAL ACTION

Mr. KUCHEL. Mr. President, I introduce, for appropriate reference, on behalf of myself and the Senator from Utah [Mr. Moss], a bill to clarify the relationship of interests of the United States and of the States in the use of the waters of certain streams.

One of the vexing and unsolved problems which directly confronts western America—indeed, the entire Nation—is the continuing, often embittered, jurisdictional dispute between Federal and State governments over the waters of many of our country's streams. How can our precious waters best be conserved and developed and controlled and put to maximum beneficial use by our people? One direct, and relatively simple, means of making the solution far more possible is to eliminate the jurisdictional battle, or, at any rate, some of it, which exists between Washington and our State capitals.

I shall not repeat here a detailed history of all the judicial, executive, and legislative actions by which we have arrived at the present situation. Suffice it to say that the present status of the law—in many respects the uncertainty of that status—is found objectionable by many responsible individuals and groups. I shall describe that status more fully in a moment.

The overall problem of Federal-State relationships in regard to water has many ramifications. Some espouse a doctrine of paramount Federal rights in almost every respect. It has been suggested, for example, that the United States should specify all aspects of water development, control and use which it might ever wish to assert and let the State operate on what, if anything, remains. I reject that theory as being in derogation of many proper State and local interests and better abilities to determine local needs. Such a theory is likely to lead to less, not more, beneficial utilization of our water resources.

Contrariwise, it has been suggested by some proponents of State supremacy in regard to water that all Federal water activities be subjected to State control. I also reject this theory. It would unduly impair and cripple the constitutional responsibilities of the Federal Government which, over the years, has constructed important and imposing water projects to serve the people.

I think it is because of such risks to the national interest that some of the past proposed legislation in this field has lacked sufficient support and has failed of enactment. But this does not mean that no legislation is needed, nor does it mean that sound legislation, based on principles of fairness to individuals and recognizing the proper roles of both the State and Federal Government, will not be supported in all significant quarters.

I said that it is not my purpose here to provide a history, but it is necessary to describe briefly the essential nature of those several aspects of the total situation which I feel must be remedied at this time. By this you will see that the bill we proposed is not a panacea for all questions in the complex field of Federal-State relationships in regard to water. Rather, it proposes immediate action on only the most pressing issues, upon which I believe men of good will may agree.

WATERS RISING ON FEDERAL LANDS

The spark which ignited the present apprehension among many of us is the *Pelton Dam* decision by the U.S. Supreme Court in 1955 (*Federal Power Commission* v. *Oregon*, 349 U.S. 435). That decision, as is asserted by agents of the United States, and as is feared by various individuals and States, has far-reaching implications for States, such as mine, which have significant water resources arising on reserved or withdrawn lands belonging to the United States.

By the Desert Land Act, March 3, 1877 (19 Stat. 377), the Congress provided, inter alia, that after certain appropriations of water for desertland—

> All surplus water over and above such actual appropriation and use, together with the water of all, lakes, rivers, and other sources of water supply upon the public lands and not navigable, shall remain and be held free for the appropriation and use of the public.

Based on this and other provisions of Federal law, it has been generally assumed that the mere fact that nonnavigable water arises upon any U.S.-retained lands would not affect the rights to the control and use of that water acquired by persons or by State and local governmental entities, so long as such rights are otherwise in accord with State law. In other words, it was assumed Congress said that regardless of what power the Federal Government may have over water arising upon "the public lands and not navigable" such water was free for use by anyone under State law.

Many relied upon such an interpretation, and it was even expressed in *California Oregon Power Co.* v. *Beaver Portland Cement Co.*, 295 U.S. 142, 163–4 (1935) as follows:

> Following the act of 1877, if not before, all nonnavigable waters then a part of the public domain became publici juris, subject to the plenary control of the designated States, * * * with the right in each to determine for itself to what extent the rule of appropriation or the common-law rule in respect of riparian rights should obtain.

But, the Pelton Dam decision, to the contrary, defined the term "public lands" in the Desert Land Act to mean only those lands "unqualifiedly subject to sale and disposition" and said Congress did not mean to permit appropriation of water arising on lands withdrawn or reserved from entry for private acquisition. This would apply to vast acreages of watershed in many States as, for example, in my State of California where a great percentage of the total area of the State falls into this category of federally owned and withdrawn or reserved lands.

Without the Desert Land Act being applicable to withdrawn or reserved lands, it would necessarily follow that it is at least unclear as to whether any State-based right, accruing after the withdrawal or reservation, to the use of water arising on such lands could be valid as against a Federal undertaking to control or use such water. It has been said, in *Winters* v. *United States*, 207 U.S. 564, 577 (1908):

> The power of the Government to reserve the waters and exempt them from appropriation under the State laws is not denied, and could not be.

The resulting assertions and fears are that the United States has, in effect, a priority of appropriation of all the previously unappropriated water arising upon the reserved or withdrawn Federal lands, said priority arising no later than at the date of the relevant withdrawal or reservation. This theory has cast grave uncertainty on the reliability of individual and non-Federal public appropriations of water made after such withdrawals or reservations. In most of the relevant situations, the pertinent withdrawals or reservations were effected before the non-Federal appropriations upon which those of the West have proceeded to rely in developing water resources. Many of these reservations, as for forests, came around the turn of the century and there was also a general withdrawal of all Federal lands in 1934.

This is not a problem of interest to my State only, but let me give a concrete example of the need for congressional action on this subject. Not the least of the water development projects depending upon water affected by this situation is California's State water plan, now coming into fruition. If the just described fears as to the validity of the appropriation of water upon which this plan depends, water arising upon earlier withdrawn or reserved Federal lands, are not set at rest then the success of the plan is in danger. It is feared, also, that the interest charges to the people of California upon the bonds financing the plan could be significantly higher to offset the risk to the State's asserted rights possible by reason of Federal claims to control and use the water.

I agree with the Senator from Utah [Mr. Moss] that there is no basis in the actual holdings of pertinent court decisions to compel a conclusion that such infirmities as have been raised do exist under a proper interpretation of present

law. Therefore, the California project and other private and non-Federal public interests similarly affected should not be open to doubt.

The fact is, however, that assertions are made by agents of the United States, as in the United States answering brief, pages 64–65, August 14, 1961, *Arizona* v. *California*, U.S. Supreme Court original No. 8, which give rise to apprehension that the described infirmities might become law. There the Federal Government contended:

> The rights of the United States to use the waters on the public domain, being property rights, may be acquired by others only as authorized by Congress (citations). As observed above, the Desert Land Act is such an authorization with respect to nonnavigable waters on the public lands in certain States. But this act is not applicable with respect to waters upon reserved lands (citing Pelton Dam case). Nor is there any other Federal statute which has transferred these proprietary rights from the United States.

We have seen in the tidelands controversy that unsettling assertions made by counsel cannot be ignored for they may ultimately become case decisional law and require legislative rectification.

Let us act now to allay the existing fears caused by such assertions. Let us avoid now the possibility of an adverse judicial decision. This we can do by exercising the proper role of Congress in defining its will as custodian of the property of the United States under article IV, section 3, paragraph 2 of the Constitution. The judicial and executive branches, the States and the people, are entitled to statutory recognition of previously unquestioned vested rights, which will permit continued maximum development of our water resources for the benefit of our people.

CONSUMPTIVE USES PREFERENCE

I move now to a second issue of this total question of Federal power over interests in water, an issue as to which I also feel Congress should act at this time. The West is an arid region where water, the lifeblood of any society, is particularly dear because of its increasing scarcity. There the consumptive uses made of it take on a very special significance. Most Western States' laws say that among competing uses, consumptive uses are considered more important than nonconsumptive.

I propose that Congress recognize this situation by a general provision of law relating to all works hereafter constructed by or under the authority of the United States with respect to waters lying wholly or partly west of the 98th meridian. Such a salutary provision now exists as to federally constructed projects in the sphere of flood control and navigation generally in the West. This is by virtue of subsection 1(b) of the Flood Control Act of 1944 (58 Stat. 888–89), said subsection sometimes being known as the O'Mahoney-Millikin amendment. Such provision says, in essence, that uses for nonconsumptive purposes as, for example, by diversion or other control for navigation, shall be subordinate to beneficial consumptive uses, present or future, such as for domestic, municipal, stock water, irrigation, mining, or industrial purposes, as to waters arising in States lying in whole or in part west of the 98th meridian.

The Congress has been writing such a provision into irrigation and reclamation bills on a project-by-project basis. I propose we make it general law as to all Federal projects affecting waters of the West. By doing this, I do not propose to affect the authority of the United States or its licensees to construct works, nor do I mean to touch conflicts between navigation or power functions and other nonconsumptive functions such as preservation of fish and wildlife. I do feel we should enunciate a general congressional policy that consumptive uses are preferred to nonconsumptive uses in the West. This would assure our Western States that the Congress, too, acknowledges the wisdom of the preference which they have found most suitable to their situation. It would remove a potential area of Federal-State conflict.

FEDERAL RIGHTS UNDER STATE PROCEDURE

A third form of congressional action which I suggest, and which would also make general an existing beneficial provision of law now applicable in one area of Federal water activity, would be to extend one rule derived from the Reclamation Act of 1902 (32 Stat. 388) to any right, under State law, claimed by the United States to the beneficial diversion, storage, distribution, or consumptive use of water. Our bill would provide that whenever the Federal Government claims such a right under the laws of any State, it must play the game by the rules, and initiate and perfect such right in accord with the procedure established by the laws of that State. The United States, it seems clear to me, should follow the same steps required of others, if it wishes to compete for rights established under State appropriation procedures.

Such a provision would not deny the central government any power it now has to acquire water rights other than by State law. It would apply only when the United States claims an appropriative right under State law. If that is the basis of its claim, rather than, for example, when proceeding by condemnation, should not the Federal Government conform to the administrative procedure of the State for its establishment of such a right? We would then avoid such a regrettable situation as arose in *United States* v. *Fallbrook Public Utility District* (165 F. Supp. 806, (S.D. Cal. 1958)), protracted litigation which I am now informed may be susceptible of satisfactory solution. In that case, the judge describes the U.S. contention on this point as follows (p. 829):

> That California's statutory application and permit procedures for the acquisition of an appropriative water right are police regulations which are inapplicable to the United States, with the result that, even if all other water users must comply with such procedures in order to acquire a vaild appropriative right, the United States can obtain the right merely by taking and using the water.

I am told that the Justice Department may now be adopting, in that case, a position consistent with the principle I am here proposing. In any event, the approval of our legislation would bring to an end this kind of dispute.

COMPENSABILITY AND ORDERLY PROCEDURE

Finally, Mr. President, there is a fourth matter requiring the Congress' immediate attention. What I propose here is only that which the Bill of Rights indicates justice requires. The fifth amendment to the United States Constitution provides, among other things, that:

> No person shall * * * be deprived of * * * property, without due process of law.

This should mean that one shall be compensated by the Federal Government for the value of property of which he is deprived by his Government's water project activity, in precisely the same fashion as when the Government takes his property for a post office site. It also should mean that, in following due process, the Government should initiate judicial proceedings before implementing its plan to acquire or impair said property and in such proceedings there should be fixed the extent of compensation. Those constitutional provisions are clear and fair, but, unhappily, they have not always been followed in water rights matters.

First, there has developed, under case law, the theory of a navigational servitude which is to the effect that all navigable waterways, broadly defined to include most of our major streams and their tributaries, are subject to preeminent Federal control under the commerce clause of the Constitution (*United States* v. *Twin City Power Co.*, 350 U.S. 222 (1956)). I do not quarrel with that power of control, but I do differ with some extensions of the navigation servitude argument where they result in vested water rights being noncompensable when the servitude destroys their value. This argument was made by the United States but rejected in a reclamation project case because there the court found a congressional intent in the Reclamation Act to compensate deprived owners of water rights, regardless of what the power might be to do otherwise (*United States* v. *Gerlach Live Stock Co.*, 339 U.S. 725 (1950)).

It has also been held that section 27 of the Federal Power Act (41 Stat. 1063) requires compensation by a Federal licensee acting under that act if said licensee interferes with water rights vested under State law (*Federal Power Commission* v. *Niagara Mohawk Power Corp.* (347 U.S. 239); *Henry Ford & Son, Inc.* v. *Little Falls Fibre Co.*, 280 U.S. 369 (1930)).

It has, however, been held that when the United States wreaks similar damage under navigation and flood control projects it need not pay compensation (*United States* v. *Willow River Power Co.*, 324 U.S. 499 (1945)). The result is that the Federal Government may proceed with impunity in impairing vested water rights in the course of nonreclamation or nonpower oriented projects on broadly defined navigable waters, even though such rights would be compensable by State-law standards (*United States* v. *Twin City Power Co.*, supra, pp. 227–228).

I propose we change this situation by providing that when either the United States, or any entity acting under its authority, takes, in any degree, in the course of any project in regard to navigable or nonnavigable waters, a state-protected water right, just compensation must be paid. It is only fair that the public, generally, through the Federal Treasury, rather than just the aggrieved water rights owner, bear the cost of the particular project, presumably constructed in the interest of all the people. So it is with post office sites, so it should be with water projects. There is no reason for a difference between the incidence of any Federal power over our waters and any other Federal power under the Constitution.

But that is only half of this particular problem. Unfortunately, even in instances where compensation by the United States is already required, as for example, in regard to the same reclamation project involved in the Gerlach case, the Justice Department has claimed the right to seize the affected water unilaterally, as by closure of a river, and put the deprived owners of affected vested water rights to the remedy of a suit in the court of claims. This is known as forcing resort to proceedings in inverse condemnation. As a lawyer, I judge this to be a deplorable tactic. The bill we introduce today should prevent such tactics in the future.

Compensation and orderly procedure should remove a great percentage of the friction in disputes between the Federal Government and those holding water rights recognized under State law. Yet the constitutional powers of the Federal Government would not be impaired. The relative cost of acquiring such rights would be small compared to the total cost of such projects, though just compensation is immensely important to the individuals and non-Federal public agencies involved.

I believe this bill goes a long way toward solving many of the existing or potential problems in the matter of Federal-State water rights. This bill is adapted from my S. 2636, 87th Congress, which, in turn, resulted from the very beneficial exploratory hearings on this subject held by the Senate Interior Committee in 1961. When I introduced that bill I said that I was introducing it for study as an initial step toward solving some of the many problems in this complex field. The verbiage of the pending bill is the result of extensive study and recommendations by many eminent water lawyers. It carries the endorsement of the Western Water Law Symposium conferees at the recent meeting of the National District Attorney's Association. I hope it will be uniformly supported by all those interested in this important field, even though it does not purport to solve all problems in this field.

Section 1 carries the thrust of the bill and, I believe, accomplishes all four of the proposals I have discussed here today. Paragraph 1 repeals, in effect, the definition of "public lands" which was enunciated in the Pelton Dam decision. It protects water rights assumed to be validly based on State appropriation and riparian doctrines in accord with the Desert Land Act and the interpretation in the Beaver Portland Cement Co. case.

Paragraph 2 enunciates the policy of preference for consumptive uses as against nonconsumptive uses, west of the 98th meridian.

Paragraph 3 provides that if the United States claims a water right under State law, it must perfect it under State law.

Paragraph 4 assures compensation for the taking of vested water rights. The word "vested" does not necessarily mean presently perfected rights—State law will, as it should, control in each case. This paragraph also requires affirmative judicial action by the United States. It should prevent acts of seizure by the Federal Government.

Section 2 of the bill includes several saving provisions for the protection of both the Federal interests and State and individual interests in particular circumstances. Paragraph 1 of section 2 provides that if the United States is under statutory limitation to acquiring water rights under State law, such limitation continues in effect. Paragraph 2 preserves the effect of treaties. Paragraph 3 preserves the effect of compacts, adjudicated matters, Indian rights, existing rights of others than the United States, accomplished Federal rights for governmental purposes, and later-acquired Federal rights authorized by an act of Congress or State law.

Different from S. 2636, the present bill does not include a provision by which the United States could be unwillingly joined in water litigation between two or more States. Under present law, it is necessary for the Attorney General to intervene on behalf of the United States if the Federal Government is to be bound by such suits. I believe that section 3 of my former bill was a good provision but some objections to it have been raised and, in order to present a bill suited for wide support, I have not included such a waiver of sovereign immunity.

Another difference in this new bill is that we make it clear that in protecting vested water rights we are protecting the beneficial diversion or storage of water, as well as truly consumptive uses.

Other changes from former S. 2636 are minor.

Mr. President, I think this bill we introduce today provides a vehicle for accomplishing many of the aims sought by the Senate Select Committee on Water Resources, on which I was privileged to serve as vice chairman. At page 65 of our report we asked for "clarification of the Federal position in connection with water rights." I think this bill would go a long way toward providing a sound basis for continued Federal, State, local, and individual water uses. It would also assure a more healthy climate of mutual confidence, respect, and cooperation in which our Federal Government and State and other interests can join in mutual water planning and development for the future.

This bill deserves the wholehearted support of the Congress.

Mr. President, I ask unanimous consent that the bill may remain at the desk through next Wednesday, and I hope that we may be able to obtain coauthorship from Senators on both sides of the aisle.

I also ask unanimous consent that the text of the bill may be printed in the RECORD.

The PRESIDING OFFICER. The bill will be received and appropriately referred; and, without objection, the bill will be printed in the RECORD and will lie on the table through next Wednesday, as requested.

The bill (S. 1275) to clarify the relationship of interests of the United States and of the States in the use of the waters of certain streams, introduced by Mr. KUCHEL (for himself and Mr. MOSS), was received, read twice by its title, referred to the Committee on Interior and Insular Affairs, and ordered to be printed in the RECORD, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (1) The withdrawal or reservation of surveyed or unsurveyed public lands, heretofore or hereafter made, shall not affect any right to the use of water acquired pursuant to State law either before or after the establishment of such withdrawal or reservation.

(2) The provisions of section 1(b) of the Flood Control Act of 1944 (Act of December 22, 1944, 58 Stat. 888–89, as amended, 33 U.S.C. sec. 701–1 (1958)) shall apply to all works hereafter constructed by or under the authority of the United States with respect to waters arising within States lying wholly or partly west of the ninety-eighth meridian.

(3) Any right claimed by the United States to the beneficial diversion, storage, distribution, or consumptive use of water under the laws of any State shall be initiated and perfected in accordance with the procedure established by the laws of that State.

(4) No vested right to the beneficial diversion, storage, or consumptive use of any waters, navigable or nonnavigable, which is recognized by the laws of the State or States in which such waters are diverted or used as compensable if taken by or under the authority of the State, shall be taken by or under authority of the United States without compensation; and where such rights are acquired otherwise than by agreement with the owner, they shall be taken by proceedings in eminent domain under the laws of the United States or of the State or States affected.

SEC. 2. Nothing in this Act shall be construed as—(1) Modifying or repealing any provision of any existing Act of Congress requiring that rights of the United States to the use of water be acquired pursuant to State law; (2) Permitting appropriations of water under State law which interfere with the provisions of international treaties of the United States; or (3) Affecting, impairing, diminishing, subordinating or enlarging (a) the rights of the United States or any State to waters under any interstate compact or exising judicial decree, (b) any obligations of the United States to Indians or Indian tribes, or any claim or right owned or held by or for Indians or Indian tribes, (c) any water right heretofore acquired by others than the United States under Federal or State law, (d) any right to any quantity of water used for governmental purposes or programs of the United States at any time prior to the effective date of this Act; or (e) any right of the United States to use water which is hereafter lawfully initiated in the exercise of the express or necessarily implied authority of any present or future Act of Congress or State law when such right is

initiated prior to the acquisition by others of any right to use water pursuant to State law.

TO AMEND FURTHER THE FOREIGN ASSISTANCE ACT OF 1961, AS AMENDED, AND FOR OTHER PURPOSES

Mr. FULBRIGHT. Mr. President, by request, I introduce for appropriate reference a bill to amend further the Foreign Assistance Act of 1961, as amended, and for other purposes.

The proposed legislation has been requested by the President and I am introducing it in order that there may be a specific bill to which Members of the Senate and the public may direct their attention and comments.

I reserve my right to support or oppose this bill, as well as any suggested amendments to it, when the matter is considered by the Committee on Foreign Relations.

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

The PRESIDING OFFICER. The bill will be received and appropriately referred; and, without objection, the bill will be printed in the RECORD.

The bill (S. 1276) to amend further the Foreign Assistance Act of 1961, as amended, and for other purposes, was received, read twice by its title, referred to the Committee on Foreign Relations, and ordered to be printed in the RECORD, 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 "Foreign Assistance Act of 1963".

PART I

Chapter 1—Policy

SEC. 101. Chapter 1 of part I of the Foreign Assistance Act of 1961, as amended, is hereby redesignated "Policy" and section 101, which relates to short title, is hereby deleted.

Chapter 2—Development assistance

Title II—Development grants and technical cooperation

SEC. 102. Title II of chapter 2 of part I of the Foreign Assistance Act of 1961, as amended, which relates to development grants and technical cooperation, is amended as follows:

(a) In section 212, which relates to authorization, strike out "1963" and "$300,000,000" and substitute "1964" and $257,000,000", respectively.

(b) Amend section 214, which relates to American schools and hospitals abroad, as follows:

(1) In subsection (a) strike out "use, in addition to other funds available for such purposes, funds made available for the purposes of section 211 for" and substitute the word "furnish".

(2) In subsection (b) strike out "to use" and "foreign currencies accruing to the United States Government under any Act, for purposes of subsection (a) of this section and for" and substitute "to furnish" before the word "assistance".

(3) Add the following new subsections (c) and (d):

"(c) There is hereby authorized to be appropriated to the President, in addition to other funds available for such purposes, such amounts as may be necessary from time to time to carry out the purposes of this section, which amounts shall remain available until expended."

"(d) The President is authorized to use, in addition to other funds available for such purposes, foreign currencies accruing to the United States Government under any Act, for purposes of this section."

Title III—Investment guaranties

SEC. 103. Title III of chapter 2 of part I of the Foreign Assistance Act of 1961, as amended, which relates to investment guaranties, is amended as follows.

(a) Amend section 221(b), which relates to general authority, as follows:

(1) In the first sentence after "wholly owned" insert "(determined without regard to any shares, in aggregate less than 5 per centum of the total of issued and subscribed share capital, required by law to be held by persons other than the parent corporation)".

(2) In paragraph (1) strike out "$1,300,000,000" in the proviso and substitute "$2,500,000,000".

(3) In paragraph (2) strike out "$180,000,000" in the third proviso and substitute "$300,000,000".

(4) In paragraph (2) strike out "1964" in the fourth proviso and substitute "1965".

(b) Amend section 222(a), which relates to general provisions, by striking out "section 221(b)" and substituting "sections 221(b) and 224".

(c) Amend section 222(b), which relates to general provisions, by striking out "section 221(b)" in both places it appears and substituting "sections 221(b) and 224".

(d) Amend section 222(d), which relates to general provisions, to read as follows:

"(d) Any payments made to discharge liabilities under guaranties issued under sections 221(b) and 224 of this part, sections 202(b) and 413(b)(4) of the Mutual Security Act of 1954, as amended, and section 111(b)(3) of the Economic Cooperation Act of 1948, as amended (exclusive of informational media guaranties), shall be paid first out of fees referred to in section 222(b) as long as such fees are available, and thereafter shall be paid out of funds, if any, realized from the sale of currencies or other assets acquired in connection with any payments made to discharge liabilities under such guaranties as long as such funds are available, and thereafter shall be paid out of funds heretofore appropriated for the purpose of discharging liabilities under the aforementioned guaranties, and thereafter out of funds realized from the sale of notes issued under section 413(b)(4)(F) of the Mutual Security Act of 1954, as amended, and section 111(c)(2) of the Economic Corporation Act of 1948, as amended, and finally out of funds hereafter made available pursuant to section 222(f)."

(e) Amend section 222(e), which relates to general provisions, to read as follows:

"(e) All guaranties issued prior to July 1, 1956, all guaranties issued under sections 202(b) and 413(b)(4) of the Mutual Security Act of 1954, as amended, and all guaranties heretofore or hereafter issued pursuant to this title shall be considered contingent obligations backed by the full faith and credit of the Government of the United States of America. Funds heretofore obligated under the aforementioned guaranties (exclusive of informational media guaranties) together with the other funds made available for the purposes of this title shall constitute a single reserve for the payment of claims in accordance with section 222(d) of this part."

(f) Amend section 224, which relates to housing projects in Latin American countries, as follows:

(1) In subsection (b) strike out "$60,000,000" and substitute "$150,000,000".

(2) Strike out subsection (c).

Title VI—Alliance for Progress

SEC. 104. Title VI of chapter 2 of part I of the Foreign Assistance Act of 1961, as amended, which relates to the Alliance for Progress, is amended as follows:

(a) Amend section 251, which relates to general authority, as follows:

(1) In subsection (e) strike out "economical" and substitute "economically".

(2) In subsection (f) strike out "Agency for International Development" and substitute "agency primarily responsible for administering part I".

(b) Amend section 252, which relates to authorization, as follows:

(1) Insert the following after the words "available until expended": ": *Provided,* That any unappropriated portion of the amount authorized to be appropriated for any such fiscal year may be appropriated in any subsequent fiscal year during the above period in addition to the amount otherwise authorized to be appropriated for such subsequent fiscal year. The funds appropriated pursuant to this section".

(2) Strike out "and which" before ", except for".

(3) Insert following "1963" the second time it appears the words "and not to exceed $100,000,000 of the funds appropriated pursuant to this section for use beginning in fiscal year 1964".

Chapter 3—International organizations and programs

SEC. 105. Section 302 of the Foreign Assistance Act of 1961, as amended, which relates to international organizations and programs, is amended by striking out "1963" and "$148,900,000" and substituting "1964" and "$136,050,000", respectively.

Chapter 4—Supporting assistance

SEC. 106. Section 402 of the Foreign Assistance Act of 1961, as amended, which relates to supporting assistance, is amended by striking out "1963" and "$415,000,000" and substituting "1964" and "$435,000,000", respectively.

Chapter 5—Contingency fund

SEC. 107. Section 451 of the Foreign Assistance Act of 1961, as amended, which relates to the contingency fund, is amended by striking out "1963" and substituting "1964".

PART II

Chapter 1—Policy

SEC. 201. Chapter 1 of part II of the Foreign Assistance Act of 1961, as amended, is hereby redesignated "Policy" and section 501, which relates to short title, is hereby deleted.

SEC. 202. Chapter 2 of part II of the Foreign Assistance Act of 1961, as amended, which relates to military assistance, is amended as follows:

(a) In section 504(a), which relates to authorization, strike out "the fiscal years 1962 and 1963" and "$1,700,000,000 for each such fiscal year, which sums" and substitute "fiscal year 1964" and "$1,405,000,000, which", respectively.

(b) In section 510(a), which relates to special authority, strike out "1963" in the first and second sentences and substitute "1964".

PART III

Chapter 1—General provisions

SEC. 301. Section 611(b) of the Foreign Assistance Act of 1961, as amended, which relates to completion of plans and cost estimates, is amended by striking out "circular A-47 of the Bureau of the Budget" and substituting "the Memorandum of the President dated May 15, 1962".

Chapter 2—Administrative provisions

SEC. 302. Chapter 2 of part III of the Foreign Assistance Act of 1961, as amended,

which relates to administrative provisions, is amended as follows:

(a) Amend section 624, which relates to statutory officers, as follows:

(1) In subsection (a)(2) strike out "two" and substitute "one".

(2) In subsection (a)(3) strike out "nine" and substitute "ten".

(3) In subsection (b) strike out "paragraphs (2) and" and substitute "paragraph".

(b) Amend section 622(b), which relates to experts, consultants, and retired officers, as follows:

(1) Strike out the entire first sentence.

(2) In the second sentence strike out "Nor shall such service" and substitute "Service of an individual as an expert or consultant under subsection (a) of this section shall not".

(c) In section 631, which relates to missions and staffs abroad, add the following new subsection (c):

"(c) The President may appoint any United States citizen who is not an employee of the United States Government or may assign any United States citizen who is a United States Government employee to serve as Chairman of the Development Assistance Committee or any successor Committee thereto of the Organization for Economic Cooperation and Development upon election thereto by members of said Committee, and, in his discretion, may terminate such appointment or assignment, notwithstanding any other provision of law. Such person may receive such compensation and allowances as are authorized by the Foreign Service Act of 1946, as amended, not to exceed those authorized for a chief of mission, class 2, within the meaning of said Act, as the President may determine. Such person may also, in the President's discretion, receive any other benefits and perquisites available under this Act to chiefs of special missions or staffs outside the United States established under this section."

(d) Amend section 635, which relates to general authorities, by adding the following new subsection (k):

"(k) Any cost-type contract or agreement (including grants) entered into with a university, college, or other educational institution for the purpose of carrying out programs authorized by part I may provide for the payment of the reimbursable indirect costs of said university, college, or other educational institution on the basis of predetermined fixed-percentage rates applied to the total, or an element thereof, of the reimbursable direct costs incurred."

(e) Amend section 637(a), which relates to administrative expenses, by striking out "1963" and "$53,000,000" and substituting "1964" and "$57,250,000", respectively.

Chapter 3—Miscellaneous provisions

SEC. 303. Section 644(f) of the Foreign Assistance Act of 1961, as amended, which relates to definition of defense services, is amended by inserting "including orientation" after "training" the first time it appears.

SEC. 304. Section 645 of the Foreign Assistance Act of 1961, as amended, which relates to unexpended balances, is amended to read as follows:

"SEC. 645. UNEXPENDED BALANCES.—Unexpended balances of funds made available pursuant to this Act, the Mutual Security Act of 1954, as amended, or Public Law 86–735 are hereby authorized to be continued available for the general purposes for which appropriated, and may at any time be consolidated, and, in addition, may be consolidated with appropriations made available for the same general purposes under the authority of this Act."

PART IV—AMENDMENTS TO OTHER LAWS

SEC. 401. The Act to provide for assistance in the development of Latin America and in the reconstruction of Chile, and for other purposes (Public Law 86–735, 22 U.S.C. 1942 et seq.), is amended as follows:

(a) In section 2 strike out "$500,000,000" and substitute "$700,000,000".

(b) Insert following the enacting clause "That this Act may be cited as 'the Latin American Development and Chilean Reconstruction Act'".

SEC. 402. Section 231 of the Trade Expansion Act of 1962 (Public Law 87–794, approved October 11, 1962) is amended as follows:

(a) Insert "(a)" before the words "The President shall".

(b) Add the following new subsection:

"(b) The President may extend the benefits of trade agreement concessions made by the United States to products, whether imported directly or indirectly, of a country or area within the purview of subsection (a), when he determines that such treatment would be important to the national interest and would promote the independence of such country or area from domination or control by international communism, and reports this determination and the reasons therefor to the Congress."

A METRIC SYSTEM OF WEIGHTS AND MEASURES

Mr. PELL. Mr. President, one of the most striking paradoxes in this modern aerospace age is our continued adherence to an antediluvian system of weights and measures. The United States, with other English-speaking countries stubbornly clings to a vestigial organ of inches and pounds which came into being with the birth of this Nation, and over the dedicated opposition of Thomas Jefferson who at least was able to give us a sensible currency system based on the tens of the metric system.

More incomprehensible is the fact that we cannot even meet with the British on common ground in this matter. Our gallon is not the British gallon; our ton is not the British ton, and there is little likelihood that these fraternal twins will ever be transformed into identical ones.

The most persuasive argument for the adoption of a metric system of weights and measures is that it would translate an antiquated system into one that is readily understandable, easy to work, and used by most of the nations and peoples of the world. It is a simple system based upon multiples of 10. Its adoption would facilitate both our domestic and our international commerce. It would provide us with a uniform system of standard measurements. And many segments of our society use the metric approach and have for many years, notably the medical and pharmaceutical professions, the military, and as I mentioned before, the financial world.

At the very least, we should be willing to conduct a comprehensive study to determine the feasibility of changing over to the metric system. The bill I am sponsoring, which is identical to that introduced in the House by the Honorable GEORGE P. MILLER of California, would authorize the National Bureau of Standards to conduct a program of investigation, research and survey to determine whether the adoption of the metric system of weights and measures by the United States would be practical. As such, I consider it a worthwhile and eminently desirable endeavor.

I ask unanimous consent to have the text of this bill printed in the RECORD.

The PRESIDING OFFICER. The bill will be received and appropriately referred; and, without objection, the bill will be printed in the RECORD.

The bill (S. 1278) to provide that the National Bureau of Standards shall conduct a program of investigation, research, and survey to determine the practicability of the adoption by the United States of the metric system of weights and measures, introduced by Mr. PELL, was received, read twice by its title, referred to the Committee on Commerce, and ordered to be printed in the RECORD, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the National Bureau of Standards (hereinafter referred to as the "Bureau"), in the exercise of its functions under the Act of March 3, 1901, as amended (15 U.S.C. 271 and the following), and other provisions of law, shall conduct a program of investigation, research, and survey to determine the desirability and practicability of the adoption in the United States of the metric system of weights and measures.

SEC. 2. In the conduct of the program described in the first section of this Act, the Bureau may—

(1) conduct extensive comparative studies of the standards of weights and measures used in scientific, engineering, manufacturing, and commercial areas and in educational institutions, and the advantages of each in its respective field;

(2) cooperate with other governmental agencies and private organizations in determining the economic advantages of a general change to the metric system in the United States or of a change to such system in specific fields;

(3) cooperate with foreign governments in determining the advantages in international trade and commerce, and in military and other areas of international relations, to be derived from a universal standardized system of weights and measures; and

(4) investigate the attitudes of the departments and agencies of the Federal Government and of the several States with respect to possible practical difficulties which might be encountered in accomplishing a change in the system of weights and measures for use generally or in specific fields or areas in the United States.

SEC. 3. The Bureau shall submit to the Secretary of Commerce for transmission to the Congress annual reports, and within three years after the date of the enactment of this Act, a full and complete report of the findings made in the conduct of the program described in the first section of this Act, together with such recommendations as it considers to be appropriate and in the best interests of the economic development and national security of the United States.

SEC. 4. There are authorized to be appropriated such sums as may be necessary to carry out this Act.

AUTHORITY FOR COMMITTEE ON LABOR AND PUBLIC WELFARE TO FILE REPORT ON SENATE BILL 1 DURING RECESS

Mr. CLARK. Mr. President, I ask unanimous consent that the report of the Committee on Labor and Public Welfare on S. 1, the youth employment bill,

may be filed tomorrow, despite the fact that the Senate will be in recess. I have cleared this matter with the ranking Republican member.

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

THE WILDERNESS BILL—EXTENSION OF TIME FOR FILING MINORITY VIEWS

Mr. HUMPHREY. Mr. President, I ask unanimous consent that the time for filing minority views on Senate bill 4, the wilderness bill, be extended to midnight on Friday.

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

ADDITIONAL COSPONSOR OF BILL

Mr. METCALF. Mr. President, I ask unanimous consent that at the next printing of the bill (S. 138), to redesignate Big Hole Battlefield National Monument and revise boundaries, the name of the senior Senator from Montana [Mr. MANSFIELD] be added as a cosponsor.

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

EXTENSION OF HEAD-OF-HOUSEHOLD BENEFITS TO CERTAIN WIDOWS AND WIDOWERS—ADDITIONAL COSPONSOR OF BILL

Mr. McCARTHY. Mr. President, I ask unanimous consent that the name of the Senator from Kentucky [Mr. COOPER] may be entered as a cosponsor of the bill (S. 35) to extend head-of-household benefits to certain widows and widowers which I introduced.

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

LOANS WITHOUT DISCRIMINATION ON REAL ESTATE BY FINANCIAL INSTITUTIONS—ADDITIONAL COSPONSOR OF RESOLUTION

Under authority of the order of the Senate of March 28, 1963, the name of Mr. CASE was added as an additional cosponsor of the resolution (S. Res. 118) concerning loans without discriminatory provisions, on real estate by financial institutions, submitted by Mr. SCOTT (for himself and other Senators) on March 28, 1963.

NOTICE OF POSTPONEMENT OF HEARING ON S. 63, AND S. 1057, PUBLIC DEFENDER BILLS

Mr. EASTLAND. Mr. President, on behalf of the Committee on the Judiciary, notice is hereby given that the public hearing scheduled for 10:30 a.m., Tuesday, Wednesday, and Thursday, April 9, 10, and 11, 1963, in room 2228, New Senate Office Building, on S. 63, a bill to provide for representation of indigent defendants, and S. 1057, a bill to promote the cause of criminal justice by providing for the representation of defendants who are financially unable to obtain an adequate defense in criminal cases in the courts of the United States, has been postponed until further notice.

NOTICE OF HEARINGS ON STATE OF DOMESTIC MINERALS INDUSTRY

Mr. GRUENING. Mr. President, I am certain that all Members of Congress and indeed all Americans are aware of the fundamental importance of minerals to our Nation's security and economic development. The essentiality of adequate supplies of metals and mineral fuels, such as oil, gas, and coal to our civilization is so self-evident as to be axiomatic.

Yet for a number of years past our domestic mining industry has been deteriorating, according to consistent reports received by the Senate Interior Committee. More and more, for current needs we are depending upon foreign sources and ocean-borne transportation of materials without which we could not defend ourselves or grow as a nation.

In an effort to get the facts and find ways of remedying this situation, the Subcommittee on Minerals, Materials, and Fuels of the Interior Committee is scheduling hearings, beginning April 9, on the state of our domestic minerals industry. The subcommittee has invited Secretary Udall to appear before it as the first witness and present the situation with his recommendations for remedial action by the Government where any such action is indicated.

As chairman of the Minerals, Materials, and Fuels Subcommittee, I wish to invite Members of the Senate who have special interest in or special knowledge of our domestic mining industry to meet with us and take part in our seeking to get the facts and to find solutions for the problems.

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

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

By Mr. LONG of Louisiana:

Address entitled "American Agriculture in a Changing World," delivered by Senator MCGOVERN before the 29th Annual Convention of the Independent Bankers Association, at New Orleans, La., on March 26, 1963.

FOREIGN AID

Mr. JAVITS. Mr. President, the opposition to the foreign aid program is placing strong emphasis on weakness, waste, and errors in its administration, and in this way serves an important function which I think will result eventually in a stronger, more effective program. But while we focus on this emphasis, we should not minimize or ignore the substantial impact that the foreign aid program has on our domestic economy in terms of the jobs, the industry, and the business development here in the United States and to be developed as these newly developing nations become more developed. Upstate New York has a very large stake in this program and generally in the development of American trade abroad, and the extent of the impact of this program on a particular upstate county has been the subject of a research project since last year. The project is being conducted by the Maxwell Graduate School of Citizenship and Public Affairs of Syracuse University, under a grant from the Rockefeller Foundation, and will be completed in June. The project is directed by Gerard J. Mangone. I ask unanimous consent to print in the RECORD the interim report of the project, entitled "The Department of State and Onandaga County: American Foreign Policy at the Grassroots," issued in March 1963.

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

THE DEPARTMENT OF STATE AND ONONDAGA COUNTY: AMERICAN FOREIGN POLICY AT THE GRASS ROOTS

(An interim report to the Rockefeller Foundation, March 1963—a research project directed by Gerard J. Mangone)

FOREIGN RELATIONS AND THE CITIZEN

The hypothesis of this study of foreign policy at the Maxwell Graduate School of Syracuse University is that the philosophy, programs, and conduct of American foreign relations impinge more profoundly upon the daily lives of U.S. citizens than they realize. It is our feeling that the daily activities of the Department of State in policy formulation and its implementation, both at Washington and abroad, touch the immediate interests of the community in employment, prices, profits, health, housing, travel, recreation, and education.

The purpose of the Maxwell study is to examine one facet of foreign policy rarely treated in detail; namely, the impact of foreign policy on one county. The study is attempting to describe in concrete terms some of the effects of America's defensive stature and outreach abroad upon business and the social patterns of a community. It is to be illustrated by examples of how national responses to world events have brought about changes in Onondaga County and its urban centers of Syracuse.

The study is intended to make both the general American public and the attentive elite of policy leaders aware of the particular impact of American foreign policy at the local level, so that a popular criticism of U.S. foreign policy can be more intelligent, responsible, and dynamic. World plans and national programs ought to be regularly reviewed for their effect upon a man's daily life.

ONONDAGA COUNTY: A TYPICAL COMMUNITY?

A "typical" American community is a delightful abstraction, but impossible to denote. Recognizing this difficulty, however, we have selected Syracuse and Onondaga County as a good area for analyzing the impact of foreign policy. Its diverse, yet fairly well-balanced economy presents many opportunities for tracing the effect of foreign policy upon business, trade, commerce, finance, and agriculture. Its population, too, by size, variety of occupations, and ethnic origins roughly approximates national averages for the so-called American community.

In 1960 Onondaga County had a population of 432,028 in the area of 792 square miles, making it the 74th largest county in the United States by population. The county population grew by almost 25 percent in the decade from 1950 to 1960, with the chief increase taking place in the suburbs of the principal city, Syracuse.

The median age of the population is 30 years, half a year older than the U.S. median. The 106,065 families in the county have a median income of $6,691, somewhat higher than the United States as a whole. Foreign born make up 7.3 percent of the population, while 20.1 percent of the residents had one or both parents born abroad.

Syracuse is a hub of political, economic, and social activities for this part of New York State. Offices of the city, county, State, and Federal Government are located within its limits. Its location at the intersection of major interstate highways, access to main railway lines, possession of an excellent airport, and proximity to Lake Erie and the St. Lawrence Seaway make Syracuse a natural administration and distribution point for central New York, so that much wholesale and retail trade flows through Syracuse. Many national companies maintain regional offices in Syracuse to be in contact with local business firms. Several of the largest manufacturers in the Syracuse area are General Electric, Carrier Corp., Bristol Laboratories, New Process Gear Co., of Chrysler Corp., and Solvay Process Division of Allied Chemical Corp. Many other smaller and equally well-known manufacturers are located in the city and suburbs, including some with national or international outlets.

Syracuse is also the home of several institutions of higher education, including Syracuse University, LeMoyne College, the New York Upstate Medical Center, the State College of Forestry, and Onondaga Community College.

Onondaga County contains 252,000 acres devoted to agriculture. Dairy farms predominate, with a number of truck gardens and orchards. Mining is also represented in Onondaga County, with principal products including lime, salt, cement, crushed stone, sand and gravel, and clay.

Realistically no study can hope to show all of the effects of foreign policy upon a people. For example, the pride or anger that an American citizen feels about a foreign economic assistance program is very difficult to quantify, although it certainly exists. Personal insecurity over nuclear weapons testing or anxieties for people or property in Cuba or the Congo, in Berlin or Vietnam cannot truly be measured. Patriotism has its ups and downs, closely tied to foreign policy decisions, but it would be very tricky to compare one man's love of country with another's.

We have selected, however, aspects of community life that are clearly affected by decisions in Washington; namely, business activity, education, immigration, and international exchange.

BUSINESS AND FOREIGN POLICY: BROTHERS IN ECONOMIC GROWTH

To show how American foreign policy influences a local economy, we are taking into account the economic structure of Onondaga County and illustrating some changes in the last decade.

The value added by manufacture in Onondaga County in 1958 was about $586 million. Since World War II the structure of manufacturing in the county has shifted toward the electrical and nonelectrical machinery and chemical industries. While the number employed in manufacturing has remained roughly constant, fewer employees work in the production line and more have white-collar positions.

In 1958 Onondaga County had a labor force of 169,537, of which 4.2 percent were unemployed. Roughly one-third were employed in manufacturing, followed by those in wholesale and retail trade. Substantial numbers were also employed in transportation, communications, public utilities, educational services, construction, finance, insurance, real estate, public administration, and agriculture. The numbers employed in manufacturing and transportation, communications, and public utilities have remained about constant during the past decade, while the number in agriculture has declined.

The greatest increases in employment in Onondaga County have come in services, construction, education, and Government, which is similar to the national American pattern.

NATIONAL SECURITY POLICY

The impact of America's defense posture on Onondaga County's economy has been very great. Over $220 million in military prime contracts were awarded to county firms in 1960. One of the most rapidly growing industries in the Syracuse area has been the manufacture of electrical machinery, in part due to its receipt of a substantial share of defense contracts awarded to the county. The value added by manufactures in electrical machinery increased from $51,686,000 in 1947 to $230,294,000 in 1958. National corporations, spurred on by military contracts, have added or developed subsidiary firms in Onondaga County, while some existing local firms have taken on new products to supply defense goods and services.

Some of the principal defense products manufactured in Onondaga County have included ammunition, lighting fixtures, blowers, exhaust and ventilating fans, air conditioning units, fabricated pipe and pipe fittings, radar and related detection apparatus, communication equipment, guided missile parts and auxiliary equipment, and laboratory, scientific and engineering instruments.

Many prime contracts for defense have been subcontracted, both because of regulations set forth by Congress designed to stimulate small business and because large companies often lack the specialized skills or equipment to complete a complicated defense mechanism alone. When a local firm received a contract for a component of the Minuteman missile, for example, it subcontracted a portion of the work to another local firm which could provide some highly technical equipment. Not all subcontracts have remained within the county, but, on the other hand, prime contracts awarded elsewhere have been subcontracted to firms in Onondaga County. One local manufacturer received several contracts from west coast firms.

Money coming into the county from defense contracts may pass through many hands before leaving the community. Local defense contractors buy many needed supplies and services from local businesses. General Electric, a large producer of highly technical defense equipment, has made purchases from over 800 local firms, and each of these in turn has bought from other local businesses.

Nearly all of the labor supply employed in defense work lives within Onondaga County. Roughly 90 percent of the employees of General Electric live within the county, while the rest reside close by and patronize businesses within the Syracuse area. A local resident assisting on some small part of the Gemini space capsule buys groceries, has his car repaired, attends a local movie, pays property taxes, and spends his paycheck for many other goods and services within the community.

Military prime contracts have also been awarded for research and development as well as for the purchases of hardware, construction, and miscellaneous services. Some of the contracts for research and development have been awarded to educational institutions. For example, during the fiscal year 1962 the Syracuse University Research Institute received $2,527,644 from the Department of Defense for research. It is estimated that over 90 percent of this money remains in the county on the first round, coming to local residents as wages and salaries or payment for goods and services rendered.

ARMED FORCES IN ONONDAGA COUNTY

Military units stationed within the county have been authorized to purchase much of their day-to-day need of supplies and services locally, bringing profits to county businessmen. Military and civilian personnel working for the Armed Forces within Onondaga County have been paid out of Federal funds and have spent their pay locally. In 1962 the 26th Air Division at Hancock Field had an annual payroll of about $9.5 million. Reserve and National Guard units also have brought money into the county through the procurement of supplies locally, construction of facilities, employment of maintenance personnel and watchmen, and payment to Regular and Reserve military personnel.

Certain secondary benefits have accrued from the presence of military installations in Onondaga County. For example, the extension of the runways at Hancock Field to accommodate jet airplanes, justified as a military necessity and paid for by Federal expenditures, has also benefited civilian use of the airport.

FOREIGN MILITARY ASSISTANCE

The foreign military assistance channeled through the Department of Defense has added to the economic impact of national security policy on the county. Orders for military supplies under this type of foreign assistance are generally placed with the individual branches of the American Armed Forces for procurement. A second type of foreign military assistance funds are appropriated directly to the President and are handled through the Agency for International Development. These also have resulted in contracts to local firms.

VETERANS

A legacy from the past defense policies is the presence of many military veterans in the county. There are roughly 60,000 veterans of the Spanish-American War, both World Wars, the Korean war, and peacetime campaigns in Onondaga County. Our national responsibility to those who have had to make direct sacrifices to maintain national security has brought an estimated $7.5 to $10 million in direct payments to veterans annually within the county, in addition to other indirect benefits. Over 700 people have been employed in veterans facilities locally, such as the Veterans' Administration hospital, which has an annual payroll of $4.4 million. Construction of veterans facilities has brought additional funds to the county.

TRADE AND ECONOMIC AID POLICY

Onondaga County firms have carried on a modest but healthy trade with many foreign countries. During 1960, Onondaga County's direct exports abroad mounted to more than $35.4 million and included air conditioning equipment, drycleaning and laundry equipment, vacuum cleaners, centrifugal blowers and exhausters, oil field machinery and equipment, chemicals, drugs, wiring devices, electronic equipment, radio and television transmitters and receivers, car and truck transmissions, and automotive lighting equipment.

Contracts totaling $1.4 million for economic aid, moreover, were awarded to Onondaga County firms through the Agency for International Development and it predecessor, the International Cooperation Administration, during the years 1954 to 1961. The principal products in these agreements included drugs, air conditioning equipment, rice and coffee hullers, and typewriters.

Foreign trade and economic aid have also had an indirect impact on local business through products which were components of finished goods that were eventually exported. Thus, a local firm making automotive lighting equipment has fulfilled an order for a truck manufacturer which in turn exported the trucks under a foreign aid agreement.

TARIFFS, IMPORTS, AND LOCAL BUSINESS

Several important products manufactured in Onondaga County have been protected by American tariffs. In some cases, nevertheless, the tariff rates have not been sufficient to prevent extensive penetration of domestic markets by foreign producers. For example, the chinaware industry in Onondaga County has been protected by a 51 percent ad valorem duty against imports of fine china, but finds this rate insufficient to protect its markets from displacement by inexpensive imports from Japan, Great Britain, and Germany.

Despite new investment, increased efficiency, and development of new product design, both employment and production in the industry have declined in the past decade.

The reduction of American tariff rates and the increased efficiency of postwar production have changed marketing conditions. Various countermeasures have been taken by local firms to compete for both domestic and international markets. For example, one Syracuse plant has invested in the newest machinery available, and it can now compete successfully with foreign firms having a lower per unit labor cost of production. Another firm has built up a foreign subsidiary to compete on international markets and, if necessary, on domestic markets as well. Since this particular product is not widely used in the United States, production abroad has had little influence on local employment. Another firm, driven off the international markets by inexpensive substitutes, has taken on a new line of production and has increased local employment and investment.

Since reciprocal tariff rates are only one consideration for an American firm seeking to develop new markets abroad, local firms have been rather reserved in their support of the Trade Expansion Act of 1962, which was heralded as a catalyst to better world trade. Local manufacturers mentioned quota systems, licensing restrictions, and dollar shortages in their marketing areas abroad as obstacles as great or greater than tariff barriers in developing their export trade.

Imports of raw materials are very important to local manufacturing. These imports have included manganese, chromite, nickel, cobalt, tungsten, graphite, rubber, industrial diamonds, iodine, mercury, quinidine, sisal, and jute. Some imports come to the county by an indirect route, first being transformed into alloys or other special products before purchase by local manufacturers.

Imports also have a very direct impact on business and consumers after they pass through wholesale and retail distributors. Many of these imports, such as bananas or coffee, are so commonplace that they are rarely thought of as foreign. A survey of local machine tool wholesalers, liquor distributors, retail department stores, and automobile dealers revealed that an average of 5 percent of their merchandise originated abroad. These foreign goods offer the consumer a wider choice of commodities than domestic suppliers provide. Substantial savings can be obtained by the consumer on some goods that cannot be produced domestically at comparable prices. However, tariff levels or prices seem less important to the flow of imports to Onondaga County than consumer demand. A decided preference for American goods because of their durability, their American styling, or the availability of service exists, and even the lower prices of foreign goods cannot offset these advantages.

IMMIGRATION: FOREIGN POLICY AND NEW NEIGHBORS

The determination of the number and types of immigrants to be accepted into a state is an important aspect of national foreign policy. This has been especially true of the United States which has received so many millions of people from other lands in the last two centuries. Not only is the overall level of immigration set by acts of Congress, but also the pattern of the immigrant population according to ethnic origin.

The flow of new residents from abroad to a community, determined in part by national policy, has a distinct impact on that community in residential housing and neighborhood character, skills and employment, social clubs and activities, perhaps even in crime rates or welfare benefits.

The largest group of foreign born and native born of foreign or mixed parentage in 1960 was the 29,554 Italians, followed in descending order by Canadians, Germans, Poles, English, Irish, Russians, Austrians, and Asians. Immigration to Onondaga County has come in waves, beginning with the English, Irish, and Germans, later followed by the Italians and more recently by East Europeans, predominantly Poles and Russians. The last available census of aliens registered in Onondaga County in 1958 reflected both the existing immigration laws and the special pressures from certain foreign groups to enter the United States.

The Immigration and Naturalization Act of 1952, like previous statutes since 1924, set a rather restrictive policy on immigration into the United States. Many of the immigrants to Onondaga County were initially blocked by the quota system, but they have been able to come by other legislation, such as the Refugee Relief Act of 1953, or by Presidential order, such as the Hungarian "parolees." Others have avoided the quota system by marrying American citizens or obtained preferred status for immigration through critical skills.

Whereas the decision to admit immigrants or refugees is a matter of national policy, a large burden of integrating them into the American way of life falls on the community. For example, about 38,000 Hungarian refugees were admitted into the United States during 1956 and 1957. Approximately 165 of them came to Onondaga County. These newcomers arrived with little clothing or money, in need of housing and employment, and often with no knowledge of English. To the community fell the task of filling these immediate needs.

Policy decisions reflected in immigration legislation have many effects on a community. For instance, each immigrant is required to have a sponsor who guarantees that the new arrival will not become a public charge. In Syracuse, such organizations as the Syracuse Area Council of Churches, Catholic Charities, and the Jewish Family Service, who often take upon themselves the responsibility for the welfare and success of immigrants. One of these organizations has indicated that it cost about $1,000 to resettle each Hungarian refugee it handled in the community.

Other positive effects of immigration policy have been the economic skills which the immigrants contributed to Onondaga County, their community interest, and their hard work. A random survey of immigrants to Onondaga County during the past decade disclosed that their average income was about $5,700 and that 80 percent of them owned their homes, were above the national average in both categories.

On the negative side, some immigrants have also increased the economic and social problems of the community through their clustering in one residential area, or by adding to the competition for employment, or even contributing to the difficulties of law enforcement. For example, a check of police records revealed that a number of the Hungarians who came to Onondaga County in 1957 had been arrested for various offenses, a few of them felonies.

FOREIGN POLICY AND ITS EFFECT UPON EDUCATION

The enlarged international responsibilities of the United States in world affairs, particularly in maintaining American national security, have had a considerable impact on higher education in Onondaga County. An increasing demand for people who can speak foreign languages, who know the history, culture, and problems of particular areas of the world, or who have skills vital to defense or the conduct of America's affairs abroad has caused the Federal Government to take an unparalleled interest in education.

The National Defense Education Act, for example, has created graduate fellowships and loan funds for students learning critical skills. In 1962 national defense loans made by LeMoyne College, Syracuse University, and the New York State College of Forestry to students in these institutions amounted to more than $319,000. Enlarged military manpower requirements, moreover, due to America's defense strategy in the present world have given Reserve officer training programs at universities a new importance. The Army and Air Force officer training programs at Syracuse University cost the Federal Government over $300,000 in 1960, a large part of which went to students and was spent in the county.

Men and women who have served in the U.S. Armed Forces often qualify for veterans' educational benefits. These mature students add to the growth of the universities with its concomitant economic and social impact upon the community.

Beginning with the decisions of Washington to assist underdeveloped nations, local educational institutions have been called upon to undertake specific programs for the Federal Government in foreign policy areas. These have included training of Peace Corps personnel for overseas duty, the teaching of management skills for officials from emerging nations for the Agency for International Development, and seminars for foreign specialists in radio and television sponsored by the Department of State. For example, the two training programs in Syracuse for the Peace Corps brought over $200,000 in contracts for educational facilities, staff, medical expenses, administration, and housing accommodations, all within the community. No less important was the influx of the Peace Corps volunteers to the community and the increased awareness of the local citizenry about American objectives abroad.

In response to America's growing foreign policy needs, many philanthropic foundations have come to support new and necessary programs and projects in local colleges and universities, enabling these to broaden and improve curriculums and to undertake research in crucial areas. An excellent illustration of this cooperation in Onondaga County is the new Master of International Public Administration program at the Maxwell School of Syracuse University. The training at Syracuse is to be financed with the assistance of the Ford Foundation, while overseas internships in U.S. Government agencies are to be supported by funds granted by the Department of State and originating from the sale of surplus commodities abroad under Public Law 480.

Clearly, foreign policy has a considerable impact on the patterns of education in America. Other less direct, but equally real effects of America's national response to a changing world are observable in Onondaga County. These include, for example, the development of new research interests, higher faculty pay, new courses in world events and foreign policy in high schools, and an increased awareness of the important role of foreign policy among faculty members at all levels of education.

INTERNATIONAL EXCHANGE PROGRAMS

An international education or exchange program, formulated in Washington or encouraged by Federal agencies, touches the local community in many ways. In addition to sharing skills with foreign visitors, the American citizen—in his home, his job, his school, or elsewhere—comes into direct contact with the ideas and values of a citizen from another country.

One man in Syracuse meeting one man from Tanganyika can have a personal exchange of opinions far more valuable than many books, movies, and other informational materials sent across 7,000 miles of land and water. American foreign policy goals include economic and social assistance to development in many foreign nations. Tens of thousands of students, businessmen, and government officials come to the United States each year to learn American techniques and skills. More than a thousand exchange visitors from over 70 countries have come to Onondaga County alone during 1962. These visitors have been sponsored by local businesses, educational institutions, hospitals, and community organizations.

About 675 participants from 38 countries have come to Syracuse to attend the International Management Development program at Syracuse University since 1951. This program is sponsored by the Agency for International Development in Washington, but the impact of the cross-cultural exchange is on Onondaga County.

Carrier International has brought more than 90 sales personnel and technicians from its offices, agencies, and customers around the world to its Syracuse plant in the past year for training and the interchange of ideas. More than 35 young doctors from various nations are serving their residencies in hospitals in Onandaga County, learning specialties badly needed in their home countries.

Another type of exchange has been organized in Onondaga County by the American Field Service. Twenty-six young high school students from 22 nations have been "adopted" by American families and attend secondary schools in the Syracuse area. Each school sponsoring a foreign student, as well as learning from a new friend from Ethiopia or the Philippines, can nominate American students to go abroad for the summer, perhaps to live with a family in Denmark or Japan.

Foreign visitor exchange programs, originating from foreign policy considerations in Washington, call forth a response from the local community. There are seven community organizations in Onondaga County involved in hosting or assisting foreign visitors, and this does not include the many church groups and social clubs which also help out. One, the World Affairs Council, has organized a home hospitality program serving short-term foreign visitors whose itineraries are planned by Washington. These visitors, whose professional purpose in coming to Syracuse might be to view American methods in the administration of secondary education or in the manufacture of electronic equipment, stay with local families and learn in the best intimacy American ideas about manners and politics.

International exchange is an integral part of foreign policy which requires a wholehearted community participation in order to be successful. The impressions which the foreign participants take home about the United States will be formed not on a grand scale, but through their close contacts with citizens in communities such as Onondaga County.

SUMMARY: FUTURE RESEARCH DIRECTIONS

This interim report is an indication of the progress made by the Maxwell research project toward relating national foreign policy decisions to the daily economic and social life of a county in the United States. The report so far has been based on information developed from 14 individual research topics, each concerned with the examination of a particular aspect of American foreign policy and Onondaga County.

The present research design calls for the integration of these studies into a final monograph. The information already available is to be supplemented with further data and interpretation, the whole work to be completed by the summer of 1963.

CONGRESSIONAL REFORM

Mr. JAVITS. Mr. President, our colleague, the Senator from New Jersey [Mr. CASE], today delivered a most provocative speech before the American Society for Public Administration, which is holding its 1963 national conference here in Washington. His subject was congressional reform, and he discussed issues which should be of paramount interest to every Member of this body. I urge my colleagues to read this significant speech, which I ask unanimous consent to have printed in the RECORD at this point.

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

PARTIAL TEXT OF REMARKS PREPARED FOR DELIVERY BY SENATOR CLIFFORD P. CASE AT THE 1963 NATIONAL CONFERENCE OF THE AMERICAN SOCIETY FOR PUBLIC ADMINISTRATION, WASHINGTON, D.C., APRIL 4, 1963

Congress has been getting a black eye with the general public.

In part, this is because of the misdeeds of a few Members. Congress has, perhaps reluctantly, begun to do things about this and some of us would like to see a lot more done about giving the public facts about congressional travel and expenses, about contacts with regulatory and contracting agencies, about financial interests and sources of income and gifts. Putting things on the record is the best way to set the record straight and keep it straight.

In part, the decline of Congress results from a growing feeling that it is not adequately responsive to the needs of our Nation and in the minds of some, is not responsive at all.

As many of you know, I am a strong proponent of congressional reform. There are other Members of our legislative body who share this concern, but I venture that the man in Washington who needs congressional reform most and should want it most is President Kennedy.

He would be something less than human if he did not feel growing frustration as his messages citing urgent needs to the Congress are often met initially with indifference, delay, and subsequent discard. As a man who urges that we get the country moving, he must feel pangs of despair as Congress twiddles and twaddles over his proposals for a tax cut, for an education bill, for medical care for the aged, for more medical schools, and a whole host of bills. A clear indication of the degree of his frustration is the fact that two of his major bills of the last Congress have not even been revived this year—the Department of Urban Affairs and the reform of unemployment compensation standards, a subject dear to him as a Senator from Massachusetts.

Virtually none of the President's current proposals have even reached a committee vote, much less a vote in the House of Representatives or the Senate. I do not suggest that these bills are the best or only answers to our problems, but I submit that the President of the United States, elected by all the people, be he Democrat or Republican, is entitled to a vote, up or down, on his major proposals.

Here we are in the 4th month of the congressional session, approaching the Easter recess, which only a few years ago was considered the halfway mark in congressional sessions. The new Congress has passed only one public law of any consequence—an extension of the draft. Not 1 of the 12 major appropriation bills has cleared both Houses.

Last year, Congress dragged its weary way into October before adjourning. At the present rate, we will have to rush in order to conclude any substantial amount of business before we switch to a new calendar. And the longer it takes us to buckle down to work the longer it will take us to develop solutions.

Americans who are now suffering for lack of jobs, medical care or adequate education will suffer all the longer because Congress fails to face the issues. Delay leaves public officials and administrators at all levels of government, as well as private agencies, uncertain about how to prepare programs. Several have written me, for example, inquiring about the chances for action on the library construction features of the administration's omnibus education bill. They have plans to make and budgets to prepare and so it is understandable that they should like to know.

What can be done about revitalizing Congress?

Greater urbanization of Congress is inevitable in the long run. Recent Supreme Court decisions have opened the way for fairer representation for our urban and suburban areas. Three-fourths of our Nation's citizens now live in metropolitan areas of the country. They are entitled to an adequate voice in the State legislatures and in the national legislature. Surely we should be spending as much determining what the dangers of air pollution are as we do in finding how to develop more uses for more peanuts.

The Supreme Court's view that the Constitution guarantees "one person, one vote" means that in time the tide will turn in favor of increased metropolitan influence in Congress. But it may be many years before the Court decisions have an important effect on the actual operations of our political system.

Meanwhile, as a complementary effort, and in its own right, we must proceed with dispatch to modernization of Congress.

There has been no comprehensive attempt to update congressional procedures since the enactment of the LaFollette-Monroney Congressional Reorganization Act in 1946. Since then, our Nation has gained two new States, has increased its population by 50 million, and has moved into an entirely new range of international and national problems.

In the last Congress we were very slipshod in the way we got our work done, and much of it didn't get done at all. There is a real danger that the public will lose confidence in the ability of the Congress to meet the problems of the 20th century.

I have introduced, with Senator CLARK, a bill creating a Commission on Congressional Reorganization, modeled on the Hoover Commission, to study the present organization

of the Congress and the functioning of the legislative process.

The bill provides for the appointment of a 12-man Commission—3 Members of the Senate, 3 Members of the House of Representatives, and 6 "individuals in private life who are specially qualified by training and experience to contribute to the solution of problems of public administration or the functioning of legislative bodies."

I do not believe that the procedures of Congress should be considered the exclusive concern of the Members of Congress. The electorate has a substantial stake in the functioning of the legislative procedures, and we should try to obtain the best possible counsel we can in bringing them up to date.

The bill would require the Commission to study at least 12 major problem areas. I should like to take a few minutes to discuss some of the many interesting suggestions which have been made for dealing with each of the problem areas. In putting them forward, I do not mean to imply that they are all my ideas or that I necessarily would support them as remedies for the problems cited. But, I do think it would be helpful to give attention to some techniques not now used for expediting the business of the Congress.

The first problem area listed in my bill is the scheduling of measures for consideration and action. Legislation is now very slow in coming to a vote during the early months of a session of Congress, with an inevitable end-of-session pileup. It makes no sense that a subcommittee chairman or a single member of a committee, chairman because of longevity, can block even consideration of an important bill.

Here are some of the suggested remedies: Setting a deadline for committee action on bills recommended by the executive branch and on nominations and treaties submitted by the executive branch; scheduling congressional committee meetings on Mondays, Wednesdays, and Fridays, and sessions of the full House and Senate on Tuesdays and Thursdays, and, as necessary, on Saturdays; extending appropriations bills to cover 2-year periods so that Congress may concentrate on legislation in one session of Congress and on appropriation in the second session, with due provision for consideration of emergency legislation.

The second problem area is the structure, staffing, and operation of congressional committees. The role of seniority in appointment to committees and especially in selection of chairmen should be reexamined. Clarification and modification of committees' jurisdictions is overdue. Rules of procedure, particularly for convening investigations and handling of witnesses should be enacted to cover all committees. The role of the House Rules Committee should be reconsidered.

Third, the workload of the Congress and its committees: Private immigration and claims bills constitute a heavy drain on the time which Congress should be devoting to national issues. More of this responsibility could be placed in the Immigration and Naturalization Service and the courts. Of course, home rule for the District of Columbia would remove many municipal burdens from our national legislative body, to the benefit of both.

Fourth, congressional rules and floor procedures: Revision of Senate rule 22, the so-called cloture rule, would end the power of a small minority to prevent action by a majority. Adopting a Senate rule of germaneness affecting the offering of amendments as well as the right to use of the floor for irrelevant discussion would expedite Senate sessions. Joint hearings of House and Senate committees on topics of mutual interest would save time for Congressmen and witnesses. Electronic voting in both chambers could save time. Installation of a public address system in the Senate would facilitate its work and the public's understanding of what goes on.

Fifth, conflicts of interest of Members of the Congress: The prestige of and confidence in the Congress could be improved by adoption of legislation dealing with conflicts of interest of its Members and their relationship with Federal agencies.

Sixth, the term of office of Members of the House of Representatives: Lengthening the term of Members of the House would add prestige to service in the House and reduce the time now spent in campaigning. Another proposal which could be examined is the setting of a uniform primary date close to the general election, facilitating legislative action and reducing the time taken from legislative activities for campaign purposes.

Seventh, communications, travel, and other allowances of Members of the Congress: Regulations assuring prompt and effective reporting on legislative expenses, including individual and committee travel, should be considered.

Eighth, the financing of congressional election campaigns.

Ninth, the duties of Members of Congress incident to the appointment of postmasters and the making of appointments to military service academies and other Government agencies: Congress could eliminate politics by placing post office appointments exclusively under civil service and handling nominations to the various academies by civil service examinations.

Tenth, the legislative oversight of the administration of laws: We need a more systematic and effective method of seeing to it that the intent of Federal law is carried out.

Eleventh, the strengthening of the congressional power of the purse: We need to improve congressional functions of raising and spending public funds.

Twelfth, the operation and effectiveness of existing laws with respect to lobbying.

While I have related several suggestions, some of them undoubtedly from members of your organization, more important at this moment than the details of these and other suggestions is the mobilization of public interest in the need for reform. If we once can get a reorganization commission appointed, I am confident that it will include some of the best brains in our Nation and that its members will give very careful attention to these and other problems in making their recommendations to the Congress.

I emphasize the need for public interest because realistically speaking, congressional reform is always an uphill fight for it is stalled by the very congressional inertia and self-interest about which many of us have been complaining. The interest and initiative of organizations such as yours is key to building public concern.

POLICY REGARDING MILITARY AWARDS AND BENEFITS

Mr. METCALF. Mr. President, in the February 1963 issue of the Jewish Veteran, the national legislative director of the Jewish War Veterans of the United States devotes his column to the many distinctions drawn by our Government between hot and cold war duty.

Mr. Felix Putterman a World War II oversea combat veteran and former congressional staff member says that among these distinctions are "a number that are artificial and arbitrary at best." He lists these and proposes constructive steps which can and should be taken. Among the latter is enactment of the GI bill of rights.

Mr. President, I ask unanimous consent that Mr. Putterman's excellent Capitol Corridors column be entered in the RECORD at this point.

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

The other day the Army awarded the Air Medal, a high honor indeed, to a noncom for giving aid to casualties while in helicopter flight over combat areas in South Vietnam. While this was still another incident in a long series of quiet American bravery in the sullen swampland and jungles of southeast Asia, it serves as a reminder that this is still a part of what is euphemistically called peacetime duty.

Hardly a week goes by without an announcement of casualties and deaths among U.S. servicemen on the hot front of the cold war. Yet as far as recognition and benefits are concerned, there is no distinction made between garrison duty here at home and service abroad on this razor-edge exposed nerve of the struggle between freedom and tyranny.

President Kennedy has taken an initial step in asking the Congress for legislative authority to award medals, the Medal of Honor, Distinguished Service Cross, Navy Cross, Air Force Cross, and Silver Star, now restricted to heroic service in active combat with an enemy of the United States during wartime. Such legislation is consistent with the President's action of last April when Mr. Kennedy issued an Executive order to establish eligibility for the award of the Purple Heart to cold war casualties.

Many distinctions are drawn by the Government based upon the supposed differences between hot and cold war duty. Among these are a number that are artificial and arbitrary at best.

Servicemen carrying out the national commitment in Berlin, on the armistice line in Korea, in Laos and the agony of Vietnam cannot purchase national service life insurance. If they lose a limb, they are not eligible for the special automobile available to World War II and Korean veterans. The benefits of a GI bill are as yet unattainable. Their eligibility for service-connected disability compensation is severely limited by much stricter presumptions of pre-service fitness than predecessors of Korea and World War II. After discharge, veterans of Vietnam, Berlin, etc., are not eligible for the same pension given war veterans totally and permanently disabled by reason of non-service connected cause.

Apparently, the Government's distinction between hot and cold war has not inhibited insurance companies. There have been a number of complaints from parents and widows that policies held on deceased sons and spouses are not being paid because the death occurred on a hazardous mission overseas. An insurance company refused to pay double indemnity for an accidental death to the widow of a warrant officer lost in a transport crash in Laos 2 years ago. A number of dependents have been trapped in this whiplash between the Government's artificial distinction of what comprises wartime duty and the private insurance companies' strict views on accidental death.

Obviously, the situation beggars a sensible, rational, and humane solution. The Congress can take a constructive step in the right direction by adopting the President's proposal on awards. The logical next step would be an adjustment of our entire schedule of benefits to bring in deserving veterans who have been exposed to hazardous duty.

The term "hazardous duty" should be interpreted in a limited sense so that the administration could not be accused of creating an all-encompassing Mother Hubbard for every peacetime serviceman. Finally, the GI bill for which Senator RALPH YARBOROUGH has been leading a valiant and almost lonesome fight should be moved up high on the agenda of a Congress which may have time on its hands while waiting around a goodly portion of next summer for the tax bill to be reported out into daylight from the inner recesses of the Senate Finance Committee.

Admittedly the GI bill is expensive—not extravagant—but expensive. It is inconceivable that the talents of our most "fiscally responsible" Members of Congress cannot be used for something positive rather than merely being "agin" every spending proposal. One contribution would be a GI bill of rights, carefully drawn to limit, if necessary, its benefits to those cold war vets enduring the hazards of perilous duty while plugging the leaky dikes of the free world.

What is right is right. At the expense of some of our finest young men, the Government Treasury and private insurance companies have been eating their cake and having it as well.

YOUTH EMPLOYMENT ACT

Mr. JORDAN of Idaho. Mr. President, the subjects of full employment, manpower training, and youth employment will receive a justifiable amount of attention in Congress this session. The first measure affecting these subjects, S. 1, Youth Employment Act, is slated to come to the Senate floor for debate in a few days. I should like to direct the attention of my colleagues to the comments of Congressman TOM CURTIS, of Missouri, who is the senior minority member of the Joint Economic Committee and a ranking member of the House Ways and Means Committee. He is highly qualified to discuss this Nation's most serious economic problem, which is unemployment.

Several months ago, Congressman CURTIS presented a thought-provoking analysis of our unemployment problem in a book, "87 Million Jobs—A Dynamic Program To End Unemployment." Currently, a series of four newspaper columns based on the book is being distributed.

I serve with Mr. CURTIS on the Joint Economic Committee and feel that his ideas are sound and his recommendations offer a refreshingly new approach to a solution of our chronic unemployment problem. Instead of placing reliance upon the administration's panaceas of fiscal and monetary policy to increase aggregate demand, instead of spending vast sums to make work for obsolete skills, Congressman CURTIS offers a bold and imaginative program, including upgrading workers' skills, which hits at the specifics of unemployment. I am associated with many of these views of Congressman CURTIS which are incorporated in the Minority Report of the Joint Economic Committee. In my opinion, this four-part condensation of Mr. CURTIS' program entitled, "A Job for Every American," is a valuable analysis and I ask unanimous consent that it be included in the RECORD at this point.

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

STATISTICAL FOG HIDES FACT OF LABOR SHORTAGE IN UNITED STATES

(Unemployment, which according to the Labor Department accounted for 6.1 percent of the labor force for the 30-day period ending February 15, is a problem which continues to bedevil the Government economists. Following is the first article in a series by a man who takes a different view—that it is a shortage of men, not jobs, that troubles America. Congressman CURTIS, Republican, of Missouri, is an expert on the Nation's economy, serving on both the Joint Economic Committee and the House Ways and Means Committee.)

WASHINGTON, MARCH 23.—America can have full employment. It can have full employment without resorting to Treasury-financed projects whose effect is temporary and in the long run bad for the wage earner.

Long months of listening to expert testimony before the Joint Economic Committee of the House and Senate has convinced me of this. Careful study of our economic history for the past decades has confirmed this testimony.

I am also convinced that we are headed for serious trouble unless we understand the real nature of our unemployment and employment dilemma today.

The basic dilemma, ignored by well-meaning men who think in terms of theory rather than of reality, is this: Today there are as many jobs going begging in the United States as there are persons unemployed and looking for work. Any economist will tell you that it is not jobs that this country needs but people to fill them. If this sounds impossible, look at the evidence.

TURN TO THE CLASSIFIEDS

It takes no Harvard degree to read the daily newspaper. But turn to the classified ads and measure what takes more space, the help wanted or situation wanted columns. In most cities and most cases, there are more jobs being offered than there are people asking for jobs. Talk to the employment agency people. They will tell you the same story. U.S. Employment Service offices, which handle but a small part of the Nation's job placement, listed 596,287 job openings in January. A year ago, there were roughly as many, or 586,755. And last June, at a time when the job market is flooded by students seeking summer employment, there were 726,753 positions going "a-begging."

These figures may seem pretty puny when compared with Bureau of Labor Statistics statements that there are close to 6 million people unemployed today. An unemployment beyond the normal drift of people from job-to-job is bad. But the Bureau of Labor Statistics figures don't reflect the true unemployment picture, and won't until new means are devised.

At the present time, anyone who says he is looking for a job is listed as unemployed. A housewife who would like to fatten up the family income but can find no work to suit her is listed as unemployed. The national figure, moreover, is based on a sampling of 33,000 families in a nation of 180 million.

But the flimsiness of Bureau of Labor Statistics figures is not the point. What is truly important to Americans is the paradoxical picture of job hunger in the midst of job plenty. And how does this come about? Very simply, the trade unions, which have a legitimate concern in the interests of their members, feel that whatever the beneficial impact of automation may be, the process must be halted if some members of a particular union are hurt.

WORKER SABOTAGE

It was the industrial revolution which made a liar of Karl Marx and introduced us to our present economic plenty. But at the time, the "Luddites" in England and their friends in France believed that the introduction of machinery was depriving them of jobs. So they attempted to destroy the machines. In France, the workers threw their shoes (sabots) into the works, from which we get the word "sabotage."

Today, to use but one example, certain unions refuse to permit the automation of our newspaper industry. As a result, a few men can hold onto their jobs temporarily. But one newspaper after another fails or must merge with a competitor because, under outdated methods, production costs exceed income. And when a newspaper fails, this means that printers, compositors, stereotypers, reporters, secretaries, and truck-drivers lose their jobs. You can apply this example to textiles, to steel, or to many other industries.

The solution is not to block progress. Improved production techniques not only create jobs but allow this country to compete in the world market—thereby bringing prosperity to this country.

The way to match up the unfilled jobs with the unemployed wage earners is dual. In some cases, the worker must be brought to the job. That is, if his particular skill is no longer needed in Massachusetts, then means must be created to help him get to Missouri or South Carolina or wherever his abilities are in short supply.

ROOM AT THE TOP

The second way to match the job to the man is in giving displaced workers the necessary skills to meet a changing technology. One of the facts that we have discovered in recent years is that the unskilled worker is needed less and less by American industry. Those unions which are made up of the so-called "blue collar" workers are steadily declining in membership, while the skilled and white collar workers today make up more than 50 percent of the labor force. This shift in employment patterns explains the rise in America's average wage. Under our system, there is more room at the top than at the bottom.

Therefore, if the United States is to have anything near full employment, there must be a systematic effort on the part of labor, management, and the Government to give the worker at the bottom of the ladder the skills which will make him necessary to industry. The unskilled worker is first fired and last hired.

But there must be flexibility. The man who says "I've been a cottonpicker—or you name it—all my life, and I'm not going to change now," is doomed to longer and longer periods of unemployment. The man who says, "There's no future here for me, so I'll learn the trade that is needed," will go far.

But any Government program which attempts to alleviate unemployment by creating make-work for the unskilled is merely pouring its money down a rathole. For once the make-work project has been completed, the unskilled worker is back where he started. If trained to new skills, he can find a place for himself in industry, thereby contributing to the Nation's economic good. At the same time, he ceases to be an unemployment statistic and becomes a man at work.

MORE JOBS A WORKERS' MIRAGE IF ACCOMPANIED BY INFLATION

WASHINGTON, MARCH 24.—At a time when our labor force was considerably smaller, President Truman was willing to accept as permanent an unemployed army of 4 million. This was and is a defeatist proposition.

It is important that this country achieve maximum employment, with jobs for all who are willing and able to work. Anything else wastes one of our major national resources.

But it is equally important that full employment not be accompanied by inflation. Rising prices rob those in the lower income brackets. If the paycheck buys less each year, the attainment of full employment becomes a hollow achievement. It is then simply a way of spreading poverty—or at least a lower standard of living—not a means of building prosperity.

Since the war, the Government has attempted to meet the unemployment problem by Government spending. But once committed to these programs of spending, the Government becomes an addict. As inflation increases, lowering the purchasing power of the dollar, the Government must spend more. As unemployment rises, the Government again is committed to greater expenditures. The two, combined, lead to a kind of vicious circle which puts the national economy in greater peril each year.

The labor unions, faced by the diminishing purchasing power of their members, call for higher wages which lead to higher prices which lead to a situation pricing American industry out of the world market which leads to greater unemployment which leads to more Government spending. This is a long sentence, but the point it makes is obvious.

FLOOR ON WAGES

Prof. Gottfried Haberler of Harvard has found three basic causes for inflation:

(1) Unions are able to maintain a floor on wages but have refused to impose a ceiling on pay increases. Caught in a wage-price squeeze, industry must inflate its prices or perish.

(2) Business lacks the muscle of organized labor and cannot meet it on equal terms in collective bargaining.

(3) Unions are not subject to antitrust regulations. Labor is a monopoly; business is not. Therefore, in any contest over wages, the unions are bound to win.

It is natural that unions wish to improve the positions of their members. This aim is established in the laws of the land. What is questionable, however, is action forcing large wage increases yearly or every other year—increases so large that they must result in inflationary price rises. The facts are that wages have been forced up at an average rate of 3 to 3½ percent a year while production has been rising about 2 percent. Prices have multiplied up to 1½ times due to this cause alone.

UPGRADING PRODUCTIVITY

A program of upgrading the productivity of the labor force, through increased skills and productivity, would have an anti-inflationary effect and benefit both management and labor. Real wages would rise as a result of superior performance, and this would keep costs down and maintain stable prices. The individual worker would be better off and the community would benefit from a price structure based on a reduction of unit-cost. The United States also would be in a more competitive position in world markets.

In Britain, wage settlements in excess of productivity, however attractive they may seem to those getting them, have been responsible for the general weakness of that nation's economy. Thus, the Economist—a highly respected center-to-left British publication—laments the "Collective bludgeoning" by unions, under which workers exact more money "before they have earned it," with the result that there is an inflationary weakening of Britain's economic position.

The Organization for European Economic Cooperation (OEEC) also agreed that Britain's current economic problems are due to this anti-productive wage-push. The OEEC found it significant that economic growth, which President Kennedy tells us is so important, was "less vigorous" in Britain and the United States in past years. It might have added that both countries have suffered from a serious loss of international confidence in the strength of their currencies.

Inflation is a fact of life in present-day America. Yet the unemployment which some economists tell us it will cure remains with the United States. In fact, it has become fashionable to speak of "hard core" unemployment. This hard core is in unskilled labor—or in labor whose skills are no longer needed. The coal miner is an example of this latter category. The answer is economic stability, an increase in productivity through new and advanced methods of work, and a systematic effort to train labor in new skills.

RETURN TO PICK AND SHOVEL?

The quality as well as the quantity of jobs must be reflected in our consideration in order to avoid some future day in which a man may be elected President by wildly proclaiming that he will abolish machinery and "create" all the new jobs needed by returning us to the pick and shovel economy in building roads and homes, to hand production in building automobiles. That is precisely the promise which, ultimately, our current clinging to the past in our employment considerations gives us.

Today, West Germany has one of the most modern industrial plants in the world. It employs the best and most modern techniques of automated production. Yet West Germany has so many jobs that it must import workers from neighboring countries. What has projected West Germany to the forefront of industrial nations has been the efficiency of its plant, the productivity of its labor force, and the resultant anti-inflationary forces it has released.

In contrast, the United States has attempted to turn back the economic clock to the point where even Dr. Walt Whitman Rostow, a leading spokesman of the New Frontier, concedes that much of our industrial plant is obsolete.

PRIVATE SECTOR, NOT GOVERNMENT, CREATES ECONOMIC GROWTH IN THE UNITED STATES

WASHINGTON, MARCH 25.—When most Americans talk privately about their jobs, the ones they have, want, or may have lost, they usually do it with native good sense. At the level of public debate, however, there are vested notions and emotions that make straight talk about America's jobs virtually impossible.

One of these notions is that public works, public spending are the only answer to unemployment. Forgotten is the fact that heavy public spending in the first 7 years of the Roosevelt administration hardly made a dent in the great depression or in unemployment. In 1933, there were some 12 million people out of work. Until the manpower needs of wartime production and the draft became felt, the unemployment figure fluctuated around 10 million. All the Public Works Administration (PWA) programs conceived by earnest New Dealers failed to solve the program.

Another notion, prevalent among the younger citizens of this country, is that only strong and highly centralized government can protect the people from something called a "market economy"—horrible sounding, but another way of describing the necessary and natural application of economic laws. Every year there are torrents of arguments that the greedy private sector—anything from General Motors to the man who owns the local candy store—is gobbling up our substance while the public sector—or government—goes begging. State and local governments, though presumably public, are somehow lumped in with the nasty private sector.

SOVIET PRODUCTIVITY STATIC

In these arguments we are offered "statistics" which show that whereas the Soviet Union is growing like a weed, the United States is withering on the vine. The facts, of course, show that productivity, one of the real measures of a nation's growth, has remained almost static in the Soviet Union since 1913; that where less than 10 percent of the American labor force produces a superabundance of food, it requires 50 percent of the labor force in the Soviet union to produce scarcity rations.

But it is simply not true that we have been starving the public sector in the United States. A glance at the facts shows just the contrary. For instance, social insurance grew almost 300 percent between 1950 and 1960, at a time when the gross national product (GNP) rose only 80 percent. Federal financing of research has grown from $1 billion to $7 billion in that period. Total education outlay jumped from $9 billion to $24 billion. We have, in fact, been building classrooms at a far greater rate than what President Kennedy has called for. Yet some still call for an ever-increasing centralism and the gradual starvation of the private sector.

But what does this mean? Vast centralism means, concretely, vast taxes to pay for Federal projects and undertakings, a slower rate of economic growth—since Government produces nothing—as resources are diverted into the bureaucracy, and delay in attending to many of our national problems.

OBSOLESCENT PLANT

Outstanding among the last named, of course, is that of coming to grips with effective ways of upgrading our work force, to the end that technological progress is not slowed because we have insufficient workers. Another outstanding result of vast centralism is the growing inability of an obsolescent American industrial plant to compete for world markets, thereby aggravating the unemployment problem. This competition, rather than modernization and automation, is what puts American wage earners out of work.

The United States cannot avoid a fairly large Federal Government operation. The military threat of communism and our complex relations to our allies necessitate a substantial Federal establishment. But the piling of questionable spending programs on top of these really vital ones can only cause a great and perhaps dangerous dilution of national energies.

Recognition of this has even produced the irony of lectures by European officials on the need for Washington to put its fiscal house in order. At a recent meeting of the International Monetary Fund, the French warned the easy-spending nations on the need for a "sound policy to ward off the recurrence of inflationary pressure." And the Germans emphasized the well-known principle that a workable international monetary order required "monetary discipline at home."

FOREIGN GOLD HOLDINGS

These nations had more than a mere academic interest in the economic health of the United States. They hold dollar balances in large quantities as part of their monetary reserves, and so have an enormous interest in measures to help protect the dollar. And they are aware that U.S. prodigality has brought about an imbalance of payments for us, drained away our gold reserve, and we have arrived at a point where our hoard at Fort Knox does not cover the claims of foreign nations.

There have been many attempts to sweep the balance-of-payments problem under the carpet. But it ties in directly to the question of heavy Federal spending, of high budgetary deficits, of the national economic health and of employment.

None of these questions can be solved by increasing the Federal budget. Government spending—the discredited pump priming of the depression years—does not equip a single man with the skills required to take one of the many new jobs created by our advancing technology, by automation. It can buy time, at an exorbitant price, but only individual training or retraining can buy any real guarantee of real work and real income.

JOB CLEARINGHOUSE, TAX PRODS WOULD PUSH EMPLOYMENT UPWARD

WASHINGTON, MARCH 26.—Our dynamic economy has created a demand for so many skills of so many new and different sorts that today we have, in amazing fact, developed large labor shortages. In short, our economy is not sluggish but is suffering from growing pains and will continue to do so until a farsighted economic policy in and out of the Government prevails.

The *skill* requirements of our economy are snowballing. The Department of Labor recently estimated that about 5,000 new job titles will be added to its dictionary of occupational titles in the decade of the sixties. During the same period some 8 percent to 10 percent of current job titles will become obsolete. Since technological growth creates a demand for more jobs than it makes obsolete, our basic task as a Nation is to find ways and means to meet new demands.

The cost, surprisingly, is bound to be relatively low and in a sense self-liquidating. Work at higher skills pays more, which enlarges the tax base. Also success in this endeavor will reduce the incentive to featherbedding, which fear of technological unemployment frequently generates. The resulting greater productivity will also serve to expand the tax base. Billions now spent in all manner of Government programs to conceal unemployment in the fog of inflation could be saved and Federal taxes accordingly cut to the bone.

Government is not a copartner of the people. It is their servant, and Government jobs should be created only insofar as the private sector calls for them. The concept of the State as an entity with its own volition cannot exist in a free society.

PROGRAM OUTLINED

What must be done by Government to aid in the task of finding people for the unfilled jobs today?

(1) Urgently necessary are answers based on an analytical, nationwide study of the skills of the future, emerging skills of the present and obsolescent skills of the past. Such answers are needed so that we do not retrain men, as indeed today we are doing, in skills which are outmoded or unnecesary.

(2) To this end, there should be established a national clearinghouse for the classification of these skills and their needs on a geographical basis.

(3) Information gathered by the clearinghouse should be classified as to levels of remuneration by skill categories, length of retraining periods, and other relevant data.

(4) This information should be used by the Armed Forces, especially in connection with their vocation guidance.

(5) The clearinghouse information should be made available to educational bodies. This would instruct those in charge of our education with the new technological needs.

(6) We should pay relatively less attention to old-fashioned narrow training and place more emphasis in the schools on fundamental subjects. For it is the basic subjects which provide the future working population with a strong springboard to sound skill in youth, plus occupational flexibility after they have entered the labor force. Vocational schools, moreover, should not be allowed to continue as the dumping ground for students with discipline problems.

TAX REVISION

On the Federal level, these steps should be taken to accelerate the process of job escalation which will make employed workers of the unemployed:

(1) A change is needed in the tax laws. At present our tax laws actually impede the retraining process which is so necessary. Cost of improving one's present skill is deductible even if it's obsolete. Cost of learning a new skill is not deductible.

(2) The tax laws penalize a man who can get a lucrative but temporary job at some distance from his home. The law says that his "legal residence" is where he works, not where he lives. To take the good temporary job, he must relocate his family or take a tax loss. And it should be recalled that 70 percent of all Americans own their own homes.

(3) Unemployment insurance, as presently administered, impedes retraining. If a man loses his job, he can draw unemployment benefits so long as he does nothing to make himself eligible for another and better job. That is to say, if his job is "obsolesced out" and he tries to go to school to learn another skill, he is dropped from the unemployment insurance rolls. The system, moreover, penalizes companies which seek to retrain workers they have been forced to lay off.

(4) In our rapidly growing economy, machinery becomes obsolete before it wears out. Our tax laws, however, are geared to the old concept of wear, not of obsolescence. As a result, the lag in depreciation allowances is now estimated to be some $4 to $6 billion behind replacement needs. And slow replacement has an adverse effect on the creation of new jobs as well as the upgrading of old ones.

With faith in ourselves, and perseverance in job escalation without federalization, we can succeed in attaining a future of full employment. We can do so while strengthening our freedom, not through decisions which trickle down from an apex of authority in Washington, but from actions originating in the broad base of the pyramid of America's economic and political strength—a free people.

GEORGE E. BARCLAY

Mr. EDMONDSON. Mr. President, on April 23, 1963, Mr. George E. Barclay, regional supervisor of the Branch of Wildlife Refuges, will retire after more than 30 years service. Mr. Barclay has been regional supervisor for the area, which includes Oklahoma since 1939. During this time, he played a major role in the development of all wildlife refuges in our region. In particular, his role in the development of Oklahoma's Washita National Wildlife Refuge, Tishomingo Refuge, and our Great Salt Plains Refuge will always be remembered and appreciated by Oklahomans.

George Barclay located and made original recommendations that the Washita Wildlife Refuge be established in western Oklahoma. Under his direction, a master plan of development and management was recently completed.

Mr. Barclay's interest and hard work eventually led to a cooperative agreement with the Oklahoma Department of Wildlife Conservation for the development and management of Oklahoma's Tishomingo Refuge near Lake Texoma. This area has become one of the Southwest's most popular recreational areas with hunting, fishing, boating, and many other attractive features—not the least of which is Lake Texoma lodge.

Finally, George Barclay guided development of our Great Salt Plains Refuge near Enid, Okla. This area is known as one of the finest places in Oklahoma for waterfowl hunting. Much of the area's reputation can be attributed to the hard work which Mr. Barclay did to improve and enlarge this refuge.

In addition to these other projects, Mr. Barclay has guided the Wichita Mountains Wildlife Refuge near Lawton, Okla., to a position of national prominence.

On behalf of myself and other Oklahomans, I would like to publicly thank George Barclay for his many years of service and wish him a most enjoyable retirement—well deserved.

SENATE YOUTH PROGRAM

Mr. PELL. Mr. President, the 102 young men and women from high schools in our 50 States and the District of Columbia have now been back in their classes for some time after their participation in the first Senate youth program.

Theirs was a unique and rewarding experience, inasmuch as it brought these young people, two from each State and the District of Columbia, into a close association, with the U.S. Senate, specifically, and with the Federal Government generally for the period of a week.

I can say without qualifications, based on my own experience with the study group, shared with some of my colleagues of the advisory committee and with Senator JOHN SHERMAN COOPER as cochairman, that the project gave these future voters and participants in politics and Government a rewarding insight into the difficult, challenging, and always interesting operation of our Government as it involves us here in the Senate.

As one who has had many young people from Rhode Island as interns in his own office, a figure rapidly approaching 100, I feel we should do all we can for those of a younger age who will someday succeed us in the responsibilities and privilege of governing.

I am happy to have had a part in this most worthwhile endeavor. Many contributed their time, talent, and efforts. We are very grateful to them.

A tribute in this regard belongs to the William Randolph Hearst Foundation, which initiated this program; to Senators and their staffs, to the various branches of the executive department, to the American Political Science Association, and to the directors and superintendents of education in the various States.

OPPORTUNITIES FOR ALL

Mr. DODD. Mr. President, a few weeks ago our distinguished senior col-

league from Oregon, Senator MORSE, delivered the annual Frank Jacoby lecture at the University of Bridgeport in Bridgeport, Conn.

The purpose of this annual lecture is "to further the brotherhood of man and the equality of man regardless of race, color, or creed."

Senator MORSE's address was a notable contribution to the achievement of that purpose. His theme was the denial of adequate employment opportunities to the American Negro. In clear and concise terms, he gave an unforgettable outline of the size and shape of the discrimination picture. It was a real honor, and I may say a treat, for the people of Bridgeport to have the opportunity to hear Senator MORSE, and because his address was so memorable, I ask unanimous consent that it be printed in the RECORD.

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

OPPORTUNITIES FOR ALL

(Address of Senator WAYNE MORSE, annual Frank Jacoby lecture, University of Bridgeport, Bridgeport, Conn., Mar. 27, 1963)

It was with a great deal of pleasure that your kind invitation to be here today was accepted, for it is indeed an honor to be included in the illustrious group of speakers who have appeared here in the past as Frank Jacoby lecturers.

And the pleasure was enhanced when I noticed that my friend and next door neighbor in the Senate Office Building, Senator GOLDWATER, was last year's speaker. Our office space is a good deal closer than we generally are politically. But now it can be said that I, as a liberal, am 1 year behind the Senate's most noted conservative.

Though the two of us often differ politically, we do believe in the "brotherhood of man."

Yet to believe is not enough. And Frank Jacoby recognized that when he established this lecture. He stated that the purpose of the lecture was "to further the brotherhood of man and the equality of man regardless of race, color, or creed."

The belief in the brotherhood of man is not a once-a-year affirmation. To believe it we must practice it, each and every day.

Today, I would like to address myself to some of the efforts being made to further the brotherhood of man, and their relationship to the economic problems that beset our country.

Since 1954 our Nation has heard much of civil rights. It hardly seems possible that nearly 9 years have passed since the Supreme Court declared that separate but equal schools were inherently unconstitutional. Since that time our Nation has been torn over Little Rock, New Orleans, and Oxford, Miss.

When viewed over the past 10 years, great strides have been made in civil rights for colored Americans. But, when placed in the perspective of the opportunities and rights which are enjoyed by others and which we believe are the inheritance of everyone, it would seem that we have hardly moved at all.

In just the past few months a number of events have occurred that should give us all hope. While the U.S. Senate was filibustering over the use of the filibuster—a device used to kill civil rights legislation—the South demonstrated that in some places it was ahead of the Senate.

For in South Carolina, a Negro was admitted peaceably to Clemson College; in Mississippi, James Meridith returned to classes; in North Carolina, Governor Terry Sanford announced that the States had a responsibility to provide jobs—good jobs—for Negroes.

It is this last incident—Governor Sanford's announcement—that is of particular interest to me. It deserves to be of interest to all Americans not only because of the injustice that is done the colored citizen, but the high price the white community pays itself for this discrimination. The United States today faces a great challenge in trying to rejuvenate our economy. The domestic program of the administration now pending in the Congress is designed primarily to stimulate our economic growth from its present sluggish pace and its high rate of chronic unemployment.

In the last Congress, we adopted the Manpower Retraining Act, with programs of reeducating the unemployed in skills that are needed in today's labor market.

In this Congress, we are being asked to adopt a substantial tax cut, a measure I wholly endorse to attack the same problem on a much bigger scale. Our Senate Labor Committee is in the process of reporting out a Youth Conservation Corps bill, having for its purpose the provision of useful and needed conservation work for the jobless youths.

Testimony in support of the bill brought out that among teenage male jobseekers, about 10 percent of the whites are unable to find work, but 21 percent of the colored boys are unable to find work.

This whole vicious circle of school dropouts and lack of opportunity for them in the labor market is bad enough among our white population, but the added element of discrimination makes it twice as bad among our colored population.

From my own observation of this problem in the District of Columbia—and I am a member of the Senate District Committee—I know that thousands of Negro youth who are prevailed upon to finish high school and learn a trade are then thrown into a social situation that simply denies them the chance to work at that trade. Such a youth may find work only as a janitor, a busboy, or laborer, or he may not bother to work at all. And many others are discouraged from learning a trade at all, much less a profession.

Of the total labor force, only 1 in 10 is colored; yet 1 of 5 unemployed is colored. Of the chronically unemployed—that is over a long period of time—one in four is colored.

When the economic belt is tightened, as comedian Dick Gregory likes to say, the Negro is the first notch. The Negro in America—along with some other minority groups—is the lowest man on the economic totem pole of our Nation.

Because he does not have economic security, he is least able to survive an economic setback. Thus, an illness, however slight, can wipe out what small savings that do exist. A brief job layoff, for seasonal adjustments or plant conversion, can mean the relief lines again.

Being economically vulnerable has other disadvantages, too. And most of these disadvantages are far more serious.

For instance, many of you undoubtedly read of the action taken in LeFlore County, Miss. There, when it became apparent that a civil rights group might manage to register the remaining 99 percent of the county's Negroes who were not registered to vote, the county in retaliation cut off its distribution of surplus food which benefited mainly the Negroes. The reason given officially by the county was a lack of funds for distribution.

The effect of this action was important, for without the surplus food, the 37,000 Negroes could not survive, for their average income in LeFlore County was a little better than $300 per year.

By denying the surplus food provided for free by the Federal Government, the Negroes were faced with two choices: one was to vote and starve; the other was to maintain the status quo—no vote but at least the stomachs were partly filled.

To the observer of the American scene, it appears that the Negro has made great economic advances since the end of the Second World War. In absolute terms this is true, for the Negroes are now receiving higher wages under better working conditions at a greater variety of jobs than ever before.

The Second World War taught the Negro skills he would never have learned in his segregated school. For many, it was the only chance they would ever have to learn trades denied to their race in peacetime conditions.

After the war, the GI bill of rights increased the educational level of the Negro, it eased his entrance into the professions, and it trained his future leaders.

All of these advances are notable when compared to the previous decade, but relative to the economic progress of our Nation as a whole, the Negro's advance is not comparable to that the rest of us have enjoyed.

In Atlanta, Ga., while per capita income for white citizens was going up 44 percent, it was rising only 25 percent for colored people during the same period. In our Nation as a whole, the median income of the Negro is today nearly $2,000 less per year than that earned by the white. The sad fact is that the Negro worker earns only 65 percent of the income earned by the white worker.

Job discrimination in industry is the biggest impediment to the economic advancement of the Negro. Today the Negro can find work in government and in the professions. But American industry has not responded as well. The practices of both unions and management have been such that there are more Negroes in the United States today with doctorate degrees than there are Negro plumbers or electricians.

In Washington, D.C., last Friday the Secretary of Labor announced that he would seek an injunction if the contractors and unions constructing a gymnasium at Negro Howard University did not cease their discrimination and hire Negro workers.

It is not incredible that a Negro cannot even find employment in the construction of a building at a university that was and is dedicated to his education.

But all the blame does not lie with the unions. For if the labor movement has been reluctant to end discrimination, management has certainly not been eager.

There can be no doubt that many of our national corporations engage in token employment of colored workers in order to satisfy the rules against discrimination in defense industries, just as many school districts resort to token integration to satisfy the constitutional requirement of equal treatment.

As I have indicated, with little opportunity for advancement, the rate of dropout from high schools is twice as high for Negroes as for whites. We cannot afford to continue this waste of talent merely because of the color of skin involved.

Among Negroes over the age of 25, the average number of years of education is less than eight. Think of that. Less than an elementary education. Of course, in recent years this figure has improved remarkably so that the age group between 25 and 29 averages around 11 years of education.

One-fourth of the Negro dropouts remain unemployed until they reach the age of 25 or over, when the rate drops to slightly better than one-fifth.

The entire Nation pays for this situation in lost production, in welfare, and institutional costs. I have stressed that because race discrimination is one of the key factors in the education, the unemployment, and

the slow growth rate problems—yes, even the tax cut—to which so much of our legislative program is addressed. It is far from the only factor; but it is certainly one of them.

As a nation we have failed to make this land the land of economic opportunity for all. As long as we continue to fail, we will remain a Nation fighting the cancer that results from discrimination, rather than enjoying the blessings of brotherhood.

Over one-tenth of our Nation is nonwhite. For this group the American dream is all too frequently just a dream, never to be a reality.

The right to vote on an empty stomach is not a right at all; the right to attend school and to learn to read with no economic future is not a right; the right to equal treatment at libraries, swimming pools and lunch counters is no right at all without the right to earn a decent living.

The right to economic opportunity overshadows in importance almost all other rights, yet in the past few years our attention as a nation has been directed to the more dramatic struggles in civil rights, such as voter registration, school integration, freedom rides, and apartment dwellings.

But when the United States operates in the world arena, it does not subordinate economic freedom to such an insignificant role. Time and time again we hear our leaders in foreign affairs emphasize the need for establishing economic freedom among the nations of the world.

Our foreign policy experts maintain that once an underdeveloped nation has a sound economic base upon which it can develop, there will be little or no need for concern as to that nation's political future. A sound economy, they claim, almost guarantees a sound political future.

And I think they are right. But the same argument should be applied to the economic rights of minorities within our country. But it is not done.

The hope that our country held out to the millions in the past was a hope that could, with work, dedication, and more work, be realized. Over the years our Nation has welcomed wave after wave of immigrants—and as the years progressed they or their descendants have found their hopes fulfilled.

But within our midst is a group which for 100 years has sought in vain for the opportunity to hope. And that hope has yet to arrive—and is even farther from being fulfilled. The only reason the arrival of that hope has been delayed is the accident of color which is the most conspicuous difference any minority group can have.

Yet all the Negro has asked for over the years is the right to have the same opportunity, the same chance, the right to receive the same treatment.

But for the past 100 years we have continued to ignore the Negro while welcoming to our midst new arrivals from other lands. The failures must cease. We must immediately undertake the task of making the Negro an equal partner by providing him with the skills he needs, with the opportunity he seeks.

The movement toward Freedom Rides, sit-ins, and all their various manifestations, was to be expected. We should expect it to continue, and to expand. This element of the American population is expressing an overdue determination to enjoy its natural rights. Certainly, equal opportunity will grow in all areas as specific discriminations are overcome.

And I think this will be healthy for the Nation, and for the economy. The dire predictions, for example, that an executive order against restrictions in certain federally financed housing would depress the construction industry are not being borne out. The home construction business appears headed for another prosperous year.

Frank Jacoby was an admirable man. Having had his American dream come true, he knew that others must have the opportunities he did, if our country was to fulfill its dream. He also knew that city and State and Nation are built by the exercise of opportunities.

Because we are our brother's keepers—an article of faith I do not question—we must see that all of us enjoy that dream of opportunity.

THE EDUCATIONAL AND CULTURAL EXCHANGE PROGRAM

Mr. FULBRIGHT. Mr. President, I wish to draw the attention of my colleagues and of the public generally to what I consider a remarkably interesting and significant document. I refer to the report to Congress by the U.S. Advisory Commission on International Educational and Cultural Affairs, of the Department of State, entitled "The Effectiveness of the Educational and Cultural Exchange Program."

This report, the first submitted by the newly reconstituted U.S. Advisory Commission, set up under Public Law 87–256 of September 1961, was called for under that same legislation, informally designated as the Fulbright-Hays Act. The Commission was directed to make "a special study of the effectiveness of past programs with emphasis on the activities of a reasonably representative cross section of past recipients of aid." The idea and the language, which were gladly accepted during Senate debate, were suggested by the senior Senator from Ohio, and might well be termed the "Lausche amendment." Here I want to pay tribute to my colleague on the Foreign Relations Committee for his foresightedness; he wrought better than we knew at the time. I say this because, although there have been many and varied reports on the exchange programs in the past, the present one appears unique in its scope, thoroughness, and significance.

The fact is that the report is a ringing endorsement of not only the concept of the exchange program, but also of its implementation and results. Indeed, as stated in the report:

> The Commission was frankly surprised, though gratified, at the wealth, variety, and convincing character of the evidence supporting the conclusion that the program is effective.

I might stress here the distinguished composition of the group which conducted the study. Members of the Commission are appointed by the President on a nonpartisan basis, as directed by Public Law 87–256, and it is clear that we can have the utmost confidence in their ability and fairmindedness.

Mr. President, at this point I ask unanimous consent for insertion in the RECORD of a listing of the Commission members.

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

MEMBERS OF THE UNITED STATES ADVISORY COMMISSION ON INTERNATIONAL EDUCATIONAL AND CULTURAL AFFAIRS

Walter Adams, professor of economics, Michigan State University.

James R. Fleming, publisher, Fort Wayne Journal-Gazette.

Luther H. Foster, president, Tuskegee Institute.

Rev. Theodore M. Hesburgh, president, University of Notre Dame.

Walter Johnson, professor of history, University of Chicago.

Franklin D. Murphy, chancellor, University of California at Los Angeles.

Mabel M. Smythe, principal, New Lincoln High School, New York, N.Y.

Roy E. Larsen (vice chairman), chairman, executive committee, Time, Inc.

John W. Gardner (chairman), president, Carnegie Corp. of New York.

Mr. FULBRIGHT. Mr. President, I prefer to have the report speak for itself, and shall ask to have a summary of it placed in the RECORD following my remarks. The report in its entirety is being printed as a House document and will be available to all those interested. However, there are a few matters to which I would like to give particular emphasis.

First, as I and others have often done in the past, the Commission stresses the fact that many of the effects of educational and cultural exchange programs are intangible; insofar as some of these can be measured, their full implications can only be seen over a long period of years. Surely one may expect quite a time to elapse before some struggling and perhaps wild-eyed student turns into a cabinet minister sympathetic to our view of the world. In order to allow for the limitations of existing instruments of research, the Commission deliberately sought to use the widest possible variety of techniques of inquiry.

Second, the report concentrates on the actual exchanges conducted by the State Department and the U.S. Information Agency. Within this frame of reference, the basic concern was to discover the overall impact on the foreign student of his experience in the United States. In other words, the Commission could not and did not undertake the virtually impossible task of assessing the multitude of Government and private programs which generally are lumped together under the heading of educational and cultural exchange. At the same time, I believe the report amply covers the most meaningful and interesting element in such programs.

In the third place, in describing the Government program, the Commission quite rightly stresses the great contribution to it made by private individuals and organizations in this country, not to mention the binational centers abroad. It is this extensive participation by the public which gives rise to the report's statement that the program is "in a sense conducted by the American people themselves." It has notably created a very broad base of public enthusiasm and support.

Fourthly, I would point out that the Commission—quite properly, in my view—did not content itself with an assessment of the strengths and weaknesses of the program, but also made numerous recommendations for future improvements. I hope my colleagues will give particular attention to those suggestions.

Finally, I believe the concluding paragraph of the résumé of the report is one which should be quoted in full and given the widest possible circulation. It reads as follows:

In sum, the American people can feel pride and deep satisfaction that, although some improvements are yet to be made, the program has proved so effective to their purposes, and has established itself as a basic ingredient of the foreign relations of the United States. There is no other international activity of our Government that enjoys so much spontaneous public approval, elicits such extensive citizen participation, and yields such impressive evidences of success. In a time when most international activities seem almost unbearably complex, hazardous and obscure in outcome, the success of educational exchange is a beacon of hope.

Mr. President, I ask unanimous consent to have printed in the RECORD at this point the summary of the report by the U.S. Advisory Commission on International Educational and Cultural Affairs.

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

SUMMARY

The U.S. educational and cultural exchange program has become a basic aspect of this country's relations with almost every part of the world. It is a program conceived and in a sense conducted by the American people themselves as a direct personal expression of their good will and good intent toward the people of other nations. As such, it embodies what all of us as Americans feel are the common human interests which we share with people all over the globe, including our passionate belief in education and in the freedom of intellectual inquiry, and our mutual hopes of peace.

The U.S. Advisory Commission on International Educational and Cultural Affairs was asked by Congress to appraise the effectiveness of this program with special reference to foreign students, leaders, teachers, and others who have come to the United States on State Department grants.

After conducting what we believe is the most broadly based survey yet made of the program both overseas and in the United States, we present the following conclusions:

1. Testimony is overwhelming from all sources that the program as a whole is effective. The Commission was frankly surprised, though gratified, at the wealth, variety, and convincing character of the evidence.

Out of 53,000 foreign grantees brought to the United States since 1949, there were perhaps unavoidably some cases of poor selection, of bad programing and placement. There were a few grantees who left with—possibly came with—negative, even hostile attitudes, or who for various reasons were unable to benefit from their experience here. But these instances, we find, are the fractional minority; the balance of evidence is overwhelmingly on the side of success. The evidence is also conclusive that the program has proved itself an essential and valuable part of America's total international effort. The basic concept of the program, its potential in accomplishing a wide variety of essential and desirable ends was overwhelmingly endorsed.

2. There is impressive testimony that the exchange program increases mutual understanding. The great majority of all types of persons queried, from American ambassadors to foreign and U.S. university heads, cite increased understanding of America and Americans as one of the most outstanding results of the program, and better understanding between the United States and other nations as one of its chief and clearly demonstrated values. Returned grantees name increased understanding of Americans as one of the most important results of their stay in the United States.

3. Evidence is abundant that the exchange program has succeeded in helping dispel among foreign visitors many misconceptions and ugly stereotypes about the American people. Experience in this country, even for visitors on a short study tour, is remarkably effective in communicating a favorable impression of the American character and customs broadly conceived. Particularly singled out for comment by grantees were the vitality of American thought, the American sense of drive and organization, and a group of warm, personal qualities differing notably from the stereotyped qualities which grantees apparently had expected to find.

4. The exchange program does not bring about a uniformly favorable point of view on all aspects of the American scene; the reaction of former grantees varies considerably with the country from which they have come, and with the particular aspect inquired about. In general, grantees from European countries were most critical; those from Latin America the most laudatory. For example, only 11 percent of grantees from Britain as compared with 86 percent from Argentina and Guatemala commended the economic system of the United States. Only 10 percent from Sweden, as compared to 72 percent from Colombia reported favorable opinions of the U.S. political system. Among all aspects of American life, America's scientific development received the highest commendation from former grantees as a whole; American race relations the lowest.

5. The program has been outstandingly successful in providing a valuable educational experience to foreign grantees. Although their average visit to the United States lasted less than a year, a high proportion of returned grantees report that they have benefited substantially from their experience in the United States—most notably in increased knowledge in their professional field and in the visit's favorable influence on their work and career. Only 2 percent found this influence other than favorable. Three-fourths of the grantees say their stay in the United States increased their confidence in their work; and half or more say it had a good effect on their professional title and standing.

6. The evidence is significant, though somewhat less conclusive, that the grantee's U.S. visit has also benefited his home country, by enabling him to transmit to it valuable news ideas, skills, knowledge, and attitudes. Nearly three-fourths of the returned grantees report that they have proposed or put into practice an idea which was based on what they learned in the United States and designated to benefit their profession, their own organization and their community at large.

7. The program has effectively established channels of communication between the people in other countries and the United States. Broader perspectives, a wider international outlook were repeatedly cited as important results of the program both by grantees and by prominent persons abroad and in the United States who are familiar with it. Furthermore, well over two-thirds of all returned grantees occupy positions in which they can readily communicate their broadened perspectives—whether as teachers, journalists or top level administrators. The great majority of all former grantees both in the United States and abroad keep up significant contacts with friends and professional colleagues discovered during exchange visits.

8. In increasing mutual understanding, in demonstrating American character and achievements, in furthering the grantee's own development and career and the strengthening of his country, the exchange program has effectively supported one of the Nation's most basic international objectives—of helping support strong, free societies able to work together, in mutual trust and understanding, on the grave issues of our time.

Thus the program as a whole has been found effective. The Commission feels, however, that it can be made even more effective if the following improvements are introduced:

THE FOREIGN AND AMERICAN GRANTEE

1. Too often foreign students, whether chosen by governmental or private exchange programs, are drawn from favored social and economic status groups, particularly in the underdeveloped countries where public education is not yet widespread. We recommend that the exchange program make a concerted effort to seek out and select more "have nots" with particular promise and talent, so that, in keeping with this country's traditions, an American exchange experience never becomes a privilege restricted to the elite. Where necessary to avoid accentuating a bias toward upper-income groups, we recommend that the English language proficiency requirement for U.S. study be relaxed, provided that intensive English language training is given prior to the student's taking up studies in the United States.

2. Similarly, in keeping with American traditions, the United States must clearly identify itself with the forces of constructive change and progress in the developing countries. We recommend that the exchange program make a particular effort to seek out and select those candidates abroad who are sufficiently vigorous and restless to help promote desirable social and economic change. This may mean in some countries choosing more rising young adults, including some who are locally considered radical, left-wing, or politically dissident. They must be given the opportunity to learn that there is a democratic road to reform.

3. To assure better quality foreign students for private exchange programs, we recommend that more field selection centers be set up on a regional basis overseas, under private sponsorship, to assist U.S. universities and private agencies in choosing properly qualified students; and to help the students select the university or college best suited to their needs.

4. To assure better placement and programing of foreign students and visitors in the United States, we make two major comments: (a) The private agencies which, under contract to the Department of State, handle programing and placement of foreign students and visitors, have made an immensely important contribution to educational exchange. However, we recommend that a special study be made of these private contract agencies to determine their present effectiveness and examine how they might more fully adapt themselves to the enormous growth in exchange in recent years; (b) Personal visits with American families are considered by foreign visitors one of the most significant and memorable parts of the U.S. experience. Returned grantees, especially from the developing countries, repeatedly express the need for more personal contacts and visits with Americans in a U.S. trip. We recommend that all programs for all foreign visitors provide more time and arrangements for meeting a wide cross section of American families.

5. There is pervasive testimony that, with many outstanding exceptions, the quality of American professors and lecturers selected for oversea grants is not as high as it should be. We recommend two remedies: (a) a substantial increase in the very low salaries now offered to professors and lecturers, even if this means sharply reducing the number

of grantees, as well as an allowance for travel for the grantees' dependents; (b) increased use of direct recruitment of qualified candidates. Oversea requests for American professors and lecturers should not be filled if first-rate persons are not available.

POLICY AND ADMINISTRATION

6. Not enough attention has been paid to the role, quality, and status of the Cultural Affairs Officer who carries out the educational exchange program overseas. A special study should be made of this Cultural Affairs Officer, and the bearing that the administration of the educational and cultural program abroad by USIA may have on his work and career.

7. Fiscal starvation was frequently cited as a recurrent weakness of the program, which undermines its effectiveness. Testimony is almost universal that the program as a whole has been underfinanced. A special study should be made of the problems created for the program and the limitations placed upon it by the heavy reliance on foreign currencies. Further, two financial problems demand immediate remedy: (a) Funds should be provided at once for dependents' travel in order to secure better caliber American professors and lecturers for oversea grants, and (b) the present ludicrously low official hospitality allowances available to the State Department should be increased so that at least a minimum of official hospitality and courtesies may be extended to foreign visitors.

8. Better coordination among the various Government agencies involved in exchange of persons continues to be the highest priority objective for improvement of the program. The Assistant Secretary of State for Educational and Cultural Affairs has initiated important steps to coordinate the many diverse programs; but much remains to be done. The Assistant Secretary should continue actively to secure further coordination of these programs not only in Washington but at U.S. embassies abroad.

9. The character of the exchange program in any given country must be determined by the needs and character of that country, and not by a formula applied indiscriminately to a group of countries. One country may require special emphasis on teachers, another on leaders, etc. Thus, country-by-country planning is essential, both in Washington and the field. At U.S. embassies abroad, we urge our Ambassadors to give the strong leadership that is essential to a well planned and coordinated country program.

10. In the developing countries, the exchange program should, where possible and in keeping with the character of the program, directly concern itself with the strengthening of their educational and social institutions—helping to produce attitudes and leadership making for progress, and to build up local universities and educational agencies. Third-country training and exchange should be used much more fully by both Government and private agencies which are able to do so.

11. The new enthusiasm for work with developing nations should not lead to neglect or downgrading of the educational and cultural programs with Europe. The vitality of the new Europe, the crucial importance of our allies, and Europe's continuing close cultural ties with the developing nations all underscore the need for continued effort in that area.

12. Coordination of the approach and procedures of the various Government agencies vis-a-vis the universities is urgently needed on the problems of educational exchange and development. The Assistant Secretary of State for Educational and Cultural Affairs should continue to take all feasible steps to assure such coordination, and also to bring the universities more closely into the planning phase of oversea educational programs. Further, to relieve the financial pressure upon universities which receive foreign students and which are now called upon for considerable unreimbursed financial outlay, the Commission endorses the proposal that "cost of education" grants be paid to them for all Government-sponsored foreign students.

In sum, the American people can feel pride and deep satisfaction that, although some improvements are yet to be made, the program has proved so effective to their purposes, and has established itself as a basic ingredient of the foreign relations of the United States. There is no other international activity of our Government that enjoys so much spontaneous public approval, elicits such extensive citizen participation, and yields such impressive evidences of success. In a time when most international activities seem almost unbearably complex, hazardous and obscure in outcome, the success of educational exchange is a beacon of hope.

SUCCESSFUL PRIVATE FORESTRY

Mr. MORSE. Mr. President, I ask unanimous consent to have two resolutions passed at the recent Oregon Logging Conference in Eugene, Oreg., printed at this point in the RECORD.

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

RESOLUTION NO. 6: TAXATION

The Oregon Logging Conference for a quarter of a century has supported every public policy which aids in the development of a permanent timber supply. Among these was the enactment by Congress of the Bailey amendment of 1944 which recognized that to be successful, private forestry must have capital for investment over the long periods necessary to produce a mature timber crop. Since then more progress has occurred in forestry in Oregon and the Nation than in all our previous history. The present administration now proposes to sever this strong right arm of American forestry. The Oregon Logging Conference therefore calls on the Oregon congressional delegation to resist this ill-advised effort to destroy private forestry by opposing it vigorously.

ROBERT CROSS,
Secretary-Manager.

RESOLUTION NO. 9: WILDERNESS LEGISLATION

Whereas the House Committee on Interior and Insular Affairs has last year, after long and comprehensive studies, developed a substitute wilderness bill which offers the best hope yet of providing congressional protection for a substantial acreage of carefully selected roadless wilderness; and which does not at the same time unduly restrict usage of natural resources vital to the developing public land States of the West; and which establishes for the first time uniform procedures for all public land withdrawals; and

Whereas the provisions of this legislative proposal have been maligned and misinterpreted in order to discredit the possibility that any new and different legislative approach to wilderness protection could be desirable and in the public interest: Therefore

The Oregon Logging Conference respectfully urges each and every Member of Congress to familiarize himself personally with the actual provisions of the House Interior Committee amendment to H.R. 776 (Committee Print No. 25) in 1962 and to evaluate the worth of the proposal on its intrinsic merits rather than on the emotional appeals of special-interest groups who do not want it to be considered at all; to recognize that that pure wilderness which will endure longest is that which is most carefully selected and does not project unnecessarily into the mainstream of advancing civilization with its growing demands for other benefits from the land.

The Oregon Logging Conference urges the Oregon congressional delegation to appear before the Senate Interior Committee on February 28 and oppose S. 4 as inimical to the economy of Oregon and support a wilderness bill containing the provisions similar to those recommended by House Interior Committee in 1962.

Very truly yours,

ROBERT CROSS,
Secretary-Manager.

ELECTRICAL INTERTIE BETWEEN PACIFIC NORTHWEST AND PACIFIC SOUTHWEST—RESOLUTIONS

Mr. MORSE. Mr. President, I ask unanimous consent to have printed at this point in the RECORD four resolutions I have received in support of legislation to take the first steps necessary for an electrical intertie between the Pacific Northwest and the Pacific Southwest. One is from the Central Electric Cooperative of Redmond, Oreg.; one from the Umatilla Electric Cooperative Association of Hermiston, Oreg.; one from the Hood River County Pomona Grange No. 8; and another from the Bandon Common Council, City of Bandon, Oreg.

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

CERTIFICATE

I, Leonard Aldrich, secretary of Umatilla Electric Cooperative Association of Hermiston, Oreg., do hereby certify that the following is a true and correct excerpt from the minutes of a meeting of the board of directors of said corporation, duly called and held on February 13, 1963, at which a quorum was present and voting and that said resolution was duly made and has not been amended, altered, or repealed:

RESOLUTION

Whereas there is a bill known as H.R. 994 that has been introduced in the House of Representatives in Congress for the purpose of preserving preference rights to power generated from Federal hydroelectric projects in the Northwest; and

Whereas there is also under consideration the construction of a high-voltage tieline over which power may be transmitted from the Northwest to the Southwest and possibly other areas; and

Whereas it is necessary that the agencies now receiving power from Federal hydroelectric dams in the Northwest, who have no generation of their own, require a continuing source of power: Now, therefore, be it

Resolved, That the Umatilla Electric Cooperative Association at a meeting of its board of directors held in a regular session on February 13, 1963, does urge and request that House bill No. 994 be enacted into law in order that its preference rights to federally generated power may be preserved; and be it further

Resolved, That a copy of this resolution be sent to the Oregon representatives in Congress.

In witness whereof I have hereunto set my hand and the seal of the Corporation on this 13th day of February 1963.

[SEAL] LEONARD ALDRICH,
Secretary.

CENTRAL ELECTRIC COOPERATIVE, REDMOND, OREG.

Whereas recent technological advancements and economic considerations make it

inevitable that an electrical intertie between the Pacific Northwest and the Pacific Southwest will be constructed; and

Whereas it is desirable that safeguards be established so that electric consumers in the Pacific Northwest will have first call on electric energy generated at Federal hydroelectric plants in that region and that electric consumers in other regions have reciprocal priority; and

Whereas such safeguards are not now present under Federal law or existing power purchase contracts but should be established prior to the construction of either a public or private intertie; and

Whereas there has been introduced in the House of Representatives, 88th Congress, 1st session, H.R. 994 and in the Senate of the United States, Senate bill No. 1007, which establishes a guarantee that power generated in the Northwest Region shall be reserved for such region; and

Whereas this organization has reviewed the above mentioned bills and concurs in the legislation as set forth: Now, therefore, be it

Resolved, That the board of directors of Central Electric Cooperative, Inc., of Redmond, Oreg., hereby request Congress to enact necessary legislation in accordance with H.R. 994 and Senate bill 1007, and that copies of this resolution be sent to the Oregon representatives in Congress and the congressional committees that may consider such legislation.

STATE OF OREGON,
County of Deschutes, ss:

I, Alva R. Teater, hereby certify that I am the duly appointed, qualified and acting president of Central Electric Cooperative, Inc., and that the foregoing is a true and correct copy of a resolution adopted by the board of directors of said cooperative at a regular meeting of said board held February 21, 1963, at which meeting a quorum was present and acted throughout.

In witness whereof, I have hereunto set my hand and affixed the seal of the cooperative this 14th day of March 1963.

[SEAL] A. R. TEATER,
President.

UMATILLA ELECTRIC COOPERATIVE ASSOCIATION RESOLUTION

FEBRUARY 16, 1963.

Whereas the Federal Government has pioneered in building Bonneville and many other multiple-purpose dams in the Northwest, and has invested millions of dollars in the economy of the area; and

Whereas there is an abundance of low-cost electricity generated at these dams, this being of great benefit to farmers, cities, and industry alike; and

Whereas there is a surplus of electricity throughout most of the year and as there is a ready market for this in California: Therefore be it

Resolved, That we go on record favoring the building of a California intertie by the Federal Government so that BPA can sell all surplus power not needed in this area, this will enable the Bonneville system to run full capacity, thus adding enough revenue so that the Government will be paid back all money advanced to build the system and we can continue to enjoy the present low rates we now have for electricity here in the Northwest; and be it further

Resolved, That a copy of this be sent to Oregon State Grange and to the Oregon delegation in Congress.

[SEAL] WALTER WELLS,
Master, Hood River County Pomona Grange No. 8.

ALYUNA C. ROUTSON,
Secretary, Hood River County Pomona Grange No. 8.

Passed by Hood River County Pomona Grange No. 8, February 16, 1963.

RESOLUTION No. 63–4

Whereas two extra-high-voltage electrical interconnections between the Pacific Northwest and Pacific Southwest have been recommended by the President in his fiscal 1964 budget; and

Whereas Bonneville Power Administration has received six non-Federal proposals for construction of all or parts of the necessary tielines or lines, thereby confirming the feasibility, desirability, and inevitability of such an interconnection; and

Whereas important benefits would accrue to both regions by virtue of such an interconnection, including an improvement in Bonneville Power Administration's financial condition, which would be reflected in BPA rates; and

Whereas ground rules have not yet been established to govern and facilitate the exchange of surplus power between the two regions, and to assure that such interconnection will not impair the power supply of any region; and

Whereas such ground rules legislation has been introduced in the Senate by Senator HENRY M. JACKSON and in the House by Congressman JACK WESTLAND and Congresswoman JULIA BUTLER HANSEN, and is supported by the President and the Secretary of the Interior: Now, therefore, be it

Resolved, That city of Bandon, Oreg., endorses the construction of an extra-high-voltage line or lines between the Pacific Northwest and Pacific Southwest provided (1) that ground rules legislation substantially of the type introduced by Senator JACKSON, Congressman WESTLAND and Congresswoman HANSEN be passed by Congress and signed by the President; (2) that one or both of the necessary tielines be constructed by the Federal Government; and (3) that capacity in any non-Federal tieline between the Pacific Northwest and Pacific Southwest be made available to Bonneville Power Administration at a cost comparable to Federal costs; and be it further

Resolved, That copies of this resolution be sent to the Secretary of the Interior, to the chairman of the Appropriations and Interior Committees of the House and Senate, and to the Members of the Oregon congressional delegation.

———, *Mayor.*

ATTEST:

R. V. BACKLUND,
Deputy City Recorder.

THE NATION'S INTERNATIONAL PROBLEMS

Mr. MORSE. Mr. President, I ask unanimous consent to have printed in the body of the RECORD the text of an address which I delivered on March 13 before the Foreign Relations Commission of the American Legion, in Washington, D.C.

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

SPEECH OF SENATOR WAYNE MORSE BEFORE THE FOREIGN RELATIONS COMMISSION OF THE AMERICAN LEGION, WASHINGTON, D.C., HEADQUARTERS AUDITORIUM, MARCH 13, 1963

It is an honor and a pleasure for me to be with you today to discuss some of the Nation's international problems, because this organization was born of international problems and of American involvement in them.

All of your members, and many millions more of American men, have served your Nation by leaving your homes, families, and personal careers, to protect our Nation's security. By historical and geographic chance, American participation in war in the last century has occurred elsewhere than in the continental United States. In a real sense, we were able to defend the United States and protect her vital interests in areas beyond our own territory, and thus we were spared the mass loss of life than the physical devastation that befell our enemies in those wars.

Yet the story of war today has just about closed the door on the possibility that we could ever again participate in a major war without the wives, children, and grandchildren of all of us being just as vulnerable and just as likely to become casualties as any man in uniform. That is perhaps the great new factor which has entered into our military and international thinking since the end of World War II. The introduction of missile systems to deliver nuclear warheads has wiped out the geographic protection which two oceans afforded this country for some 160 years.

Our own genius for industrial production has also made us a prime target for nuclear weapons. No nation with aggressive intentions or with a plan for preemptive war can select any other nation than the United States for its principal target. Our population and productive capacity are also heavily concentrated, as they are in any nation of industrial development.

Moreover, the present state of military technology has brought such a heavy development on offensive capacity that no nation is able to defend itself against nuclear attack. By defend I mean to protect a sufficiently large percentage of its people and industry to enable a continuation of national policy for an indefinite period.

Even with the heavy dominance of the United States in nuclear delivery capability, we are unable to prevent a very high level of destruction here at home. Estimates published last fall in London by the Institute of Strategic Studies attributed between 450 and 500 intercontinental missiles to the United States, and about 75 to the Soviet Union. It attributed 250 medium-range missiles to us, and 700 to the Soviet Union. This class of missile has a range of 700 to 2,000 miles.

While we have a heavy preponderance of bombers and surface ships, the Soviet Union has a heavy preponderance of conventional submarines, and is putting more and more nuclear-powered submarines into service. Last fall, Russia was believed to have 12 nuclear subs; this week, the British placed the estimate at 20. This is still fewer than we have, but it is a signal that the many advantages we appreciate in our nuclear submarines carrying Polaris missiles are also appreciated by the Communists. One advantage we believe we still maintain is our ability to fire Polaris missiles from underwater, while the Soviet subs are assumed to have to surface to fire their missiles. But the range and mobility and deception that goes with craft that can remain underwater for indefinite periods must also be attributed to the Soviets.

If it is assumed that by striking first, we could knock out even as high as 85 percent of Russia's nuclear capacity, the remaining missiles alone, exclusive of bombers, could deliver several dozen nuclear warheads on the United States because there is no effective defense against missiles. Moreover, Soviet ICBM's can carry a 10-megaton warhead, compared to the 3- and 4-megaton warheads carried by our own ICBM's. There is no operational antimissile missile. There will be someday, and then there will another severe shift in military arrangements and in international affairs, because military technology makes policy, almost as much as a policy calls military technology into being.

But today we live in a world where we are highly vulnerable, where we cannot attack without being attacked, and we cannot

destroy on a large scale without being destroyed. The same applies to the Soviet Union.

This knowledge affects a great deal of the foreign policy of both countries. It affects both of us with reference to Cuba.

Today there is in this country a furor over Cuba that rivals 1898. It continues despite the fact that the primary and direct threat to the security of the United States has been removed. It was removed last October by a firm, wise, and judicious action by the President of the United States, and it was removed without war. This last point, so all important to the Nation, is largely ignored by the President's political critics, many of whom do not seem to be satisfied with any bloodless victory over communism.

This is not to say that the use of the quarantine was not a military action or even that it was not an act of war, because it certainly was the first and it was probably the second. But the installation of missiles in Cuba aimed at the United States was a direct and urgent threat to the basic security of the Nation. It was a clear and present danger, the removal of which justified the risk we took that the situation would erupt.

Since then, we have also obtained the removal of approximately 5,000 of the 22,000 Soviet troops believed to have been in Cuba in October. The Russians have stated that "several thousand more" will be removed by mid-March, and we know that there is ample Soviet shipping in Cuban waters to take out that many.

It is the position of the United States that this withdrawal must be pressed as fast as possible.

Yet it is evident to everyone that the element of crisis which made our action of last fall essential is no longer present in Cuba. Even the remaining 17,000 Russians there are not there to invade or otherwise threaten the United States itself. The rumors of missiles located in caves continue to be heard, but missiles require complex installations for launching which no longer exist. The construction of underground, hard missile sites such as we have for our Minuteman missiles cannot be conducted without vast construction operations that would be readily visible to our surveillance aircraft.

The demands now being made for a renewed blockade to force the removal of the remaining Russians, or the downfall of the Castro government, are being made on behalf of an objective that no longer involves a clear and present danger to the United States. These demands are also asking for an action that undoubtedly will receive a different response from last October. No one really knows what the response to a new blockade would be, one imposed by us, but not in defense of our own vital security.

This is why I support President Kennedy in his pursuit of the removal of those forces by all means short of an act of war. This does not mean that some further action in the nature of a blockade will never be necessary. But there is a great variety of other methods, diplomatic and economic, that must be utilized first. I have heard all the evidence from the intelligence sources that other Members of Congress have used to justify military action in Cuba, and it is my strong conviction that none of it tells of the kind of threat to the United States that must always be present before we use the military forces that could quickly lead to the nuclear destruction of our cities and our homes.

One reason I say that is because there are means we can employ to quarantine Cuba as a source of Communist infection in the hemisphere, and many of them are in operation. Basically, however, the application and enforcement of any hemispheric measures to forestall Communist underground activity requires the cooperation of the other nations of the hemisphere, whether the source of that activity is Cuba, the Soviet Union, or Communist China. We have underway in the Organization of American States measures to make that kind of quarantine effective. Today, it is much more difficult for Cuba to conduct its subversive activities in the Western Hemisphere than it was 15 months ago, before the Punta del Este Conference which set up these procedures.

Another reason why I believe that our policy toward Cuba should exclude direct military action for the present is because the Communist threat in the Western Hemisphere is a homegrown one, and it exists no matter what becomes of Fidel Castro and his government. As a symbol, Castro has already lost most of his attraction for the people of Latin America. But the conditions of degradation and poverty and hopelessness which can form the backbone of Communist takeover exists in many other nations. Haiti is one; another is Peru, and the potential is present in several others, including even Brazil. One of the most conservative of Brazilian political leaders, Carlos Frederico Lacerdo, Governor of the State of Guanabara, has warned the United States that Brazil is in for troubles which will dismay the United States and that there is probably nothing we can do about it.

Latin America is a region of exploding population confronting an ancient, semifeudal social and economic structure. The real issue in Latin America is not whether that structure can be preserved, because it cannot; the question is whether it can be altered in a reasonably peaceful way.

The United States will, for an unkown period ahead, be confronted with turmoil in Latin America. It is a condition we cannot control, but we may be able to affect.

Plunging ourselves and much of the rest of the world into nuclear war is not the way to control communism anywhere. War of that dimension will mean the breaking up of governmental structures in every nation. World War I was a strain that brought the collapse of czarist aristocracy in Russia; it reduced France to a state of passivity which made resistance in World War II impossible.

World War II enabled Communist armies to overrun eastern Europe and mainland China. It was not our State Department, or our diplomacy which brought that about, it was the chaos of war. Communism excels at making the most of a period of unrest and change; it is hard to imagine a condition that would offer it more opportunities than a world wracked by nuclear war, even if the destruction of the Soviet Union was virtually complete.

In the last 2 years, we have developed within our Armed Forces an ability to respond to situations with something less than full-scale nuclear war. But we are never sure how much any conflict will escalate when it involves a head-on meeting of the two nuclear giants.

I believe that President Kennedy and his administration have shown a remarkable capacity to judge where our vital interests lie and how they can be protected with a minimum of danger to our people. It is here where true statesmanship lies. He deserves our confidence and support in his pursuit of that policy.

THE PRESIDENT'S COMPREHENSIVE EDUCATION PROGRAM

Mr. MORSE. Mr. President, basic to our understanding of the compelling forces behind the President's comprehensive education program, the National Education Improvement Act of 1963, is an appreciation of the difficult financial position of States and local governments. The Wall Street Journal in its March 7 edition contained an article headlined, "Governments of States, Localities Lift Outlays Far Faster Than United States." The subheading on this article was, "Surge in School-Age Children, Migration to Cities Cited: Non-Federal Payrolls Soar."

The article, which appears under the byline of Mr. Alfred L. Malabre, Jr., staff reporter of the Wall Street Journal, sets forth the cold problems of economics involved in the financing of State and local government. Mr. Malabre points out that the dramatic State and local rise in taxation stems from population trends of the post World War II era. There has been a sharp increase in persons of school age in our population and a massive migration of the families to the cities and towns of our Nation from the farms. He correctly points out that in the last 10 years enrollment in public elementary and secondary schools has soared by nearly 50 percent and is now above 40 million. This increase in the school-age population is much higher than the population as a whole, which in the same span of time increased but 20 percent.

Complicating the problem has been the cost-per-pupil increase which is now 70 percent above the 1952–53 school year figure. This cost-per-pupil rise is accounted for in part by the 75 percent increase in capital outlay for school construction and in operation and maintenance costs, including teachers' salaries.

The sheer magnitude of the rise in public school expenditure is shown by the following table in the article cited above:

School year	Total cost	Cost per pupil
1954–55	$9.8	$275
1958–59	14.3	350
1962–63	19.5	432

NOTE.—The total cost figures are in billions.

It is against this background and against the background in the growth of State and local debt reflected in the following table also appearing in the Wall Street Journal article, that we must assess the degree to which this Congress will meet its responsibilities in the field of education:

[Figures are in billions]

	State	Local	Federal
1946	$18	$102	$2,034
1954	61	185	1,713
1962	118	325	1,630

In my judgment, the statistics cited in the article constitute an exceedingly strong argument in favor of increased Federal participation in the financing without control of our American school system.

Mr. President, I ask unanimous consent that the article to which I have alluded be printed in the RECORD at this point in my remarks.

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

[From the Wall Street Journal, Mar. 7, 1963]

SPENDING GIANTS: GOVERNMENTS OF STATES, LOCALITIES LIFT OUTLAYS FAR FASTER THAN UNITED STATES; SURGE IN SCHOOL-AGE CHILDREN, MIGRATION TO CITIES CITED; NON-FEDERAL PAYROLLS SOAR; RISING TAXES AND RESISTANCE

(By Alfred L. Malabre, Jr.)

Spending by State and local governments has increased nearly 400 percent since World War II.

The increase is greater by far than the postwar rise of Federal expenditures. It has triggered a steep climb in State and local tax rates and, despite mounting taxpayer resistance, is continuing unabated.

"State and local spending constitutes about the only area where we economic forecasters can always predict correctly what's going to happen next," says William M. Burke, a senior economist at the National Industrial Conference Board (NICB).

The table traces the sweeping climb of non-Federal spending in the postwar era, and also shows the much tamer Federal increase (up 69 percent since 1946). Dollars are in billions and the years are fiscal periods ending June 30.

	State	Local	Federal
1946	$6.2	$7.0	$66.5
1954	15.8	17.8	77.7
1962	29.2	33.0	112.2

The extrasteep climb of State and local spending, compared with Federal spending, reflects partly the fact Federal expenditures were abnormally high in 1946, from lingering World War II expenses.

REFLECTS POPULATION SHIFTS

But the dramatic State and local rise stems also from basic postwar population trends: A sharp increase in persons of school age and a massive migration of families to cities and towns from the country.

"There's no question that State and local governments are bearing the brunt of the school-age population bulge, as well as of the increasing concentration of persons in urban centers," says Robert W. French, president of the Tax Foundation Inc., a research organization.

In the last decade, enrollment in public elementary and secondary schools has soared by nearly 50 percent to above 40 million. Total U.S. population has increased only 20 percent in the same span.

Costs per pupil are rising rapidly; they are up 70 percent since the 1952–53 school year. Teachers' salaries, on average, have climbed at about the same pace. And the expense of school construction keeps mounting; capital outlays, up 75 percent in a decade, will top $3 billion for the first time this year.

BURDEN OF SCHOOL COSTS

State and local governments pay for about 96 percent of public school costs, reports the National Education Association. The table below outlines the rise of public school expenses and of yearly costs per pupil. The total cost figures are in billions.

School year	Total cost	Cost per pupil
1954–55	$9.8	$275
1958–59	14.3	350
1962–63	19.5	432

School costs will continue to mount, talks with educators suggest. Government projections indicate 25.4 percent of the 1970 population will be of school age (5-17). That's up slightly from the 1960 school-age rate of 25.2 percent and well above 1950's 20.3 percent level.

"Education costs, I'm afraid, have nowhere to go but up and up some more," says an NEA official.

The increasing concentration of families in urban centers is driving up the expenses of non-Federal governments. Some 70 percent of the population is bunched in towns and cities today, compared with only 64 percent in 1950, Government figures show, and experts foresee no reversal of this trend.

The urban concentration is causing sharp increases in costs of such largely non-Federal services as police, sanitation, and fire-fighting facilities.

"On the farm, there was no need for a big, professional police force or fire department," notes NICB's Mr. Burke. "But in the city, you can't do without them."

HUGE COST OF SERVICES

The Federal Government, of course, maintains some key urban services, such as certain prisons and health facilities. These make up only a fraction of Federal spending, however; as the table below shows, such services are a major expense for State and local authorities. Figures are in billions.

Service	Federal support	State and local support
Police		$2.0
Fire		1.1
Prisons	$0.1	.8
Health and sanitation	1.0	6.1

Non-Federal Government payrolls are expanding much faster than the Federal one. Since 1954, the number of civilians employed by the Federal Government has increased by 5 percent, to about 2.5 million, while the State and local job force has leaped nearly 40 percent, to almost 7 million.

In government, the increase of non-Federal spending outpaces the rise of State and local tax receipts. In fiscal 1962, State and local tax revenues amounted to about $44 billion, far less than the non-Federal spending total of $62.2 billion. Federal grants-in-aid and funds from nontax sources helped close the gap.

State and local debt is piling up rapidly. The table below, computed from Government data by the Tax Foundation, shows the climb of per capita public debt at State and local levels, as well as the reduction of per capita Federal debt.

	State	Local	Federal
1946	$18	$102	$2,034
1954	61	185	1,713
1962	118	325	1,630

Above $80 billion for the first time last year, total State and local government debt is now a quarter the size of the Federal debt. In 1950, it was less than a tenth the Federal total.

Official concern is increasing over the pile-up of non-Federal debt.

Gov. James Rhodes of debtridden Ohio, for instance, not long ago fired more than 3,000 recently hired State employees, ordered all State departments to cut spending back about 10 percent and requested all State employees to work on Lincoln's and Washington's birthdays.

Many States, at the same time, are considering sharp tax boosts this year.

Before Nebraska's legislature, for example, are proposals to eliminate some property tax exemption and institute a personal income tax. Other possibilities facing Nebraska taxpayers: A gas tax boost of up to 8 cents per gallon and a new 2 percent sales tax.

The 47 State legislatures meeting this year are expected to consider measures that would add $1.5 billion to the States' tax bills, the Tax Foundation estimates.

Tax collections in many States would receive an added boost, if the Kennedy administration's proposal to reduce Federal tax rates becomes law. In 19 States, Federal tax payments may be deducted from income subject to State taxation. And in many States curbs on personal deductions, proposed by the administration, would mean similar curbs on State tax deductions, without any offsetting cut in State tax rates.

The following table breaks down the major sources of State and local revenues. The percentages are based on Department of Commerce data.

Source of revenue:	*Total percent*
Property tax	33
Sales tax	21
Income tax	5
Vehicle tax	3
Corporation tax	2
Other	36

The most rapidly rising source of State tax revenues: Receipts from taxes levied on tobacco sales, now above the $1 billion mark and twice the 1956 total.

The relentless climb of State and local spending is encountering increased taxpayer opposition in some areas.

Example: Residents of Ridgewood, N.J., one of New City's wealthiest suburbs, recently rejected school board plans to boost sharply the community's school budget. The voters later approved a school budget scaled down by $151,422.

Despite such taxpayer efforts, however, overall non-Federal governmental spending—and taxes—will surely keep mounting, most experts agree. Expressing the view of many, NICB's Mr. Burke says: "So long as the need for education facilities and for municipal services continues to grow, State and local taxpayers will have to keep digging deeper into their pockets."

ELIMINATION OF POVERTY IN THE UNITED STATES—TODAY'S HEALTH AND EDUCATION NEEDS

Mr. MORSE. Mr. President, I ask unanimous consent to have printed in the RECORD two speeches delivered by Wilbur J. Cohen, Assistant Secretary of Health, Education, and Welfare, in Portland, recently. The first one is entitled "The Elimination of Poverty in the United States," delivered before the Oregon State Conference on Social Welfare in Portland on March 25. The second one is entitled "Today's Health and Education Needs," and was given at a luncheon meeting of the City Club of Portland on March 22.

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

THE ELIMINATION OF POVERTY IN THE UNITED STATES

(By Wilbur J. Cohen)

At a time when the United States has the greatest economic capacity, by far, in the history of the world, there could hardly be a national goal more urgent than the elimination of poverty by a democratic free enterprise society.

This conference, concerned with advancing the welfare of the people of Oregon, has a special capability in contributing to this goal.

America's annual gross national product is at its highest level of $552 billion because of our ability to produce more than three times as much per worker in a 40-hour week as could be produced in a 70-hour week in our grandfather's day. But our unemployment rate, now around 6 percent, is much too high. Almost one-fifth—including unemployed and underemployed—of our 186 million people are living on a bare subsistence level or less.

This is the paradox: Hard-core poverty endured by 15 to 20 percent of our neighbors while the Nation as a whole enjoys relative prosperity.

Most poverty in the past has been basically the result of the fact that there simply was not enough to go around. This is still true in most of Africa, Asia, and South America. In the underdeveloped countries in which two-thirds of the world's population lives, a large number of people will always be poor so long as there is no increase in the production of goods and services.

But in America, our capacity to produce is not what prevents us from eliminating poverty.

A 20th century English philosopher, Alfred North Whitehead, said that most of the terrible sufferings that accompanied the industrial revolution were not caused by the steam engine or the power loom. Instead they were the consequences of a giant step in technical innovation with no corresponding step at all in social, political, or economic innovation. Today, in the age of automation, the same deficiencies are the root of our trouble.

Our great problem is to organize our economy so the Nation can make full use of its huge technical capacity and its wealth of potential human resources. In that connection a most important immediate step in helping to reduce the present and future extent of unemployment is the passage of a tax-reduction bill.

The miraculous progress our country has made promises the possibility of improved material abundance, good health, and more leisure time for all. An unfortunate by-product of change, however, is man's difficulty in making the necessary changes in his social, economic, and political institutions in the face of such whirlwind development.

Change does not go step by step, pausing to allow us time to adjust to each step. Rather, it is an ever-steepening curve upward and presents not only the task of adjusting to today's world but, at the same time, of preparing for tomorrow's.

Our urban centers grow larger and larger. Where there was farmland yesterday, a community has blossomed—tied to a cultural core perhaps 10, 15, or even 20 miles away.

And the core—the central city—is also undergoing change. Blight, delinquency, social ills, violence—these stand in dreary contrast to high-rise luxury apartments, efficient new office buildings, huge public housing projects, and the ever-widening freeways linking the center with its semiautonomous satellite communities.

Our people are mobile as no people before them—making the Nation their home. They are increasingly interdependent. And with automation, the market for muscle and sheer strength is waning—the demand for skill, technique, and knowledge booming.

The Oregon State Conference on Social Welfare, bringing together representatives of voluntary and public agencies and interested laymen, is typical of the American effort to improve the lives of its people. The elimination of poverty is a worthy cause to which the public-private partnership can devote its joint efforts.

In this spirit, I would like to review for you some of the recent actions taken by the Federal Government in the fields of health, education, and welfare.

During the past month the President has sent to the Congress five special messages outlining his recommendations for improving the health, education, and welfare of the people of our great Nation.

Three of these messages are especially significant because they represent areas of concern on which for the first time a President has sent a special message to the Congress. They deal with mental health and mental retardation, youth, and aging. In addition, the President sent special messages on education and health, as he did in each of the 2 previous years.

These messages represent a progressive and fiscally responsible program for the domestic improvement of the general welfare of all our people. The program is in keeping with the constitutional authority for the Congress "to provide for the common defence and general welfare of the United States."

They set forth both general goals and specific priorities.

HEALTH PROPOSALS

All of you are well aware of this administration's profound commitment to the health of the Nation. In his special health messages to the Congress, this year and last, President Kennedy stressed that progress must be made in strengthening all the indispensable elements of a sound health program, "people, knowledge, services, facilities, and the means to pay for them."

Medical science exists to serve people. As long as the products of medical science are not available to the people who need them because they cannot afford to pay for them or because we lack professional personnel or because our patterns of delivery are outmoded or for whatever reason—then we are failing in our central purpose.

Bills on which we hope for prompt and favorable action in the current session of Congress include a carefully developed program of Federal assistance for the education of more physicians, dentists, nurses, and public health personnel, and Federal grants for the construction of community mental health centers and community mental retardation centers.

We also look forward to favorable action on a broad program to combat mental retardation which would include a doubling of the annual authorizations for grants for maternal and child health and crippled children's programs and the provision of project grants to stimulate public awareness of the problem and the development of comprehensive plans for dealing with it.

I believe that we have made significant advances in the health and medical fields. As I look back over the almost 30 years that I have been studying medical economics, I believe we are beginning to see some important changes in the financing, organization, and availability of medical services to assure that the powerful potential of American medical services is to be realized for all our people. I hope—and know—that you will be leaders in this effort.

We made a good start in health legislation in 1961 when the Community Health Services and Facilities Act was passed. The additional Federal funds authorized by this legislation are helping States and communities to develop new and improved community health services, to build more nursing homes, and to provide better care in the homes of patients, as well as in nursing homes.

But this is only a start. We are still sadly lacking a satisfactory means whereby older people can purchase the basic hospital services essential to their health. People over 65 have medical costs twice as high as those of young people, yet their annual income, on the average, is only half as large. During any year they can expect to spend three times as many days in the hospital as younger people. One-half of all the aged does not have any kind of hospitalization insurance, and a high proportion of those who have it receives only small benefits under limited conditions.

Older people need this protection, not as a gift or charity but as a statutory right, earned by their own efforts during their productive years. To make this possible, the President has asked the Congress to add a hospital insurance program for aged persons to the Social Security System. For those now over 65 who have not had an opportunity to participate in the social security program, the President has recommended that the cost of their coverage be paid from general tax revenues. The coverage of all the aged for hospital insurance should reduce the long-run cost to the States for medical assistance to the needy, under the Kerr-Mills Act.

The President has stressed that his insurance program is not a program of socialized medicine. Every person would choose his own doctor, his own hospital. The proposed insurance program would simply be a means of paying for health services, not a means of providing them.

Oregon can be proud of the leadership it has contributed to this fight for hospital insurance for our aged. Senators MORSE and NEUBERGER and Representatives ULLMAN and GREEN have introduced the bill in the Congress. I know of no other State delegation where two-thirds of its members have sponsored this important bill.

Let us turn now to a second major factor in the health equation—the availability of adequate health services and facilities. You in the welfare field have been troubled by an array of problems in financing medical care. Today, when hospitals have more to offer people than ever before, when lifesaving miracles are commonplace, hospitals are beset by soaring operating costs, soaring construction costs, obsolescence, and personnel shortage.

A considerable part of this problem is directly traceable to the swift upward spiral of hospital expense for the consumer. In 1946, at the end of World War II, the average cost of hospital care per patient-day was $9.39. In just 5 years, it had climbed to $16.67. Since 1950 it has more than doubled that figure—rising to $32.23 per patient-day in 1960 and $34.98 in 1961. If this rate were to continue, the average daily hospital costs are likely to be $60 to $65 a day by 1970.

At the same time, some hospitals are filled and have waiting lists, while others have too many empty beds. For certain facilities, such as long-term care and community-based mental health centers, we continue to be plagued by critical shortages. Some patients get more expensive care than they need, while others in desperate need do without. In some small cities, hospital facilities are sufficient. In some large cities, they are out of date and require modernization and rehabilitation.

We must reexamine our total hospital needs, resources, and objectives for the coming decade. To encourage such appraisals, the President has recommended legislation to authorize planning grants to public and other nonprofit organizations to assist in developing comprehensive, areawide plans for the construction and operation of all types of health facilities.

One important task before all of us is to organize our facts to combat the attacks on the financial soundness of the social security system. These attacks, inspired by some persons in private insurance and organized medicine, seek to discredit this Nation's basic social insurance system as part of their campaign to defeat health insurance for the aged through social security.

These groups have a right to oppose the addition of hospital insurance for the aged through social security, but we should not permit them to tear down existing institutions, so necessary to our free society, in their attacks on the financial integrity of our social security system.

The old-age, survivors, and disability insurance program has always been fully supported by the social security contributions paid by covered employees and their employers. It has never received a subsidy from general revenues.

The most recent Advisory Council on Social Security Financing said in January 1959 in a report of its findings: "The Council finds that the present method of financing the old-age, survivors, and disability insurance program is sound, practical, and appropriate for this program. It is our judgment, based on the best available cost estimates, that the contribution schedule enacted into law in the last session of Congress makes adequate provisions for financing the program on a sound actuarial basis."

YOUTH PROGRAMS

One of the areas in which the Kennedy administration is giving continued emphasis this year is the expansion of opportunities for youth—in the field of employment, training, education, and for participation in our national destiny.

It is difficult to see how a high school student can gain a sense of responsibility and participation in this Nation's economy when he is consistently denied jobs on account of his youth. The problem is the more acute for minority youth who encounter discrimination on account of race as well as because of their age. And the situation becomes all the more critical when teenagers, tempted to drop out of high school, feel an understandable futility about staying in school in the face of such widespread unemployment among their peers.

The administration has already begun an intensive effort to see that jobs are available to young people—particularly in urban environments—and also to see that youth know more about these opportunities. The U.S. Employment Service is making special counseling services available in urban areas of high youth unemployment. The manpower Development and Training Act of 1962 also has important implications for youth employment in that it provides training of workers whose skills have become obsolete because of economic or technological change.

A singularly important part of the President's youth program is the Youth Employment Act of 1963. One of the provisions of this bill would give employment opportunities to some 40,000 youths in their home communities, with Federal funds financing half their wages. Another provision, for a Youth Conservation Corps, would take about 15,000 jobless youths off the streets and give them employment in our national parks and other places where their services are needed.

Finally, the third portion of the President's youth program has enormous symbolic significance because it challenges youth to participate with dedication in this Nation's mission as leader of the free world.

The major aspect of this program is the Peace Corps. Although it has been operating just 2 years, it has won world renown. As youthful ambassadors to foreign lands, the younger members of our Peace Corps have built a tremendous reservoir of goodwill for us and have had their own lives enriched. The Peace Corps program is for citizens aged 18 or over—there is no upper age limit—who wish to take an active part in what President Kennedy called "a long twilight struggle * * * a struggle against the common enemies of man; tyranny, poverty, disease or war itself." One of the great benefits of a domestic version of the Peace Corps—the National Service Corps, now under serious consideration by the Congress—would be to increase citizen interest and participation in social welfare.

THE PRESIDENT'S EDUCATION PROGRAM

In a special message to the Congress (Jan. 29, 1963), President Kennedy vigorously outlined a bold and realistic program for American education.

It is the belief of this administration that the doors to the schoolhouse, to the library, and to the college lead to the richest treasures of our open society: The power of knowledge; the training and skills necessary for productive employment; the wisdom, the ideals, and the culture which enrich life; and the creative, self-disciplined understanding of society needed for good citizenship in today's changing and challenging world.

The administration's program includes Federal aid for elementary, secondary, and higher education. It emphasizes improvements in both the quality and quantity of education. It is the most comprehensive and creative education program advanced by any President of the United States. It is fitting and proper that Oregon should again be in the lead here with both Senator Morse and Representative Green having introduced the National Education Improvement Act of 1963.

The proposals represent a careful reevaluation of national needs and national priorities.

Increasing the quality and availability of education is vital to both our national security and our domestic well-being. A free nation can rise no higher than the standard of excellence set in its schools and colleges. Ignorance and illiteracy, unskilled workers, and school dropouts are failures of our educational system. They breed failures in our social and economic system—delinquency, unemployment, chronic dependence, a waste of human resources, a loss of productive power and purchasing power, and an increase in tax-supported benefits.

The loss of only 1 year's income because of unemployment is more than the total cost of 12 years of education through high school. Failure to improve educational performance is thus not only poor social policy; it is poor economics.

Only 10 percent of our adults had a high school or college education at the turn of the century. Today such an education has become a requirement for an increasing number of jobs.

Yet nearly 40 percent of our youths is dropping out before graduating from high school; only 43 percent of our adults has completed high school; only 8 percent of our adults has completed college; and only 16 percent of our young people is currently completing college.

Improved education is essential to give new meaning to our national purpose and power in the new age of science and space. In the last 20 years, mankind has acquired more scientific information than in all previous history. Ninety percent of all the scientists that ever lived is alive and working today.

The twisting course of the cold war requires a citizenry that understands our principles and problems. It requires skilled manpower and brainpower to match the power of totalitarian discipline. It requires a scientific effort which demonstrates the superiority of freedom. And it requires an electorate in every State with sufficiently broad horizons and sufficient maturity of judgment to guide this Nation safely through whatever lies ahead.

From every point of view, education is of paramount concern to the national interest as well as to each individual.

The growing demands of modern education make it necessary to expand Federal aid to education beyond the limited number of special educational programs which Congress has enacted over the years. We can no longer afford the luxury of endless debate over all the complicated and sensitive questions raised by each new proposal on Federal participation in education. To be sure, these are all difficult problems—but this Nation has not come to its present position of leadership by avoiding hard problems. We are at a point in history when we must face and resolve these problems.

A century's experience with Federal aid to land-grant colleges has demonstrated that Federal financial participation can assist educational progress and growth without Federal control. In the last decade, experience under the National Science Foundation, with the National Defense Education Act, and with programs for assisting federally affected school districts has demonstrated that Federal support can benefit education without leading to Federal control over curriculum.

Education is and always must be a local responsibility. It thrives best when nurtured at the grassroots of our democracy. But in our present era of economic expansion, population growth, and technological advance, State, local, and private efforts are insufficient. These efforts must be reinforced by national support, if American education is to yield a maximum of individual development and national well-being.

The program for American education proposed by President Kennedy offers Federal assistance without Federal control. It provides for economic growth, manpower development, and progress toward our educational and humanitarian objectives. It encourages the increase of the knowledge, skills, attitudes, and critical intelligence necessary for the preservation of our society. It will help keep America strong and safe and free. The President has strongly recommended it to the Congress for high-priority action. He asks your support for this vital measure.

These proposals dealing with youth and education which I have outlined are part of a bold attempt to strengthen the role of youth in society, to assure to each and every child (1) the opportunity to prepare for adulthood; (2) the opportunity for gainful and productive employment; (3) the opportunity to use his abilities to the maximum; and (4) the opportunity to participate in our national destiny.

A PROGRAM FOR SENIOR CITIZENS

At the other end of the age scale we have almost 18 million senior citizens for whom the President has also proposed a dynamic program. On February 21 he delivered a message on aiding our elderly citizens.

In this message, in addition to hospital insurance for the aged, the President called for a new grant program to help public and voluntary organizations develop various services for older people which cannot be financed by any of the existing grant programs. Grants would also be authorized for research, demonstration, and training projects leading to new or improved programs to aid older people and for the construction, renovation, and equipment of public and nonprofit multipurpose recreational centers for the elderly.

Other measures proposed include tax reforms which would lower the Federal income tax liabilities of older people by about $790 million; changes in the old-age survivors, and disability insurance program which would raise the maximum earnings base from the present $4,800 to $5,200 and thus bring higher benefit payments to those who retire in the future; measures to increase employment opportunities for older people; more support for senior citizens' housing and for the construction of nursing homes; and improvements in the program of medical assistance for the indigent aged, as well as in old-age assistance.

The President's proposed homefront peace corps would give mature and retired people an opportunity to serve at home much as the Peace Corps serves abroad.

"Our national record in providing for our aged is a proud and hopeful one," the President said, "but it can and must improve. We can continue to move forward—by building needed Federal programs—by developing means for comprehensive action in our communities—and by doing all we can, as a Nation and as individuals, to enable our senior citizens to achieve both a better standard of life and a more active, useful, and meaningful role in a society that owes them much and can still learn much from them."

PUBLIC WELFARE CHANGES

Public welfare turned to a new course with the historic Public Welfare Amendments of 1962. When we consider how that course was shaped, we realize again how vital it is to any major welfare undertaking to have the cooperation of public and private welfare agencies and the support of the community.

You will recall that nearly 2 years ago, the Department of Health, Education, and Welfare sought advice from a distinguished group of persons on what the Federal Government could do to increase the effectiveness of public welfare, and particularly public assistance programs.

The recommendations of this ad hoc committee and other advisory groups were foundation stones on which the later administrative actions and legislative proposals were built. Other building blocks included a special report on steps which could be taken within existing legislation, the counsel of State administrators of public welfare, the positions taken by numerous organizations in or closely related to welfare, and the wealth of experience developed in the States and localities over the last few years.

Probably never before in the history of public welfare in this country had a more comprehensive reexamination taken place.

The administrative directives which took effect last year were aimed at developing constructive approaches to getting people off assistance where possible and to restoring personal independence to the great majority who are too old or ill or disabled to be self-supporting or who are still in childhood. They centered attention on the family unit and our need to help make it a more stable and stimulating environment for children. They were designed for tightening and streamlining agencies' procedures, so that assistance is available—as intended—only to those who are eligible for it.

Then came the 1962 public welfare amendments adopted by the Congress with support from all quarters. When the President signed that measure into law in July he called it "the most far-reaching revision of our public welfare program since it was enacted in 1935."

To go after the causes of dependency—and do something about them—is a difficult task. How nearly we realize our goal will depend upon whether full advantage is taken in States and localities of the Federal legislative and administrative changes and of the additional Federal funds now available.

Oregon has a number of distinct advantages in its public welfare endeavors. You have two schools of social work—one undergraduate, the other graduate—which have the faculty and the experience to provide vitally needed leadership and training opportunities in public welfare. Another rich resource is the large number of persons in the State in both public and private welfare—laymen and professionals—who understand this field and have the ability and willingness to make creative contributions to it.

If all these strengths are mustered, there is no reason why Oregon cannot have a public welfare program which points the way for other States in promoting family well-being, preventing the children now living in deprived circumstances from growing up without the capacity for self-support, and assuring the wise use of public money for the best interests of the whole community. Oregon's participation in the present nationwide review of eligibility in the aid to families with dependent children program is helping the Federal Government carry out its on-going responsibility to see that public assistance funds are being spent for the purposes intended by law.

The new public welfare legislation emphasizes the importance of expanding and strengthening services in a number of ways.

It provides for the doubling of Federal funds for child welfare services over the next 7 years from the present $25 million annually to $50 million.

It specifically earmarks some of the child welfare funds for day-care services for the children of working mothers—$5 million in 1963 and $10 million in 1964 and each year thereafter.

It provides that the State must extend its child welfare services with a view to making available by July 1, 1975, child welfare services in all political subdivisions of the State.

It provides for coordination between the services provided under the child welfare program and the dependent children program "with a view to provision of welfare and related services which will best promote the welfare of such children and their families."

It provides that in the assistance categories there be the development and application of a program of welfare and related services for each child who receives assistance as may be necessary in the light of the particular home conditions and other needs of such child.

It provides for increasing the Federal financial share from 50 to 75 percent for the social services and training.

Public welfare has a legal responsibility to provide the kinds of social services required to assure that each needy child has a family life which encourages him to grow up to responsible adulthood. We believe that the law should be administered on the basis that children should not be made to suffer for the sins of their parents.

This means that all available social services should be used to improve any home situation which appears to threaten a child's well-being. It means that, if these efforts fail, other provisions should be employed, including protective payments to an interested third party capable of handling the assistance grant in the best interests of the child or arrangements for foster or institutional care with Federal sharing in the cost if removal from home is necessary.

Most emphatically it means that aid cannot be denied an eligible needy child because of unsatisfactory home conditions so long as the child is left in that home. This principle, laid down in a ruling by former Secretary Flemming, continued by former Secretary Ribicoff, and ratified by the Congress last year and again this year is firmly fixed now in the basic Social Security Act. It is a principle of humanity and decency.

Families receiving public assistance are by definiton facing serious problems: Poverty; the breakup of the family unit because of desertion, divorce, separation, or death; unemployment; poor health; limited education; lack of skill for homemaking and child care; and social isolation.

Such families can benefit from intensive services which bring frequent visits and consultation from welfare workers and the application of the full range of community services and resources—social, vocational, educational, health—as individual or family need may direct.

Under the law as it existed prior to the 1962 enactment, States with approved plans for public assistance were entitled to 50-percent Federal participation in expenditures they made for administration of their programs, including costs of services to applicants and recipients. Under the new amendments, States may receive 75-percent Federal participation in certain expenditures for services and for staff training. Services may also be provided for persons who are likely to become applicants for assistance or for those who recently have been recipients of assistance.

Starting this July 1, to qualify for any 75-percent reimbursement for services or for staff training, each State will have to provide a minimum content of services prescribed by the Department of Health, Education, and Welfare. Some additional services beyond this minimum may be matched at the 75-percent rate if a State chooses to provide them. From last September until July 1, the identified services can be reimbursed at the 75-percent rate without providing the minimum content of services. The general standards required for 75-percent reimbursement of service costs call for a caseload not in excess of 60 cases per worker, for at least 1 supervisor for 5 caseworkers, and for visiting to families and adults with specific problems as often as may be necessary but in any event at intervals not exceeding 3 months.

We know that at the outset some States will be unable to meet the ultimate standards fully, and provision is made for progressive steps. For the tooling-up period prior to next July 1, a State may, upon proper justification, still be entitled to 75-percent Federal participation in properly identified services and training expenditures even though the standards are not fully met. During this period, a State that does the best it can with available resources and has a definite plan for going forward with an improved service program will get reimbursed at the 75-percent rate for those specified services which it actually does provide and, in addition, will get 75 percent for its training activities. After July 1, 1963, a State will have to provide certain prescribed services if it is to receive any 75-percent participation.

For a limited period, after July 1, 1963, a State may have temporary standards which are different and less exacting than those ultimately required. But standards will have to be strengthened progressively so that not later than July 1, 1967, every State will have to meet fully the following:

1. Provide that the full range of prescribed services under a given title shall be available to all families and adults with the defined special problems or needs.

2. Provide for caseload and case supervisory standards that insure time and case supervision necessary for the effective provision of services, namely, not to exceed 60 cases per worker and 5 workers for 1 case supervisor (or the equivalent where mixed service and nonservice cases are carried).

For an initial period up to July 1, 1964, cost-allocation methods are provided which are designed to minimize the work required of States in identifying those activities which are subject to the 75-percent rate. Only those costs for staff directly involved in providing services and the cost of purchase of services from other State agencies are subject to the 75-percent rate. The policy permits States to make functional direct charges of the entire cost of personnel services and travel of caseworkers and casework supervisors whose assigned caseloads include

only cases with specified problems, without the necessity for a special showing of the amount and kind of work actually performed on these cases. This direct-charge method for services would also be applicable to States electing to include all families receiving aid to families with dependent children. States not utilizing the functional direct-charge method are given a choice of two simplified methods for claiming that portion of their expenditures which is subject to 75-percent reimbursement.

The new law clearly sets forth the important new policy that the training of public assistance personnel employed or preparing for employment in the State or local agency will be reimbursed at 75 percent instead of the previous 50 percent. Under the instructions implementing this new provision, we will pay 75 percent of the cost of any of the following:

1. State or local staff development services.

2. Agency training sessions in which the content deals with public assistance such as the cost of operating training centers, payment to outside experts to conduct special courses, and expenses of staff while attending such training.

3. Field instruction units including both salaries and rental of space.

4. Educational leave including salary and educational costs paid to the employee or to an educational institution.

The significance of the change from 50- to 75-percent reimbursement can easily be underestimated unless one stops a moment to figure out the real importance of the change. Under the 50-percent provision a State receives 1 Federal dollar for each dollar the State puts up. But under the 75-percent provision the State receives 3 Federal dollars for 1 State dollar. Thus, with the same amount of State funds, the total available for services and training can be doubled.

To promote family stability, the new legislation continues for 5 years last year's experimental program of aid to families with dependent children payments when the father is willing and able to work but unable to find a job—a breakaway from the traditional concept of help only upon the absence of the father from the home, a concept that encouraged many frantic and desperate unemployed fathers to desert their families so that they could obtain AFDC payments.

The new provisions for work training for jobless parents can offer them opportunities to learn new skills or conserve those habits and talents which they already have and, at the same time, be contributing members of society. For the minority of assistance recipients able to work, this is an important step forward.

The new legislation also provides for the funding of demonstration projects, introduces incentives to work by allowing certain income, and improves the adequacy of payments.

In formulating Federal legislative proposals and priorities for 1963, the administration has been guided by these general principles:

1. Public welfare must continue to become more service-oriented. It must put renewed emphasis on rehabilitation. It must emphasize prevention of dependency.

2. Public welfare must provide services to persons before, during, and after receipt of assistance.

3. Public welfare must coordinate its services more effectively. An important step in this direction was taken at the Federal level in January when the Welfare Administration was created as a major operating unit of the Department of Health, Education, and Welfare. All the Department's programs that have a major welfare component are now brought together as an operating entity so that there will be greater coordination of the services of the Bureau of Family Services, the Children's Bureau, the Office of Aging, the Office of Juvenile Delinquency and Youth Development, and the Cuban refugee program. As you know, Dr. Ellen Winston, former public welfare commissioner of North Carolina, is the new Commissioner of Welfare. One of her major objectives is to strengthen the services all these programs can offer to States.

4. Public welfare must be more community conscious—more public relations conscious. It must explain more effectively to the taxpayer what it is doing and why—and why it is not doing many things that are necessary. It must explain to welfare recipients what welfare is and what it is trying to do.

5. Public welfare must reexamine its operations, reassess its present methods, and simplify its bookkeeping to put the needs of welfare recipients and the prevention of dependency foremost in the minds of every person in the agency. This may mean discarding some fond notion somebody may have held for years and elevated into a principle. I do not think there is a principle—if it is sound—which cannot stand a new, cold, hard scrutiny; if it cannot stand such a scrutiny, probably it wasn't so sound to begin with.

6. Public welfare must be more experimental, more creative, more research minded.

CHANGES IN OLD-AGE ASSISTANCE

The specific proposals which President Kennedy has recommended in old-age assistance are as follows:

1. The States would be permitted to make old-age assistance payments to third persons concerned with the welfare of the OAA recipients when the recipients, because of physical or mental condition, are unable to manage their money. State agencies would closely supervise these cases.

2. The Federal provisions relating to OAA would be amended to require that States establish an agency to set standards for rental housing occupied by recipients of old-age assistance. This provision would become effective July 1, 1966. It is similar to a provision adopted by Congress in 1950 relating to institutions.

3. To help the Federal-State public welfare programs meet more adequately the needs of people, it is proposed that the Social Security Act be amended to prohibit a residence requirement of more than 3 years (out of the last 9) as of January 1, 1968, and of more than 1 year as of January 1, 1970.

4. It is proposed that the 42-day limitation in titles I and XVI of the Social Security Act be deleted. This would enable the States to initiate or continue assistance to persons who are patients in general medical institutions because of a diagnosis of tuberculosis or psychosis without limitation as to the time they may be in such an institution.

5. As a condition of plan approval for old-age assistance and medical assistance for the aged, each State would be required to make available medical services for CAA recipients at least equal to those available under MAA. Nothing in the proposal would prevent a State from having more care under old-age assistance than medical assistance for the aged.

All this legislative, financial, and administrative encouragement to more and better services is a tremendous challenge to public welfare personnel, to legislators, to social workers in public and private agencies, and to schools of social work. Will Oregon accept this challenge? We in the Department hope it will. We offer our wholehearted cooperation to make this new effort a success.

It is going to require more staff, more money, and the cooperation of the State agency, the Governor, the legislature, the press—and you.

There is no magic in the use of social services to bring new strength to dependent persons. And we cannot expect quick results, however much we might hope for them. It will not be possible within a few months to realize the full potentials of rehabilitation services. Yet, I am sure that the enthusiastic support which has been inspired by these objectives will mean measurable progress in the near future.

Twenty years ago Franklin D. Roosevelt, in his famous "Four Freedoms" speech, said there is nothing mysterious about the foundations of a healthy, strong democracy. He said: "The basic things expected by our people of their political and economic systems are simple. They are: equality of opportunity for youth and for others; jobs for those who can work; security for those who need it; the ending of special privilege for the few; the preservation of civil liberties for all; the enjoyment of the fruits of scientific progress in a wider and constantly rising standard of living. These are the simple and basic things that must never be lost sight of in the turmoil and unbelievable complexity of our modern world. The inner and abiding strength of our economic and political systems is dependent upon the degree to which they fulfill these expectations."

Many new gains, many advances have been made in the two decades since these words were spoken. But the gains we have made only point the way to others that must be won if poverty and dependency are to be abolished and the basic human expectations of the American people are to be fulfilled in a democratic, free enterprise society.

TODAY'S HEALTH AND EDUCATION NEEDS

(By Wilbur J. Cohen)

I am glad to come here as an official of the Federal Government to speak to an organization whose predominant concern is the social and economic problems of its community.

There is nothing strange about this at all. To me it simply points up the fact that we have learned that our communities, acting alone, cannot solve all their own problems.

A community cannot, for instance, by itself cleanse the polluted water that flows into or through it. It cannot raise the educational level of the people moving into it. It cannot, by itself, effectively prevent the introduction of disease from sources beyond its control. It cannot effectively control the adulterated foods and unsafe drugs that are produced beyond its boundaries.

Thus, we have learned that many of our community problems call for planning, study, and even action, on the part of all the communities in a given area or in the Nation. It is quite logical, therefore, that communities are working with the States and the Federal Government to act in their joint and common interests.

This concept is especially reflected in the work of the Department I represent—the Department of Health, Education, and Welfare. Much of what we do is done in partnership with State and local governments and involves problem areas of national concern or of such scope or complexity that Federal leadership and assistance is needed.

As an example, consider the health of the people of Portland. Good health is their most valued possession, for without good health nothing else matters very much.

The Department's work in the field of health is twofold. On the one hand, we seek ways to maintain good health by preventing those conditions which are detrimental to health. On the other hand, we seek ways to improve the health of those who are ill or injured.

There are many ways we go about this job.

Day in and day out our people in the Public Health Service work to keep disease from being brought into the United States—and thus into Portland. There is a constant tight screening of the people crossing our borders. Precautions are taken to keep disease from being introduced into this country through imported food stuff, manufactured items, and animals.

Our Food and Drug Administration guards the health of all Americans—including the people of Portland—by assuring us of the purity and safety of our food and drugs no matter where they are produced.

Our environment—the air we breathe, our water, the places we work and play—has a great deal to do with our health. Here, too, the Department—along with States and local communities—is working to provide better waste treatment to assure a pure and plentiful supply of water; to rid the air of the pollution that interferes with our health, safety, comfort, and enjoyment; to guard against overexposure to radioactive substances being released as we begin to make use of nuclear energy.

We work toward assuring communities that the facilities they need are available—adequate hospitals and nursing facilities in sufficient numbers, teaching facilities, up-to-date diagnostic and therapeutic equipment, and the supplies to back up the facilities.

The Department is responsible for providing leadership, guidance, and funds to the States so that they may assist handicapped citizens in finding a new way of life through vocational rehabilitation.

The Department, through its National Institutes of Health, is investing more than half a billion dollars a year in intensive research to help many realize the age-old dream of conquering disease. Under concentrated attack are such major problems as heart disease, arthritis, cancer, mental illness, blindness, and a host of other maladies that have plagued mankind throughout history.

Yet despite all that the Federal Government, the States, local communities, and private organizations and individuals are doing, we are still faced with formidable problems in our drive for better health.

President Kennedy, in his message of February 7 to the Congress on health, said: "Each improvement raises our horizons; each success enables us to concentrate more on the remaining dangers, and on new challenges and threats to health. Some of these new challenges result from our changing environment, some from new habits and activities. The Federal Government has stimulated much of the recent progress in medical research, without interference with scientific, academic, or individual liberty. Our task now is to be equally decisive in putting this knowledge into practice."

In effect, the President is suggesting to the Congress that the Federal Government give greater recognition to its responsibilities in the field of health; especially with respect to many of the health problems now upon us or which will be upon us unless something is done.

For example, even to retain our present ratio of physicians and dentists to population will require, over the next 10 years, a 50-percent increase in the number of people graduated from our medical schools and a 100-percent increase in the number of dental graduates.

Unless we face up to this situation now, there will be more than 2,000 people per family physician by 1970—as compared with 1,300 people per family physician in 1950.

To prepare for our future, President Kennedy recommends that the Federal Government assist in the financing of the construction and expansion of teaching facilities for the medical, dental, and other health professions and Federal financial assistance for students in these fields.

HOSPITAL CONSTRUCTION

Just as essential as professional people to our health is adequate health facilities in which they may put their knowledge into practice.

For 16 years, the Federal Government has been assisting financially in the construction of health facilities through the Hill-Burton Act.

Here in Portland, for example, over $1 million in Hill-Burton funds were used in the construction of your $4 million Emanuel Hospital and School of Nursing. Hill-Burton will also pay $246,000 toward the addition to your Providence Hospital. Altogether, almost $5 million in Hill-Burton funds have been spent on 14 different medical-facility construction projects in Portland.

But, despite the addition of 275,000 hospital beds to this country's medical facilities with assistance from Hill-Burton funds, there is still a serious shortage, in part brought about by our rapidly expanding population.

President Kennedy has recommended, therefore, that the Hill-Burton Act, which is due to expire June 30, 1964, be extended for 5 years. And, in recognition of the problems of deterioration and obsolescence many of our older hospitals face, the Hill-Burton Act should be modified so that Federal financial assistance would be provided for modernizing or replacing old hospitals and other health facilities.

I spoke earlier of the work our Food and Drug Administration does in protecting our health. It could do an even better job for us if its authority was broadened, as President Kennedy recommended in his health message, to require proof of both safety and effectiveness of therapeutic devices before marketing and to require cosmetics to be tested and proved safe before they are marketed. This, and similar authority, would complement the additional powers given the FDA last year under the Kefauver-Harris drug control amendments which set higher standards of safety, honesty, and efficacy in the manufacture and sale of prescription drugs and new drugs of all kinds.

AIR POLLUTION

Another health problem of concern to the Department is the steady rise in the extent to which the rapid changes in technology and the accelerating movement of the population into metropolitan areas expose the population to health hazards. Every day, actions by individuals, by industry, and by government shape and change man's environment—and increase our responsibility for seeing that such actions are taken with due consideration of their health effects.

This is especially true of air pollution. Air pollution has been linked to a considerable number of human ailments—especially in older people. In addition, the garbage and wastes and byproducts we discharge into our air cause about $11 billion dollars worth of damage every year in the United States.

President Kennedy has requested legislation authorizing HEW to intensify its research into the causes, effects, and control of air pollution; to provide financial assistance through project grants to local air pollution control agencies so that they can initiate or improve their control programs; to study the interstate or nationwide significance of air pollution; and to take action to abate interstate air pollution along the general lines of the existing water pollution control enforcement measures.

Senator MAURINE NEUBERGER has introduced a bill (S. 1009) which would carry out the President's recommendations.

MENTAL ILLNESS AND MENTAL RETARDATION

Not all health problems, of course, are physical, as was pointed out by President Kennedy in his special message to the Congress on mental illness and mental retardation—the first such presidential message in the history of this Nation.

The heart of the program President Kennedy recommends to combat mental illness is the concept that many forms and degrees of mental illness can be prevented or ameliorated more effectively through community-oriented preventive, diagnostic, treatment, and rehabilitation services. This is a departure from the traditional view that such services could best be provided by a mental institution.

Specifically, the proposals relating to mental illness are designed to launch a national mental health program that takes into account not only current needs in existing facilities and programs but also the projected future mental health needs of the Nation. The Federal Government would participate in the programs by giving financial assistance for the construction and staffing of the community mental health centers and by greatly increasing its support of research to assure long-term advances in the prevention, diagnosis, treatment, and rehabilitation of the mentally ill.

Similar efforts are called for by the President in the field of mental retardation.

HOSPITAL INSURANCE

Another important feature of the President's health program is his proposal for hospital insurance protection for aged persons through the social security system. Considering the facts that aged people require, on the average, three times as much hospitalization as younger poeple and yet have only about half as much income, the addition of hospital insurance to social security is urgently needed to protect the economic freedom and security of older citizens. Every person eligible for hospital benefits would be given a card much like the cards now provided hospitalization insurance subscribers to identify him upon admission to a hospital or nursing home.

Hospitals, skilled nursing facilities, and community health-service organizations would be paid for the reasonable costs of the services they furnished. There would be little difference between the procedures under the proposed program and those already set up and accepted by hospitals in connection with Blue Cross programs.

Every hospital which is accredited by the Joint Commission of Accreditation of Hospitals (a nongovernment, professional organization) would automatically be able to participate, provided the hospital had an arrangement for reviewing the utilization of its services and facilities.

Appropriate State agencies would play an important role in determining which nonaccredited hospitals and which skilled nursing facilities would be eligible to participate. These State agencies would also provide consultative services to those institutions to help them qualify.

The President's proposed insurance program would not be socialized medicine. Nor would it lead to socialized medicine. It is simply a national program to help older people pay hospital and related health-care bills.

Older people who would be entitled to benefits under the program would continue to choose their own doctors, just as now. If an elderly person's doctor decided that his patient needed hospital care, the patient and his doctor—not the Government—would determine what hospital he entered, just as now.

The proposed program would simply be a means of paying for certain services, not a

means of providing these services. The services themselves would be provided in the same way they are now. They would be provided by the same institutions and the same professional personnel.

As with Blue Cross, the only difference resulting from the program would be in how the bills got paid. In fact, persons over 65 who were already insured under a private health insurance plan providing the same benefits plus some other protection could continue under that plan and receive their basic social security hospital insurance in that way.

In short, what is proposed is a program of hospital insurance, with specified benefits, for people over 65. It is not a program under which hospitals and nursing homes would be taken over by the Government or run by the Government. It is not a program under which doctors would be working for the Government under Government supervision.

It is not a program of socialized medicine.

The program would have no effect on the relationship between the doctor and his patient. It would not cover the fees for the services of private physicians in home or office.

The only difference would be that a doctor could refer an elderly person to the hospital knowing that the bulk of the bill would be paid through the hospital insurance program—that the patient would not have to exhaust his savings or go into debt.

If the patient required nursing-home care following hospitalization, the doctor could recommend such care knowing that the bill would be paid through the hospital insurance program.

Or, if the doctor considered that the best course for the patient would be visiting-nurse services or other health services in the patient's own home, he could recommend this, knowing that the bills would be paid through the hospital insurance program.

In still another situation, if the doctor considered that the patient needed extensive diagnostic services as an outpatient of a hospital, he could arrange this, knowing that the bulk of the costs would be paid through the hospital insurance program.

Hospital insurance under social security—reinforced by private savings and private health insurance and supplemented where necessary by medical care through public assistance—would become the first line of defense against the high cost of illness in old age.

EDUCATION

Now let me turn to another concern of our Department and of the present administration—education.

Today, we are facing a twofold challenge in education that, unless met, can hamper our national growth. We have today more students than ever before, and their number is increasing. At the same time, the relentless progress of our technology is demanding higher levels of education and training for everyone concerned.

In his special message to the Congress (January 29, 1963) President Kennedy vigorously outlined a bold and realistic program for American education. The President pointed out: "Education is the keystone in the arch of freedom and progress. Nothing has contributed more to the enlargement of this Nation's strength and opportunities than our traditional system of free, universal elementary and secondary education, coupled with widespread availability of college education."

The President believes that the doors to the schoolhouse, to the library, and to the college lead to the richest treasures of our open society: To the power of knowledge—to the training and skills necessary for productive employment—to the wisdom, the ideals, and the culture which enrich life—and to the creative, self-disciplined understanding of society needed for good citizenship in today's changing and challenging world.

The President's program includes Federal aid for elementary, secondary, and higher education. It emphasizes improvements in both the quality and quantity of education. It is the most comprehensive and creative education program advanced by any President of the United States.

The proposals represent a careful reevaluation of national needs and national priorities.

Increasing the quality and availability of education is vital to both our national security and our domestic well-being. A free nation can rise no higher than the standard of excellence set in its schools and colleges. Ignorance and illiteracy, unskilled workers and school dropouts—these and other failures of our educational system breed failures in our social and economic system: Delinquency, unemployment, chronic dependence, a waste of human resources, a loss of productive power and purchasing power, and an increase in tax-supported benefits. The loss of only 1 year's income because of unemployment is more than the total cost of 12 years of education through high school. Failure to improve educational performance is thus not only poor social policy; it is poor economics.

Only 10 percent of our adults had a high school or college education at the turn of the century. Today such an education has become a requirement for an increasing number of jobs. Yet nearly 40 percent of our youths is dropping out before graduating from high school; only 43 percent of our adults has completed high school; only 8 percent of our adults has completed college; and only 16 percent of our young people is currently completing college.

Recent research has shown that one of the most beneficial of all investments is education, accounting for some 40 percent of the Nation's growth and productivity in recent years. It is an investment which yields a substantial return in the higher wages and purchasing power of trained workers, in the new products and techniques which come from skilled minds, and in the constant expansion of this Nation's storehouse of useful knowledge.

Improved education is essential to give new meaning to our national purpose and power in the new age of science and space. In the last 20 years, mankind has acquired more scientific information than in all previous history. Ninety percent of all the scientists that ever lived are alive and working today. Vast stretches of the unknown are being explored every day for military, medical, commercial, and other reasons.

The twisting course of the cold war requires a citizenry that understands our principles and problems. It requires skilled manpower and brainpower to match the power of totalitarian discipline. It requires a scientific effort which demonstrates the superiority of freedom. And it requires an electorate in every State with sufficiently broad horizons and sufficient maturity of judgment to guide this Nation safely through whatever lies ahead.

From every point of view, education is of paramount concern to the national interest as well as to each individual. Our Nation requires a new standard of excellence in education, matched by the fullest possible access to educational opportunities, enabling each and every citizen to develop his talents to the maximum possible extent.

As a nation our concern for the future of our children—and the growing demands of modern education which Federal financing is better able to assist—makes it necessary to expand Federal aid to education beyond the existing limited number of special educational programs which Congress has enacted over the years. We can no longer afford the luxury of endless debate over all the complicated and sensitive questions raised by each new proposal on Federal participation in education. To be sure, these are all difficult problems—but this Nation has not come to its present position of leadership by avoiding hard problems. We are at a point in history when we must face and resolve these problems.

Local and State governments and private institutions, responding to individual and local circumstances, have done much. They have, in recent years, devoted sharply increased resources to education. Total national outlays for education nearly trebled during the 1940's and more than doubled during the 1950's, reaching a level of nearly $25 million in 1960. As a proportion of national income, this represented a rise from little more than 4 percent in 1940 to nearly 6 percent in 1960, an increase of over 40 percent in total effort.

And still more effort is needed. The Federal Government—despite increasing recognition of education as a nationwide challenge and despite the increased financial difficulties encountered by States, communities, and private institutions in carrying this burden—has clearly not met its responsibilities in education. It has not offered sufficient help to our present educational system to meet its inadequacies and overcome its obstacles.

It is our conviction that the Federal Government should not take over responsibility for education. That is neither desirable nor feasible. Instead its participation should be selective, stimulative, and, where possible, transitional.

Experience over a century with Federal aid to land-grant colleges has demonstrated that Federal financial participation can assist educational progress and growth without Federal control. In the last decade, experience with Federal aid under the National Science Foundation, with the National Defense Education Act, and with programs for assisting federally affected school districts has demonstrated that Federal support can benefit education without leading to Federal control.

The proper Federal role is to identify national education goals and to help local, State, and private authorities build the necessary roads to reach those goals. Federal aid will enable our schools, colleges, and universities to be more stable financially and therefore more independent.

What are these goals? In our opinion they include the following:

1. The quality of instruction provided in all our schools and colleges must be improved. We must stimulate interest in learning in order to reduce the alarming number of students who now drop out of school or who do not continue into higher levels of education. This requires more and better teachers—teachers who can be attracted to and retained in schools and colleges only if pay levels reflect more adequately the value of the services they render. It also requires that our teachers and instructors be equipped with the best possible teaching materials and curriculums. They must have at their command methods of instruction proven by thorough scientific research into the learning process and by careful experimentation.

2. The educational system of our Nation faces a major problem of quantity—of coping with the needs of our expanding population and of the rising educational expectations for our children which all of us share as parents. Nearly 50 million people were enrolled in our schools and colleges in 1962—an increase of more than 50 percent since 1950. By 1970, college enrollment will

nearly double, and secondary schools will increase enrollment by 50 percent—categories in which the cost of education, including facilities, is several times higher than in elementary schools.

3. Special attention must be given to increasing the opportunities and incentives for all Americans to develop their talents to the utmost—to complete their education and to continue their self-development throughout life. This means preventing school dropouts, improving and expanding special educational services, and providing better education in slum, distressed, and rural areas where the educational attainment of students is far below par. It means increased opportunities for those students both willing and intellectually able to advance their education at the college and graduate levels. It means increased attention to vocational and technical education, which have long been underdeveloped in both effectiveness and scope, to the detriment of our workers and our technological progress.

In support of these three basic goals, President Kennedy proposes a comprehensive, balanced program to enlarge the Federal Government's investment in the education of its citizens—a program aimed at increasing the educational opportunities of potentially every American citizen, regardless of age, race, religion, income, and educational achievement.

This program has been shaped to meet our goals on the basis of three fundamental guidelines:

1. The careful appraisal of the entire range of educational problems, viewing educational opportunity as a continuous lifelong process, starting with preschool training and extending through elementary and secondary school, college, graduate education, vocational education, job training and retraining adult education, and such general community educational resources as the public library.

2. A selective application of Federal aid—aimed at strengthening, not weakening, the independence of existing school systems and aimed at meeting our most urgent education problems and objectives, including quality improvement; teacher training; special problems of slum, depressed, and rural areas; needy students; manpower shortage areas such as science and engineering; and shortages of educational facilities.

3. More effective implementation of existing laws, as reflected in the President's recent budget recommendations.

To enable the full range of educational needs to be considered as a whole, the President has transmitted to the Congress a single, comprehensive education bill—the National Education Improvement Act of 1963, which has been introduced into the Congress by Senator MORSE and Representative EDITH GREEN. Education cannot easily or wisely be divided into separate parts. Each part is linked to the other. The colleges depend on the work of the schools; the schools depend on the colleges for teachers; vocational and technical education is not separate from general education.

The President's proposal is an attempt to launch a prudent and balanced program drawing upon the efforts of many past Congresses and the proposals of many Members of both Houses. It is solely an educational program, which does not attempt to solve all other difficult domestic problems. It is clearly realistic in terms of its cost—and it is clearly essential to the growth and security of this country.

The American people—in partnership with their governments—have continued to insist that "the means of education shall forever be encouraged," as the Continental Congress affirmed in the Northwest Ordinance. Fundamentally, education is and must always be a local responsibility, for it thrives best when nurtured at the grassroots of our democracy. But in our present era of economic expansion, population growth, and technological advance, State, local, and private efforts are insufficient. These efforts must be reinforced by national support if American education is to yield a maximum of individual development and national well-being.

The urgency of the President's program does not rest on the course of the cold war. Improvement in education is essential to our Nation's development without respect to what others are doing. Nevertheless, it is worthwhile noting that the Soviet Union recognizes that educational effort in the 1960's will have a major effect on a nation's power, progress, and status in the 1970's and 1980's. According to a recent report prepared for the National Science Foundation, Soviet institutions of higher education are graduating three times as many engineers and four times as many physicians as the United States. While trailing behind this country in aggregate annual numbers of higher education graduates, the Soviets are maintaining an annual flow of scientific and technical professional manpower more than twice as large as our own. At the same time, they have virtually eliminated illiteracy, with a 23-fold increase since the turn of the century in the proportion of persons with an education beyond the 7th grade. This Nation's concern for education is surely sufficient to excel the achievements of any other nation or system.

The program for American education proposed by President Kennedy is reasonable and yet far-reaching. It offers Federal assistance without Federal control. It provides for economic growth, manpower development, and progress toward our educational and humanitarian objectives. It encourages the increase of the knowledge, skills, attitudes, and critical intelligence necessary for the preservation of our society. It will help keep America strong and safe and free. The President has strongly recommended it to the Congress for high-priority action. He asks your help in fighting for this vital measure.

The health and education proposals that we have discussed today will be subjects of considerable debate in the weeks to come. They involve a matter of choice on the part of the Nation—a weighting of the importance of health and education and how the optimum in both can be obtained by each individual. I think that choice, dictated by the truth of the fact that we cannot stand still, will be a wise, affirmative one.

PREREQUISITES TO SUCCESSFUL COLLECTIVE BARGAINING

Mr. MORSE. Mr. President, I ask unanimous consent that there be printed in the RECORD an address by A. J. Hayes, international president of the International Association of Machinists, entitled "Prerequisites to Successful Collective Bargaining," given at Texas Christian University on March 14.

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

PREREQUISITES TO SUCCESSFUL COLLECTIVE BARGAINING

(Remarks by A. J. Hayes, international president International Association of Machinists, at Texas Christian University Conference on Collective Bargaining and Arbitration, Fort Worth, Tex., March 14, 1963)

I appreciate this opportunity to meet with you and to discuss some of the issues and trends which seem to point to a crisis in collective bargaining in America today.

Apparently a great many people have been convinced—by some of the organizations of big business, by some of the pundits of the political podiums, and by many of the keepers of the press—that collective bargaining has failed in America, and that some alternative method of settling labor disputes is inevitable and desirable.

Perhaps a hint of what has gone wrong with collective bargaining—if anything actually has gone wrong—was contained in an article by A. J. Liebling which appeared in the New Yorker recently. With tongue-in-cheek, Mr. Liebling noted that under the rules by which newspapers report strikes, employers always offer and unions always demand. He pointed out that since no newspaper has ever written about an employer who demanded that the workers accept his terms, the public has been conditioned to believe that employers make nothing but benevolent offers—and unions make nothing but greedy demands.

In the somewhat murky atmosphere of this kind of reporting it is not surprising that so many people are convinced that a crisis truly exists in labor relations. The dock strike, the combined lockout and strike in the newspaper industry, and threatened breakdowns in railroad and defense occupations have not only solidified this crisis complex, but generated a new drive toward laws designed to dilute and even destroy collective bargaining in America.

So I want to talk about collective bargaining, and the implications of the efforts to supplant it with other methods of settling labor disputes. Specifically, I want to analyze the "Prerequisites to Successful Collective Bargaining." And let me say at the outset that one of the most important prerequisites of all is a recognition—by employers, politicians, and the press—that in a free society with a free work force there is really no acceptable alternative to collective bargaining.

If collective bargaining is breaking down today part of the reason is that certain influential employer organizations, newspapers, and politicians are determined to replace free collective bargaining with State compulsion. In effect, they are creating a sickness in order that they may prescribe a cure.

Since the 88th Congress convened a flood of antiunion bills have poured into the hoppers. For example, one bill, by Senator DIRKSEN, would establish compulsory arbitration in the maritime trades.

Another, by Senator CURTIS and Senator MUNDT, would bring unions under the antitrust laws, which means breaking them into small isolated locals completely incapable of bargaining effectively with the kind of huge nationwide corporations that dominate so many industries in our economy.

Still another, by Senator MCCLELLAN, would prohibit strikes in defense industries and substitute compulsory arbitration by a board appointed by the Secretary of Defense. The Senator would also bring transportation unions under the antitrust laws and bar them from striking, picketing, or acting in concert with other unions.

Senator GOLDWATER has recognized that some of the other solutions being offered—particularly compulsory arbitration—would inevitably lead to Government control of prices, profits, and the prerogatives of management. Therefore, his solution is more direct and one sided. Without touching the privileges, prerogatives, and powers of management the Goldwater bill would destroy the ability of unions to bargain by hedging the right to strike in a thicket of bureaucratic and time-consuming restrictions.

In the face of bills such as these—proposing such drastic changes in the structure

of collective bargaining and trade unionism in the United States—one might assume that collective bargaining has failed completely, and that the need to find some alternative method of regulating relations between labor and management warranted the most extreme and severe countermeasures.

And yet, despite the profusely publicized labor disputes that have hit the headlines recently, the facts clearly show that collective bargaining has not failed, and that no public or private emergency demands that collective bargaining be scrapped in America. True, some recent strikes may have caused inconveniences and, perhaps, even some shortages. But inconveniences and shortages are not, in themselves, a national emergency.

A shortage of bananas, for example, or even the several weeks' absence of your favorite newspaper does not justify a panic-stricken rush to destroy the rights and values that differentiate a free country from a Communist one.

Far from being a failure, collective bargaining has been spectacularly successful in America. Over the years—and at a time when swift technological changes have generated great apprehension and unrest in the workplace—collective bargaining has provided labor and management with a beautifully balanced mechanism for achieving industrial stability.

In fact, despite all the highly sensationalized accounts of recent strikes, the total impact of strikes on the total economy is so infinitesimal as to make the current hysteria about a crisis in labor relations look ludicrous.

Not only are the total man-days lost as a result of strikes in an average year, less than two-tenths of 1 percent of all the time that is worked, but the trend through the years has been steadily down. Last year, for example, fewer workers were involved in strikes than at any time since the end of World War II.

Invariably I've noticed that those who shout the loudest about the man-days and production lost because of strikes are the least concerned about the man-days and production that are lost because of unemployment or job injuries. And yet strikes cause only about one-fourth as much production loss as do job accidents, and only about one sixty-fourth as much wage loss as unemployment. In fact, more time was lost last year due to unemployment than was caused by all the strikes that have taken place in America in the past 35 years—since 1927.

Thus collective bargaining is working, and working better every year. The so-called crisis in labor relations is a phony crisis.

Millions of workers and tens of thousands of employers are producing peacefully under the terms of agreements amicably achieved through collective bargaining.

Thus, I repeat, the crisis is phony. However, the danger that we may recklessly destroy collective bargaining in America is very real indeed. Against a background of public hysteria shortsighted men have tried to set the stage for the destruction of the rights and freedoms of every member of every union in our country.

They are shortsighted because they have not considered the price they will pay to destroy the rights of the working people. That price is, of course, the eventual but inevitable loss of their own rights. It is axiomatic that what Congress can do to organized labor this year another Congress can—and will have precedent to—do to management in another year.

So let me suggest that as a people we must decide what it is we seek in our labor-management relations. If our total goal is simply industrial peace at any price, the way to achieve it has been blueprinted by every totalitarian dictatorship in history. Nazi Germany and Fascist Italy had industrial peace in the days of Hitler and Mussolini. The Soviet Union, Franco's Spain, and Castro's Cuba all have industrial peace right now. So industrial peace as such, is not hard to come by. It can be achieved by any society that is willing to sacrifice the freedom of the work force.

But certainly this is not a legitimate goal for America. For it is obviously not possible to sacrifice the freedoms of the work force without compromising those of business, managerial, and professional classes. And our goal is not to achieve an industrial peace based on submission and subjugation but to provide human beings with an effective voice in their own economic destiny.

And this goal has never been more important than it is today. Due to new developments in technology the scales of economic power are being dangerously tipped in favor of huge concentrations of impersonal corporate wealth. So the question is not whether collective bargaining is perfect, but whether, in a free society, any of the other methods being suggested would result in more industrial peace and greater industrial justice.

These are the tests—the true tests—against which we must measure the proposals that are being made in such profusion today.

Probably the most superficially appealing—at least to those who have never worked in a factory—is the proposal that unions be brought under the antitrust laws. On the surface it sounds so reasonable and fair to say that since corporations are covered by the antitrust laws unions should also be.

But the absurdity—or downright intellectual dishonesty—of those who profess to see no difference between the associations of workingmen and the predatory combinations of big business can be easily demonstrated by a few historic and economic facts.

First, what a worker has to sell is not property but a part of himself. Property can be withheld from the market, without loss of value, when the price is not satisfactory. But labor is highly "perishable." Any attempt to withhold it from the market when the price—that is, the wage—is too low results in an immediate and permanent loss to the worker.

Second, commodities can easily be transferred from an unfavorable to a favorable market. Labor, on the other hand, is relatively immobile, being rooted in a particular locality not only by such ties as family, friendship, church affiliation and familiarity of surroundings, but by lack of knowledge of employment opportunities elsewhere.

Third, buyers of commodities are vastly more varied and numerous than are employers of labor. In fact, in recent years a trend of corporate mergers and absorptions has concentrated greater and greater control of production and jobs into fewer and fewer hands. At the present time, for example, more than 38 percent of America's total productive capacity is accounted for by its 200 largest corporations.

Fourth, owners of commodities, corporate and otherwise, have far greater financial resources in cash, credit, property and inventory than do workers. Not only do they have greater resources, but while employers have piously preached individualism, they have customarily practiced combination. As Adam Smith pointed out in his bible of laissez-faire, "The Wealth Of Nations," about 200 years ago, "Masters are always and everywhere in a tacit but constant and uniform combination not to raise the wages of labor above their actual rate."

Fifth, on a commercial market it is the seller of a property that sets its price. But in the labor market it is not the seller—i.e., the worker—but the buyer—i.e., the employer—who establishes the amount to be paid for labor. This is because even in times of prosperity the need and competition for jobs is greater than the need and competition for workers.

For reasons such as these, workers—even with the strongest unions—have never been able to create a monopoly of labor which is anything like the monopoly of management over goods and markets. And today, with technological unemployment rising rapidly, the critical danger to our economy comes not from the efforts of unions to protect workers but from the cutthroat conditions which are generated when desperate men compete for jobs.

In view of these considerations it is clear that those who prescribe antitrust laws for labor, either have no conception of what they propose, or no conscience for the consequences. Despite the hopes of the kind of reactionaries in the business world who view right-to-work laws as a contribution to industrial relations, legislation of the antitrust stripe cannot be fairly considered a suitable or desirable alternative to collective bargaining.

The second great cure-all being offered to the country today is, of course, compulsory arbitration. It is said that we must adopt compulsory arbitration—at least in transportation and defense industries—because we cannot risk strikes or lockouts in occupations that connect so closely with the national health, safety, and welfare.

But before we get carried away with the idea that compulsory arbitration is a magic remedy, let us at least compare it with collective bargaining to see which is most likely to create conditions leading to true industry stability.

In free collective bargaining, where the ultimate right to strike exists, both parties have a reason to reach agreement. For neither normally wants a strike. A strike means lost—or at least delayed—profits for the employer. And it obviously means lost wages for the worker. This possibility of mutual loss serves as a powerful incentive for discussion, persuasion, facts, reasoning, and compromise. It means that no union will refuse to compromise—and risk a strike—over any but the most important issues which the membership will fully support.

The possibility of a work stoppage provides both parties with a compelling motive to reach an agreement that is not only mutually satisfactory, but which forms the foundation for a harmonious relationship throughout the life of the contract.

That is what collective bargaining will do. And, as I have indicated, that is what it does do in the overwhelming number of negotiations that take place in America each year. In our union we have studied the records and we have found that our objective of bargaining for settlements—not strikes—is achieved in almost 98 percent of our negotiations every year.

By way of contrast, this process of the parties actively seeking a mutually satisfactory agreement is completely negated by compulsory arbitration. When the right to strike disappears, and the parties have no reason to reach agreement, the chances are they will not. They won't because each side will start from an extreme position (to impress the eventual arbitrator) and will refuse to compromise (believing that the more they claim the more the arbitrator may give them).

Certainly compulsory arbitration will never lead to the kind of mutually satisfactory agreements that are normally achieved through collective bargaining. The chances are that neither party will be satisfied, that production will suffer, and that, as time goes on, the settlements will become increasingly political.

If nothing else the experience of other countries should warn those who think compulsory arbitration would be a labor relations cure-all. An arbitration is a quasi-judicial proceeding. As such it replaces negotiators with lawyers, issues with technicalities, and substance with form.

In Australia disputes between employers and employees have been dragged through one proceeding after another for as long as 5 years. By the time an award is handed down the issues often no longer matter. The result is not industrial stability, but a work force that takes its frustration out in slowdowns, sitdowns, wildcats, and other disruptive displays of industrial antagonism.

A study made a few years ago showed that Australia had as many strikes—despite compulsory arbitration—as other countries in the British Commonwealth where disputes were settled by collective bargaining.

In at least one country—the Philippine Republic—a compulsory arbitration law was repealed when experience proved that it provided neither better industrial relations, nor fewer strikes, than did free collective bargaining.

This is not to say that there is no place for arbitration in labor-management relations. As a union we agree to arbitration of disputes arising under the contract in about 95 percent of our negotiations. And every year we are involved in thousands of arbitration hearings at all levels of our organization.

But there is a vast difference between submitting an existing contract to a third party for a ruling on its meaning, and permitting a third party to write the contract itself.

The facts show very plainly that neither compulsory arbitration nor application of the antitrust laws to union will lead to greater industrial stability than collective bargaining carried on in an atmosphere of mutual respect and good will between labor and management.

And this, of course, is what we are missing in the relationships between unions and management in the United States today.

Though the workers of America approve and support the free enterprise system, the organizational spokesmen for management do not in turn accept the fact that unions play a needed and beneficial role in a free enterprise economy. Thus, instead of accepting the union as a partner in production, many employers tend to look at it as "the enemy."

In this atmosphere it is miraculous that collective bargaining has been as successful as the figures on strikes, settlements, and days lost have shown it to be.

Even though collective bargaining has been a long-term success in America, there is undeniably some public sentiment to prohibit strikes which actually jeopardize the national welfare. Of course, there is some question of definition here.

When is a strike really jeopardizing the national welfare? And when is it merely embarrassing whichever administration happens to be in power?

If it is necessary to enact a Federal law to deal with strikes in industries directly affecting the public health, welfare, and safety, I suggest that the principles on which our country is based demand that it be a fair law and not one which places all the penalties on one side regardless of which party is guilty of a breakdown in negotiations.

This, of course, is exactly what the present Taft-Hartley Act does. And the inequities of the injunction procedure under Taft-Hartley were never more dramatically illustrated than they were in the recent negotiations in the aerospace industry.

In the two negotiations that reached an impasse the union in both cases accepted the overall recommendations made by impartial Government panels, even though they fell short of goals previously selected by the membership.

It is interesting to note that this was one of the very few times in which a significant number of daily newspapers throughout the United States editorially condemned management's attitude and blamed the companies instead of the unions for bringing about the threat of a work stoppage.

And yet, when the chips were down, and the Government moved to act to avert a shutdown, the Taft-Hartley Act provided only one remedy, and that was to enjoin the union even though most objective observers believed that it was the company that precipitated the breakdown in defense production.

The lesson, I think, is clear. If we want to minimize the risk of work stoppages in defense industries we ought to set up a procedure under which penalties are levied not against labor alone but against the party which is shown by the evidence to be guilty of a refusal to bargain in good faith or accept the recommendations of impartial panels.

I suggest, for example, that if courts could seize a factory and impound the profits, as well as enjoin strikes, and force workers to accept conditions they would otherwise reject, very few disputes would ever reach a stage calling for public intervention.

But more than laws, and penalties, and continued Government participation in labor-management relations we need to bring the institutional relationships between business organizations and unions into harmony with the personal relationships that exist between businessmen and union representatives.

At the institutional level the organizations of business—the National Association of Manufacturers, the U.S. Chamber of Commerce, the National Right-to-Work Committee and the like—are waging war, class warfare, against the American labor movement.

Make no mistake about it, the existence and purpose of such a center as the National Association of Manufacturers' so-called Center for the Study of Union Monopoly Power is well known to the union members of America. This and other weapons of the class war, spewing out their poison, can only obscure the basic compatibilities of labor and management within the framework of the free enterprise system.

It is ironic that these institutional and organizational hatreds—which, incidentally, are becoming stronger every day—do not reflect the feelings which most employers have for the particular union with which they deal—or the particular union representatives with whom they have contact.

Normally, the personal relationships between labor and management are characterized by mutual respect, trust, and appreciation.

Most business executives are wise enough to know that unions perform an essential and valuable service by handling day-to-day grievances, by providing workers with a constructive form of protest and expression, and by insuring that human values are not lost in the punchcard jungle of personnel administration.

But they must also recognize that there are no alternatives to collective bargaining consistent with the traditions that have grown out of our basic documents of government—the Constitution and the Bill of Rights. And the organizations that speak for them must stop chasing the will-o'-the-wisp of compulsory arbitration, or the destruction of unions through antitrust laws.

At a time when America seeks to provide the world with a suitable alternative to communism, it is dangerous for labor and management to engage in a class struggle which has no relevance or place in America.

So rather than continue to seek the destruction of unions and collective bargaining, I would seriously urge the leaders of American industry to bring this pointless, and potentially dangerous, class struggle to an end.

Let them recognize the obvious: that there is really no alternative to collective bargaining, and let us replace class warfare with a determination to make collective bargaining work. In the new climate which results—a climate which reflects institutional as well as personal respect, trust and mutual appreciation—America will achieve far more than a successful system of collective bargaining. It will solidify the foundations of the good and just social order which labor and management are both seeking in America.

INGRESS AND EGRESS RELATING TO NATIONAL FOREST LANDS

Mr. MORSE. Mr. President, on February 1, 1962, the Attorney General issued a landmark decision on ingress and egress relating to our national forest lands. I have discussed this excellent decision on several instances on the floor of the Senate.

The Secretary of Agriculture has now proposed a redraft of Forest Service regulations on ingress and egress. Within a short time he will issue final regulations. There may be further changes which should be made before these regulations are finalized. On April 23, Assistant Secretary of Agriculture John Baker plans to hold a meeting which will give various groups an opportunity to express their views. I am certain that Secretary Freeman and Assistant Secretary Baker will, at that time, consider most carefully whether there ought to be revisions in these proposed regulations.

It is my opinion that unless there are some substantial defects which are brought to light and which need correction, the Secretary of Agriculture should place the new regulations into effect promptly after the April 23 meeting.

At this time I wish to place in the RECORD, so that there will be wide public notice, a letter dated March 18 addressed to me by Assistant Secretary Baker, enclosing a statement and notice concerning proposed national forest regulations, and the draft regulations themselves.

I ask unanimous consent that there be included in the RECORD, at the close of my remarks, a letter I received from Assistant Secretary of Agriculture Baker, also dated March 18, and a letter that the Chief of the Forest Service sent to Mr. Doyle of the National Lumber Manufacturers Association on the same date.

As I have said from the outset, I desire that there be the widest public knowledge of these proposed regulations, their cause and their effect, and it is for this reason that I place this further information at the disposal of my colleagues and the public.

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

DEPARTMENT OF AGRICULTURE,
Washington, D.C., March 18, 1963.

HON. WAYNE MORSE,
U.S. Senate.

DEAR SENATOR MORSE: In August 1962 a discussion draft of proposed regulations affect-

ing administration of the forest development transportation system was circulated for review and comment. Many comments and suggestions were received by early November. These were carefully studied to determine which ones could be included in the regulations.

A redraft of the proposed regulations incorporating the acceptable comments and suggestions has been prepared. This together with a statement concerning them is enclosed.

There has been considerable interest in this subject. Expressed opposition to the adoption of these regulations has been largely limited to some portions of the lumber industry. It has been our position that the Department would arrange a meeting if differences were not reasonably resolved in redrafting the regulations. While considerable progress has been made, it is unlikely that the conflicts can be entirely resolved.

The redraft of the proposed regulations together with the statement is being distributed to those reviewers who have indicated an interest in the subject. Included with the new draft is an announcement of an advisory hearing. At this hearing there will be presented a brief summary review of the regulations and their purposes. The hearing will provide an opportunity for comments in addition to those already submitted by interested persons who appear. Comments may be filed with the Chief of the Forest Service in advance of or within 10 days after the meeting. I plan to attend the meeting.

Your further comments on the proposed regulations will be most welcome at any time as will be your participation or attendance at the meeting in April.

Sincerely yours,

JOHN A. BAKER.

NOTICE FROM FOREST SERVICE, DEPARTMENT OF AGRICULTURE

Enclosed for your information and further review are:

1. Redraft of the proposed national forest access regulations directed toward management of the forest development road system serving the national forests. This redraft is proposed for publication in the Code of Federal Regulations under title 36, chapter 11, part 212.7 to 212.11 inclusive, when approved by the Secretary of Agriculture.

2. Statement concerning the proposed national forest access regulations.

These regulations were first circulated as a discussion draft for comments in August 1962. This review resulted in over 450 comments. These have been carefully considered in the development of the enclosed redraft and the accompanying statement.

The Secretary of Agriculture has requested me to circulate this draft to those interested reviewers who previously commented. He has also asked that a meeting be arranged to permit those interested to present new arguments or additional comments on this draft for consideration by him prior to his decision. Comments may also be presented to the Forest Service in writing prior to or within 10 days of the scheduled meeting.

An advisory public hearing is called for 10 a.m , April 23, 1963, in room 218, Administration Building, Department of Agriculture, Washington, D.C.

A transcript of the hearing will be made for use by the Secretary in his further consideration of the regulations.

Additional copies of this notice, the enclosed statement and proposed regulations are available in the office of the Chief, Forest Service, room 3008, South Building, Department of Agriculture, Washington, D.C.

M. M. NELSON,
Acting Chief, Forest Service.

REDRAFT OF NEW REGULATIONS PROPOSED BY AGRICULTURE—CODE OF FEDERAL REGULATIONS

TITLE 36—PARKS, FORESTS, AND MEMORIALS

Chapter II—Forest Service, Department of Agriculture

Part 212—Administration of the Forest Development Transportation System

Part 212 is amended by adding the following sections:

"Section 212.7 Road System Management:

"(a) TRAFFIC RULES—

"1. GENERAL.—Traffic on roads under the jurisdiction of the Forest Service other than 'Special Service Roads' shall be subject to State traffic laws where applicable: *Provided,* That use of such roads shall be subject to rules prescribed by the Chief, notice of which has been given by publication in a newspaper having general circulation in the locality and posting at the entrances to the roads, covering uses of or operations on the road as to which the State laws and rules are not applicable or are not deemed adequate for the safety and protection of users of the roads and the National Forests.

"2. SPECIAL SERVICE ROADS.—The Chief shall issue traffic rules governing the use of 'Special Service Roads' or adopt in lieu thereof traffic rules promulgated for comparable roads of the State in which the road or segment of road is located, provided that where local traffic rules are adopted they shall be supplemented by him to the extent necessary to adequately govern special traffic uses and conditions, including but not limited to load weights and widths, size of vehicles, speed limits and provisions for the safety and protection of users and of the National Forests. Notice of such rules shall be given in the manner prescribed in section 212.7 (a) 1.

"(b) SPECIAL SERVICE ROADS.—The Chief may designate a forest development road or a segment thereof a 'Special Service Road' and control or regulate the use of the road as necessary in the public interest and safety: *Provided,* That the road is not a part of the highway system of a State, county, or other public road authority: *Provided further,* That the United States controls the right-of-way.

"(c) COST RECOVERY ON SPECIAL SERVICE ROADS.—Where the Chief determines that a share of the cost of acquisition, construction, reconstruction, improvement, or maintenance of a 'Special Service Road,' or a segment thereof, used or to be used for commercial hauling of non-Federal forest products and other non-Federal products, commodities and materials should be borne by the owners or haulers thereof and where such owners or haulers have not shared in the cost of acquisition, construction, reconstruction or improvement and have not made contributions to pay their proportionate cost shares, the Chief may condition the permission to use the particular 'Special Service Road' or segment thereof upon payment to the United States of the proportionate share of such cost and bearing proportionate maintenance as has been determined by him to be attributable to such owner's or hauler's use in accordance with section 212.11.

"Section 212.8 Ingress and Egress

"(a) PERSONS RESIDING WITHIN THE BOUNDARIES OF NATIONAL FORESTS.—Persons residing within the boundaries of National Forests shall be permitted ingress and egress over the National Forests and use of existing roads and trails for access to their homes and property: *Provided,* Such ingress and egress or use shall conform to rules and regulations governing the protection and administration of the National Forests and the roads or trails to be used.

"(b) OTHERS.—Entering upon the National Forests and use of existing roads and trails will be permitted for all proper and lawful purposes, subject to compliance with rules and regulations governing the National Forests and the roads or trails to be used.

"Section 212.9 Access Procurement by the United States

"(a) POLICY.—The Chief shall obtain as promptly as is feasible needed road and trail access to National Forest land to assure effective protection, management and utilization of such land and its resources and for the use and development of the resources upon which communities within or adjacent to the National Forests are dependent. Such access shall include procurement of interests in existing non-Federal roads and road systems, as well as rights-of-way for roads and trails over non-Federal land. Consideration shall be given in each case to the needs of the owners to use the existing roads in the protection, management and utilization of their lands and industries.

"(b) EXISTING OR PROPOSED FOREST DEVELOPMENT ROADS WHICH ARE OR WILL BE PARTS OF A SYSTEM OF A STATE, COUNTY, OR OTHER LOCAL SUBDIVISION.—Forest development roads which are or will be parts of a system of a State, county, or other local subdivision road system and are on rights-of-way held in the name of the State, county, or other local subdivision may be constructed, reconstructed, improved or maintained by the Forest Service when there is an appropriate agreement with the State, county, or other local subdivision under authority of 23 U.S.C. 205: *Provided,* Such construction, reconstruction, improvement or maintenance is essential to provide safe and economic access to National Forest land.

"(c) ACQUISITION OF EASEMENTS AND RIGHTS OF USE.—Except as otherwise provided in these regulations, easements for road and trail construction across non-Federal lands and easements or rights of use over non-Federal roads and trails will be acquired in the name of the United States of America and its assigns. The easements or rights of use may be acquired by purchase, condemnation, donation, or as a reciprocal for permits or easements for rights-of-way for roads or trails to be constructed or for easements over or permits to use existing roads or trails.

"(d) METHODS OF COMPENSATION FOR EASEMENTS AND RIGHTS OF USE ACQUIRED BY THE UNITED STATES.—Compensation in negotiated acquisitions may be: (1) by payment from appropriated funds; (2) pursuant to reservation in the grant of easement to the United States whereby the grantor reserves the right to require haulers of Federal timber or other Federal products over the road conveyed or thereafter constructed by the grantor to make payments to the grantor in accordance with the terms of the reservation; (3) by granting reciprocal rights; or (4) by a combination of these methods. Compensation will be limited to the fair market value of the easement or right of use.

"(e) COOPERATIVE CONSTRUCTION AND USE AGREEMENTS.—Where areas, partly National Forest and partly private or other ownership, are undeveloped or inadequately developed by roads, the Chief will, to the extent feasible and advantageous to the United States, join in planning, constructing, reconstructing, improving, maintaining, and using an adequate road system on the basis of each party bearing the proportion of the cost attributable to the anticipated benefits.

"(f) CONDEMNATION.—Where access across non-Federal land or over a non-Federal road or trail cannot be obtained on equitable terms through negotiations and with reasonable promptness, condemnation will be undertaken upon a finding that: (1) such action is necessary and advantageous to the

United States, considering the elements of time, need for access to National Forest land, probable cost (award for value and damage), alternative means of access, and other pertinent factors; and (2) that funds are available for payment of the anticipated award.

"(g) ACCESS OVER NON-FEDERAL LAND AND USE OF NON-FEDERAL ROADS OR TRAILS ON A TEMPORARY BASIS.—The Chief may negotiate a temporary agreement for access over non-Federal land and for use of an existing non-Federal road or trail where there is immediate need for temporary access for limited purposes that can be economically met by such procedure, or where the foreseeable need does not justify the expenditures necessary to provide a permanent road or trail.

"(h) USE AND CONTROL OF INTERESTS IN ROADS, TRAILS AND EASEMENTS ACQUIRED BY THE UNITED STATES.—Interests in roads, trails and easements acquired by the United States shall be under the control of the United States, subject to approved reservations, limitations and other provisions set forth in the deed, permit and other indenture. This control by the United States may include restricting or conditioning the use of the interest owned by the United States in the road, trail or easement where necessary.

"Section 212.10 Permission To Cross National Forest Land and Assignable Rights-of-Way Owned by the United States

"(a) PERMISSION TO CONSTRUCT AND USE ROADS ACROSS NATIONAL FOREST LAND AND ASSIGNABLE RIGHTS-OF-WAY OWNED BY THE UNITED STATES.—If a reciprocal benefit is needed by the United States, permission to construct and use a road across National Forest land and across assignable rights-of-way owned by the United States and administered by the Forest Service will be conditioned, except as provided in this subsection, for any applicant who seeks a permit to construct and use a road across the same, upon the grant to the United States of a reciprocal benefit. Such benefit shall bear: (1) a reasonable relation to the management of the National Forests; and (2) a value substantially similar to the value of the permission to cross National Forest land or right-of-way applied for. In those instances where the values of the interests needed by the United States exceed those applied for by the applicant, the additional interests required by the United States will be acquired as provided in sections 212.9 (c) and (d). Where values needed by the applicant exceed those needed by the United States, the difference in values will be determined under principles set forth below and in sections 212.7(c) and 212.11. If a reciprocal benefit is not needed by the United States, or the applicant shows good cause why the reciprocal benefit needed by the United States cannot or should not be granted by him, or the applicant declines to grant the reciprocal benefit requested by the United States or if a bona fide emergency exists, permission to construct and use a road across lands owned by the United States may be conditioned for any applicant upon reasonable charges and all other terms and conditions required by the Chief to protect the interest of the United States. Permits for road construction and use will be non-exclusive and will retain in the United States all rights in the right-of-way and in the road except the privilege granted the permittee to use the road for the specific purposes stated in the permit. Permits will be conditioned upon compliance with their terms and conditions and to the rules and regulations governing the protection and administration of the National Forests and those applicable to such roads.

"(b) PERMITS FOR COMMERCIAL HAULING ON SPECIAL SERVICE ROADS.—Except for minor or occasional use, permits will be required for commercial hauling on 'Special Service Roads' of non-Federal forest products, and other non-Federal products, commodities, and materials when the Chief determines that such owners or haulers should provide: (1) proportionate maintenance; (2) an equitable and reasonable needed reciprocal benefit to the United States; (3) a share of the cost of construction, reconstruction, or improvement of such road or segment thereof; or (4) any combination of these. When such owners or haulers have not provided to the United States the needed reciprocal benefit, or borne their share of the cost, permission to use a road will be conditioned for any applicant upon the terms and requirements and subject to the like conditions and charges as prescribed in Section 212.7(c), 212.10(a), and 212.11(d) for permission to construct or use such roads.

"(c) EASEMENTS AND STIPULATIONS FOR ROADS CROSSING NATIONAL FOREST LAND HAVING THE STATUS OF LAND RESERVED FROM THE PUBLIC DOMAIN.—Applications for easements over National Forest land having the status of land reserved from the public domain, and over roads thereon, with appropriate stipulations will be approved by the Chief for those applicants who have conveyed or provided permanent multiple-use easements over roads and lands owned or controlled, directly or indirectly, by them to the United States of America and its assigns and who have already constructed, or will, as scheduled by the agreements, construct their proportionate share of the road or road system concerned. Such applications for easements shall be approved by the Chief only when they are for non-exclusive easements which retain in the United States all rights in the road or road system except the rights of the applicant to use and maintain the road or road system in the administration, protection, and utilization of lands and the resources thereof owned or controlled by the applicant, and when the rights applied for are limited to the share of use commensurate with the applicant's contribution to, or performance of, a share of construction or other improvement as set forth in the cooperative agreement or cooperative understanding covering the road or road system. Applications for easements in appropriate form, together with required plats showing the National Forest land having the status of land reserved from the public domain to be crossed, shall be forwarded to the Forest Service. When the Chief has determined that the applicant has satisfactorily constructed his determined share of the related road or road system, or is committed by appropriate agreement to deposit funds or construct his share of the road or road system, and has granted or provided the easements or other interest required by the United States under such agreement, the Chief after approval of the application, will attach thereto the stipulations agreed to by the applicant and the Chief covering the use of the easement applied for, and forward the same to the designated officer of the Department of the Interior for the purpose of obtaining the required easement under the authority of the Secretary of the Interior. When the easement is approved and returned by the officer of the Department of the Interior to the Forest Service for entry in its records, it will be entered and thereafter delivered to the applicant pursuant to agreement.

"Section 212.11 Principles for Sharing Use of Roads

"The use of roads under arrangements for sharing costs or performance shall be in accordance with the following:

"(a) ROAD IMPROVEMENT.—Use of a road for commercial hauling, except occasional or minor amounts, will be conditioned upon improvement or supplemental construction of the road to safely and economically serve the contemplated use, unless the Chief determines that the safety and economy of the established and foreseeable use by the United States, its users and cooperators will not be impaired by the use for which application is being made. With the consent of the Chief the applicant may deposit funds in the estimated amount required for the improvements or supplemental construction in lieu of performance. Such funds will be used by the Forest Service to do the planned work. The cost of the improvements or supplemental construction will be taken into account in determining any otherwise required contribution to cover the proportionate share of the cost of road acquisition, construction, reconstruction or improvement attributable to the use.

"(b) CORRESPONDING BENEFITS.—Corresponding benefits which may be accepted by the Chief for sharing road use will be those which bear a reasonable relation to the management of the National Forests. They may be in the form of: (1) deposit of funds with the Forest Service for use in paying the cost of road construction, reconstruction or improvement to be borne by the user; (2) the grant of a reciprocal right of substantially similar value to the road use sought; (3) construction over applicant's property of a new road needed for access to and use of National Forest land and the conveyance to the United States of America and its assigns of the needed rights in such road; or (4) any combination of these.

"(c) COST DETERMINATIONS FOR ROADS COOPERATIVELY CONSTRUCTED UNDER AGREEMENTS.—When roads are constructed under cooperative agreements to meet mutual needs of the United States and others for access, determinations of the shares of costs to be borne by the United States and the cooperating parties will include consideration of: (1) the standard of road required for the planned hauling; (2) the share of planned use; (3) the location and volume of tributary timber owned by each party and expected to be hauled over the road or roads; (4) the tributary areas owned or controlled by each party; (5) expected use by the public; and (6) other appropriate considerations.

"(d) COST RECOVERY BY THE UNITED STATES FROM OTHERS ON SPECIAL SERVICE ROADS.—When roads designated as 'Special Service Roads' are used under permit for commercial hauling instead of under cooperative agreement any cost to be recovered by the United States will be calculated in proportion to the planned use of the road. The road cost used in such calculation will be the amount or estimated amount expended in the acquisition, construction, reconstruction, and improvement of that capacity of the road required to serve the use needs of all parties that are or reasonably can be expected to use the road. Such road share cost payments will be through deposits in advance of use unless the user provides a payment bond satisfactory to the Chief guaranteeing that payments will be made promptly upon billing by the Forest Service.

"(e) COST SHARING WITH A COOPERATOR.—The costs to achieve the agreed upon road or road system may be met by: (1) use of appropriated funds; (2) construction, reconstruction or improvement of roads or segments of roads by timber purchasers or other users; (3) use of deposits made by cooperator with the Forest Service to cover cooperator's agreed share; (4) agreement with cooperator pursuant to which cooperator does more than his agreed share of constructing, reconstructing, or improving a road and recovers costs incurred in excess of his agreed share by charging National Forest timber purchasers and other commercial haulers using the road an equitable amount within the limits and to the total amount specified in the agreement; or (5) a combination of the aforementioned methods.

"(f) ROAD MAINTENANCE AND RESURFACING.—Cooperators, and permittees using 'Special Service Roads' will share the road

maintenance and resurfacing costs under suitable agreements to perform, arrange for performance by others, or by making deposits with the Forest Service which will be used to pay the costs of work performed for efficient use and for the preservation and protection of such roads from all elements, and to prevent erosion to adjacent lands: *Provided*, That purchasers of National Forest timber shall perform an agreed upon amount of maintenance work representing their proportionate share of necessary maintenance, or at their election in lieu of actual performance thereof, make payments to a specified maintainer of the agreed amounts for maintenance.

"(g) INTERESTS TO BE ACQUIRED BY THE UNITED STATES IN ROADS OR EASEMENTS THEREFOR.—Where the United States is to bear or share the cost of constructing, improving, or acquiring a road system, a road, or a segment thereof, or acquires an easement therefor, the interest acquired will: (1) be for perpetual use unless the road use falls within the limited classes where temporary roads or roads for limited periods are acceptable; (2) provide adequately for foreseeable National Forest management, protection, and utilization needs; and for the use and development of the resources upon which communities within or adjacent to the National Forests are dependent; and (3) not be subject to conditions, reservations, or covenants unrelated to the road use, or which seek or might tend to direct or limit National Forest management policies and procedures."

STATEMENT CONCERNING PROPOSED NATIONAL FOREST ACCESS REGULATIONS

GENERAL

Proposed regulations 212.7 to 212.11, inclusive, apply to the Forest Development Transportation System and to access over national forest lands. They do not apply to the Forest Highway System.

ACCESS PRINCIPLES

There are several principles which are of primary importance to and basically control the national forest access program. There are presented hereunder the highlights of the principles deemed most important in the current drafting of regulations. The following most strongly influence and direct the language of proposed regulations 212.7 to 212.11, inclusive.

1. Multiple-use access to national forest lands is needed in virtually every case. The United States needs and must obtain multiple-use access to national forests lands for the protection, administration, and utilization of the national forests, or where necessary, for the use and development of the resources upon which communities within or adjacent to the national forests are dependent.

2. Road construction by national forest timber purchasers is presently limited to the prudent operator concept. Consequently, some appropriated funds may be required sooner or later to do supplemental road improvement in every road system. This means that the right-of-way which is essential for multiple-use access is necessary before such improvement. It is usually good business to acquire initially the right-of-way to meet such foreseeable needs.

3. Sustained yield management of the various land resources requires generally permanent or long-lasting improvements, including roads. Permanent or perpetual easements are so uniformly needed that this requirement can be regarded as the normal and usual one.

4. Easements granted to the United States and its assigns to meet the foregoing requirement must be nonrestrictive so as to provide for all foreseeable use including use by recreationists, hunters, and fishermen as well as timber haulers. It follows that if the owner of a private road being acquired by the United States wants to reserve access rights for recreation, timber management, mining, and any other lawful use of his property, the Forest Service is quite willing to consider such reservation of rights. The Forest Service wants to be able to cooperate with those private landowners who also seek to promote the desirable policy of multiple use.

5. Since the purpose of national forest roads is to accommodate mixed traffic or all anticipated kinds of traffic at various times, it is essential that the Government be in a position to regulate the traffic it plans to accommodate. This does not mean the private road owner cannot control and be assured of the use of the rights he reserves. The owner will logically want to reserve the rights of use he foresees the need of and will wish to be assured of as a property right. Rules specified in the conveyance to the United States for the exercise of reserved rights would be part of the private right and not subject to change by the United States except after further acquisition through negotiation or in rare instances by the exercise of eminent domain.

6. Whenever possible and feasible, the Forest Service will avoid duplicating existing roads and road systems as a land and timber growing conservation policy by making a single road system serve all tributary ownerships insofar as practicable. If after reserving the interest desired by the owner for his purposes, it is determined by the Forest Service that the remaining road interests that can be acquired by the United States are less than will be needed, there must and will be a decision as to the best course to take. Usually the alternatives are to acquire subject to the owners' needs and widen and improve the road to meet the Government's needs, to acquire a separate right-of-way and construct a separate road system, or to condemn for access rights needed by the Government. It will be the policy to be quite prompt in reaching a decision to condemn for such needed access rights where negotiations cannot be concluded to the satisfaction of both parties.

HIGHLIGHTS OF PURPOSES AND OBJECTIVES

Section 212.7—Road system management

Subsection (a) prescribes that the traffic on the road system will be controlled under provisions of the State traffic laws to the extent they are applicable. State and local governments are to be encouraged to develop means for applying State traffic laws to traffic on national forest roads.

When the public safety, protection of the national forests or the roads require it, the Forest Service will prescribe and enforce such rules as are needed to assure safe and efficient use.

Subsection (b) provides that special service roads will be designated as needed to assure use for the more important purposes. On these roads the Forest Service may: (1) regulate traffic for safety of the users or of property; (2) regulate the kind and volume of traffic to meet the requirements of land management; (3) obtain required maintenance; (4) regulate commercial hauling; (5) require needed road improvement to accommodate the permitted hauling; (6) recover road costs; (7) establish load size and weight limits and any other special traffic rules needed for safety or the utilization of the road.

Under subsection (c) cost recovery will be limited to commercial hauling of non-Federal products over such designated special service roads when the delegated official determines that such tributary products should bear a share of the cost of the road. Cooperative construction on the road, or contributions thereto, by land or timber owners will be recognized. Since most of the cooperative road agreements originated in 1952 or later, it is contemplated that cost recovery under section 212.7 will be generally limited to costs incurred in constructing or improving roads or segments of roads after June 30, 1952. In special situations involving earlier cooperation with one or more but not all non-Federal users cost recovery may be authorized over a road or road segments where the facts clearly indicate that it will be equitable to charge for non-Federal hauling by the party who has not previously borne an equitable share.

The replacement costs of that portion of the construction of a road which may have been accomplished by and to meet the needs of the user or hauler of National Forest products will be estimated and combined with any costs which may have been incurred from appropriated Federal funds. The total will be regarded as the Government's cost for the purpose of determining the share or shares to be borne by the commercial hauler of non-Federal products on a road designated for cost recovery.

Costs recovered will be deposited in the Treasury of the United States.

Relatively few of the existing roads will be designated for collection of cost recovery charges, because most road systems serving mixed ownership areas were developed with the cooperation of public agencies or the benefiting private owners. Most national forest roads will continue under these regulations to be used free of charge as they have been in the past.

Section 212.8—Ingress and egress

Under (a) it will be the objective to continue and improve our good relationships with persons residing within the national forests. After more than 50 years of development virtually all persons residing in the forests have a way by road or trail to their domiciles. It is intended that they be permitted to continue customary access on such roads or trails in compliance with rules and regulations of the Secretary.

The objective will be to assure that an actual settler shall not be denied the rights he has under the 1897 law. All entry and use by actual settlers and others will be conditioned upon compliance with rules and regulations governing the national forests and the forest development roads and trails to be used. These provisions are not new.

It is intended under (b) that, except on the few special service roads designated for cost recovery, use of national forest roads and trails will continue to be without charge as in the past.

Section 212.9—Access procurement by the United States

Subsection (a) indicates the principal objective of policy is to move more promptly to get multiple-use access to national forest lands. This will be accomplished by obtaining rights-of-way upon which the Government can build roads or trails or by acquiring private roads. Joint construction and sharing of costs is covered under 212.11.

Under (b) it will be the objective of the Forest Service to work cooperatively and closely with the States, counties or other local subdivisions of government in development and maintenance of roads needed for both national forest and local government use.

Under (c), (d), and (e), the objectives of the regulations controlling the acquisition of rights-of-way and establishing the methods of compensation are aimed at flexible means of obtaining access rights fairly and reasonably by negotiations. The rules for negotiating agreements on cooperative construction and use of roads are likewise aimed at serving the needs of the cooperators with each bearing a fair proportion of the costs.

Subsection (f) provides when negotiations fail prompt use of condemnation will be the objective, thus settling the issues judicially.

Under (g) the provisions for temporary access are intended to be used only where the circumstances clearly justify this action. If the temporary right-of-way is obtained to gain access more quickly, it will be the objective to promptly obtain the permanent right-of-way.

Under (h) the principle of the Government controlling that which it owns are well established. It is stated in this section to remove any doubt as to the intent that the Forest Service will follow this principle and that it has no authority to leave control of a road acquired by the United States in the prior owner.

Section 212.10—Permission to cross national forest land and assignable rights-of-way owned by the United States

Subsection (a) provides the guidelines for achieving reciprocity. It is intended they produce fair and reasonable results. Since reciprocity requires agreement of the private party and most Forest Service access needs must be met promptly the applicant who cannot or will not promptly grant the needed reciprocal rights or benefits may be given a permit to build and use a road at his expense. Such a permit, however, will be revocable and retain in the United States the right to improve and use the road. An applicant who delivers the reciprocal rights or benefits needed by the United States may obtain either a permit or a permanent right-of-way under 212.10(c) with an assurance, where appropriate, that other users will share in the costs of the road.

Subsection (b) prescribes the rules for hauling on special service roads by the haulers who have not shared in the construction. Haulers must do their maintenance and may be required to improve the road, provide a reciprocal benefit, or pay a share of the costs, or a combination of these.

Subsection (c) specifies the procedures for obtaining permanent rights-of-way under Department of the Interior authority. The objective is to use the authority to obtain permanent multiple-use access over the related private lands of the applicant. No permanent easement will be approved except for those who have furnished needed reciprocal benefits to the United States.

The Department of the Interior has the statutory authority to issue the permanent rights-of-way or long-term permits in the nature of an easement across national forest lands of public domain status. The appropriate officer of the Department of the Interior has been authorized to issue the rights-of-way for such permanent or long-term use as may be recommended for approval by the Department (Agriculture) and the provisions of 43 C.F.R. 244.16 and 244.9 have been suspended from operation in the cases involving such applications. Such easements are nonexclusive rights. The United States will in all cases retain the right to use or permit the use of the right-of-way for any purpose which does not unreasonably interfere with the grantee's use.

Stipulations for use of the rights-of-way will be prepared by the designated official to protect national forest interests and designed to meet the specific needs of the project or road system and to cover the management responsibilities of the United States.

It is the responsibility of the Forest Service to obtain clearance from other interested Federal agencies when they are involved (e.g., Federal Power Commission and Bureau of Reclamation for areas withdrawn for their use) and to have the application made in approved form for later approval by the Department of the Interior. The Forest Service has the primary management responsibilities over the lands in question. Accordingly, it is responsible for determinations that the interests of the Government are protected, that appropriate reciprocal rights have been obtained, and for terms of the stipulations entered into with applicants.

Section 212.11—Principles for sharing use of roads

Subsection (e) of section 212.9 directs the Forest Service, whenever it is advantageous to the United States, to join with the related owners of intermixed land in planning, constructing, reconstructing, improving, maintaining and using road systems serving the lands and resources of the cooperators. Where it is found mutually advantageous this general policy has been followed by the Forest Service and many neighboring land and timber owners for a number of years.

Section 212.11 is designed to establish methods of carrying out the cooperative policy established in 212.9(c).

Subsection (a) has as its objective the improvement of national forest roads to safely and economically meet the increasing needs of the particular roads and establishes the means of accomplishment.

Subsection (b) defines the authority to accept reciprocal benefits from an applicant desiring to use a forest development road. It should facilitate making mutually advantageous access agreements.

Subsection (c) provides that the determination of the shares of costs requires agreement of the Forest Service and the other cooperators as it has in the past. The objective of 212.11(c) is to establish guidelines which include the factors most often found essential in the past. The most important and usually the only definitive factor is the tributary timber expected to be hauled over the road system. Other factors may be important and require measurements or estimates for consideration. Agreements will include the extent to which overhead costs are to be recognized and included. A cost in an amount equivalent to interest on unamortized investments may be included in agreements under which cooperators recover costs from users. It will be the objective to eliminate any real need for this by having each cooperator construct or contribute his share at the appropriate time. The objective will be to obtain cooperation in the road system by the fairest possible means for determining the cost shares of the participants on the basis of the foreseeable and anticipated benefits.

Subsection (d) states the purpose of cost recovery is to obtain the fair share of the Government's cost for a road having a direct commercial benefit to a non-Federal user. The purpose is also to avoid having a user ride free over a road which is constructed and used by those who contribute their fair share of the cost. The objective will be to recover costs on roads or segments of them incurred since July 1, 1952. Under special circumstances where equity clearly warrants it, costs incurred earlier may be considered. Once costs are recovered only continued maintenance and road improvements, or a share of them if required to safely accommodate the use, would be required.

Subsection (e) establishes the guidelines on the various methods of sharing by agreement in the cost of constructing cooperative roads or road systems.

Subsection (f) establishes maintenance requirements for commercial use of designated special service roads. The principle is established that each will either do the maintenance representing his proportionate share or at his election make payments to a specified maintainer. A major purpose is to avoid having a road damaged or its worth deteriorate as a result of commercial use.

Subsection (g) has as its purpose to make it clear that when the United States is to share in a cooperative road or road system it is to obtain an interest in the right-of-way and road for the purpose of serving foreseeable needs of the national forest lands and resources and, when necessary, for other uses which serve dependent communities consistent with provisions of the forest development road and trail provisions of the Forest Highway Act. It also makes it clear this interest will not be subject to any type of control by grantors or prior owners which could tend to direct or limit national forest management.

(NOTE.—It is intended that upon final adoption of the new regulations they will replace or supersede any former regulations in conflict herewith.)

DEPARTMENT OF AGRICULTURE,
Washington, D.C., March 18, 1963.

Hon. WAYNE L. MORSE,
U.S. Senate.

DEAR SENATOR MORSE: On October 12, Mr. Mortimer Doyle wrote to Mr. Cliff enclosing the National Lumber Manufacturers Association statement of principles directed to private land access within national forests. On November 2, you wrote to me and Interior Assistant Secretary Carver on the same subject enclosing Mr. Doyle's letter to Mr. Cliff.

Mr. Cliff has responded to Mr. Doyle and I am enclosing a copy of his reply. We have given considerable study to the principles and the related comments. We substantially agree on many of them and we believe these are fully reflected in existing and proposed policies and regulations. However, you will note there is not full agreement on a few of the principles which are in conflict with those which we believe must control a national forest access program operated in the public interest. These differences are discussed in some detail in the letter to Mr. Doyle.

We have analyzed the response to the NLMA principles by the Department of the Interior to you and by Agriculture in Mr. Cliff's letter to Mr. Doyle. They are in close accord. Considering the differences in the laws governing the O. & C. and the national forest lands, in the history of the lands, in their uses, and in their geographic patterns, we believe the differences in the policy are reduced to the practical minimum. These differences in the response of the two agencies to the NLMA principles which appear to us to have some significance are limited to the following:

Under principle 5, the Forest Service provides for designation of special service roads while the O. & C. regulations do not. The designation of certain Forest Service roads for special controls or restrictions will be applied where necessary to meet needs of maintenance, user safety, or particular forest uses at certain times and to achieve reciprocal benefits or to recover costs under the proposed regulations.

The Forest Service and O. & C. regulations are in harmony in response to principle No. 8, except that multiple use and sustained yield management of national forest lands as directed by 74 Stat. 215 require easements fully meeting these objectives. As you know, both agencies are on a perpetual basis in land management and road development.

Under principle 9, the BLM regulations do not provide for condemnation while the Forest Service proposes to do so. We understand the BLM uses other authorities for this purpose and has an active program underway in this. We propose to include condemnation in our regulations both because the industry has requested it and we think it is sound to describe when and how it may be applied here. The Forest Service does propose to promptly condemn where it needs access and cannot negotiate successfully for it.

Under principle 10, there first appeared to be a possibility of difference in practice by the two agencies. We have determined there is actually no substantial difference. Both agencies agree that arrangements may be made in advance to protect an investment. This must be done by agreement or arrangement before construction begins. A party

read the third time, and passed, 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 paragraph (7) of section 301(a) of the Immigration and Nationality Act, Mrs. Janis Lavern Mesa, a citizen of the United States, shall be held and considered to have resided in and to have been physically present in the United States, prior to the birth of her natural child, Millie Gail Mesa, for a period of five years after the said Mrs. Janis Lavern Mesa had attained the age of fourteen years.

LASZLO JANOS BUCHWALD

The bill (S. 715) for the relief of Laszlo Janos Buchwald was considered, ordered to be engrossed for a third reading, was read the third time, and passed, 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 sections 212(a) (9) and (19) of the Immigration and Nationality Act, Laszlo Janos Buchwald may be issued a visa and be admitted to the United States for permanent residence if he is otherwise admissible under the provisions of that Act: *Provided,* That the exemptions provided for in this Act shall apply only to grounds for exclusion of which the Department of State or the Department of Justice had knowledge prior to the enactment of this Act.

ELVIRA CICCOTELLI

The bill (S. 822) for the relief of Elvira Ciccotelli was considered, ordered to be engrossed for a third reading, was read the third time, and passed, 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) (1) of the Immigration and Nationality Act, Elvira Ciccotelli may be issued a visa and be admitted to the United States for permanent residence if she 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: *And provided further,* 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.

ENRICO PETRUCCI

The bill (S. 866) for the relief of Enrico Petrucci was considered, ordered to be engrossed for a third reading, was read the third time, and passed, 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, Enrico Petrucci may be classified as an eligible orphan within the meaning of section 101(b) (1) (F) of the said Act and a petition may be filed by Mr. and Mrs. Matthew J. Hannon, citizens of the United States, in behalf of the said Enrico Petrucci pursuant to section 205(b) of the Immigration and Nationality Act subject to all the conditions in that section relating to eligible orphans.

JOZSEF POZSONYI

The Senate proceeded to consider the bill (S. 72) for the relief of Jozsef Pozsonyi and his wife, Agnes Pozsonyi, and their minor child, Ildiko Pozsonyi, which had been reported from the Committee on the Judiciary with an amendment on page 1, line 8, after the word "visa", to strike out "fee" and insert "fees", and in the same line, after the amendment just stated, to strike out "Upon the granting of permanent residence to such aliens as provided for in this Act, the Secretary of State shall instruct the proper quota-control officer to deduct the required numbers from the appropriate quota or quotas for the first year that such quota or quotas are available." and insert "Upon the enactment of this Act, the Attorney General shall reduce by three numbers the number of refugees who may be paroled into the United States pursuant to sections 1 and 2(a) of the Act of July 14, 1960, as amended (74 Stat. 504; 75 Stat. 460).", so as to make the bill read:

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, Jozsef Pozsonyi and his wife, Agnes Pozsonyi, and their minor child, Ildiko Pozsonyi, 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 fees. Upon the enactment of this Act, the Attorney General shall reduce by three numbers the number of refugees who may be paroled into the United States pursuant to sections 1 and 2(a) of the Act of July 14, 1960, as amended (74 Stat. 504; 75 Stat. 460).

The amendment was agreed to.

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

CHANG AH LUNG

The Senate proceeded to consider the bill (S. 206) for the relief of Chang Ah Lung, which had been reported from the Committee on the Judiciary with an amendment in line 8, after the word "to", to strike out "this alien" and insert "such alien as provided for in this act"; so as to make the bill read:

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, Chang Ah Lung 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 amendment was agreed to.

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

MANNOR LEE

The Senate proceeded to consider the bill (S. 215) for the relief of Mannor Lee, which had been reported from the Committee on the Judiciary with an amendment in line 4, after the word "Act", to strike out "Miss"; so as to make the bill read:

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, Mannor Lee shall be held and considered to have been lawfully admitted 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 qouta-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

The amendment was agreed to.

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

MIRHAN GAZARIAN

The Senate proceeded to consider the bill (S. 671) for the relief of Mirhan Gazarian, which had been reported from the Committee on the Judiciary with an amendment to strike out all after the enacting clause and insert:

That, for the purposes of the Act of October 24, 1962 (Public Law 87-885), Mirhan Gazarian shall be deemed to be within the purview of section 1 of that Act.

The amendment was agreed to.

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

JANOS KARDOS

The Senate proceeded to consider the bill (S. 752) for the relief of Janos Kardos, which had been reported from the Committee on the Judiciary with amendments on page 1, at the beginning of line 5, to insert "be issued a visa and", and in line 10, after the word "Act", to insert a colon and "*And provided further,* That this act shall apply only to grounds for exclusion of which the Department of State or the Department of Justice has knowledge prior to the enactment of this act."; so as to make the bill read:

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 212 (a) (4) of the Immigration and Nationality Act, Janos Kardos may be issued a visa and 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 a suitable and proper bond or undertaking approved by the Attorney General be deposited as prescribed by section 213 of the said Act: *And provided further,* That this Act shall apply only to grounds for exclusion of which the Department of State or the Department of Justice has knowledge prior to the enactment of this Act.

The amendments were agreed to.

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

NATIONAL WILDERNESS PRESERVATION SYSTEM

Mr. MANSFIELD. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 88, Senate bill 4.

The PRESIDING OFFICER. The bill will be stated by title.

The LEGISLATIVE CLERK. A bill (S. 4) to establish a National Wilderness Preservation System for the permanent good of the whole people, and for other purposes.

Mr. MANSFIELD. Mr. President, there will be no action taken on this measure today, but it is being laid down as the pending business.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Montana to proceed to the consideration of the bill.

The motion was agreed to; and the Senate proceeded to consider the bill, which had been reported from the Committee on Interior and Insular Affairs with amendments.

EXECUTIVE SESSION

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

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

EXECUTIVE REPORTS OF COMMITTEE ON ARMED SERVICES

Mr. INOUYE. Mr. President, from the Committee on Armed Services, I report favorably 65 appointments and promotions of general and flag officers in the Army, Navy, and Marine Corps, and the nomination of one admiral for retirement. I ask that these nominations be printed on the Executive Calendar.

The PRESIDING OFFICER. The nominations will be placed on the Executive Calendar.

The nominations are as follows:

Vice Adm. David L. McDonald, U.S. Navy, for appointment to commands and other duties determined by the President, in the grade of admiral while so serving;

Rear Adm. William E. Gentner, Jr., U.S. Navy, for appointment to commands and other duties determined by the President, in the grade of vice admiral while so serving;

Adm. Robert L. Dennison, U.S. Navy, for appointment to the grade of admiral on the retired list;

Rear Adm. William A. Brockett, U.S. Navy, to be Chief of the Bureau of Ships in the Department of the Navy;

Maj. Gen. Charles H. Hayes, U.S. Marine Corps, for appointment to commands and other duties determined by the President, in the grade of lieutenant general while so serving;

Maj. Gen. James Karrick Woolnough, U.S. Army, for appointment to a position of importance and responsibility designated by the President, in the grade of lieutenant general while so serving; and

Brig. Gen. John Edward Kelly, Army of the United States (colonel, U.S. Army), and sundry other officers for temporary appointment in the Army of the United States.

Mr. INOUYE. Mr. President, in addition, I report favorably 1,472 promotions and appointments in the Army in the grade of colonel and below, and 5,404 appointments and promotions in the Navy in the grade of commander and below. Since these names have already been printed in the CONGRESSIONAL RECORD, I ask unanimous consent that they be ordered to lie on the Secretary's desk, for the information of any Senator.

The PRESIDING OFFICER. Without objection, the nominations will lie on the desk, as requested by the Senator from Hawaii.

The nominations are as follows:

Edkwood H. Solomon, Jr., for appointment in the Regular Army of the United States;

Ned E. Ackner, and sundry other officers, for promotion in the Regular Army of the United States;

Adolphus R. Allison, Jr., and sundry other officers of the U.S. Navy, for temporary promotion;

Raymond G. Andrews, and sundry other officers, for promotion in the Regular Army of the United States; and

Jackie E. Bradford, and sundry other distinguished military students, for appointment in the Regular Army of the United States.

The PRESIDING OFFICER. If there be no further reports of committees, the nominations on the Executive Calendar, beginning with new reports, will be stated.

Mr. HUMPHREY. Mr. President, I move that the Senate proceed to the consideration of nominations under New Reports.

The PRESIDING OFFICER. Without objection, the clerk will state the first nomination under New Reports.

DEPARTMENT OF STATE

The legislative clerk read the nomination of W. Averell Harriman to be Under Secretary of State for Political Affairs.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

Mr. HUMPHREY. Mr. President, I know the distinguished Senator from New York would not want the confirmation of the able Under Secretary of State for Political Affairs, W. Averell Harriman, of New York, to take place without there appearing in the RECORD at least a brief statement on the exemplary and unselfish service to the Nation performed by Mr. Harriman during many years, ranging through prewar years, the war years, and the postwar years. Mr. Harriman has not only served as ambassador, Secretary of Commerce, and as Director of Mutual Security, but also as Assistant Secretary of State and as special representative of the President of the United States; all this as well as having been governor of the great Empire State.

Mr. President, I ask unanimous consent that a brief biographical sketch, showing particularly the services to this country performed by Mr. Harriman, be printed in the RECORD at this point.

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

W. AVERELL HARRIMAN

Present position: Assistant Secretary of State for Far Eastern Affairs.

Considered for: Under Secretary of State for Political Affairs.

Born: November 15, 1891. Education: B.A., Yale, 1913. Marital status: Married.

Experience: Nongovernment: 1915–17, vice president, supplies and purchases, Union Pacific R.R.; 1932–46, chairman of the board, Union Pacific; 1917–25, chairman of the board, Merchant Shipbuilding Corp.; 1920–31, W. A. Harriman & Co., Inc.; 1931–46, partner, Brown Brothers Harriman & Co. (merger); 1946–63, limited partner, Brown Brothers Harriman & Co.; 1931–42, chairman, executive committee, Illinois Central R.R. Co.; 1915–46, director, Illinois Central R.R. Co.; 1955–58, Governor of the State of New York.

Government: 1933, member, Business Advisory Council for Department of Commerce; 1937–39, Chairman, Business Advisory Council for Department of Commerce; 1934, Administrator, Division II, National Recovery Administration, special assistant, Administrator, NRA; 1934–35, administrative officer, NRA; January 3, 1941, Chief, Materials Branch, Production Division, Office of Production Management; 1941, special representative of the President in Great Britain, rank of Minister; 1941, special representative of the President to U.S.S.R. (chairman mission) rank of Ambassador; 1942, representative in London of Combined Shipping Adjustment Board; 1942, member, London Combined Production and Resources Board; 1943–46, U.S. Ambassador to Russia; April 10, 1946, U.S. Ambassador to Great Britain; 1946–48, Secretary of Commerce; 1948–50, U.S. Representative in Europe under Economic Cooperative Act of 1948, rank of Ambassador; 1950–51, Special Assistant to the President; 1951, American representative on North Atlantic Treaty Organization Commission To Study Western Defense Plans; 1951–53, Director, Mutual Security Agency; 1961, Ambassador at Large, Assistant Secretary of State for Far Eastern Affairs.

Office: Department of State, Washington, D.C.

Home: 3128 P Street NW., Washington. D.C.

Legal residence: New York.

Mr. HUMPHREY. Mr. Harriman has given most of his life to the service of his Nation. I am very proud to be able to share in his friendship, and I am proud to be living at a time when the Nation has been served by such outstanding statesmanship and leadership.

I wish to compliment the distinguished Under Secretary of State on his service to the Nation. He brings to that service a wealth of experience and a breadth of knowledge that very few men possess.

His vitality and vigor are a source of amazement to his contemporaries. He is a unique man in American history. He is one of the truly great men of our time and a great American citizen.

I congratulate the Senate upon its confirmation of the nomination of this great American, and I congratulate the President on sending to us this nomination.

Mr. KEATING. The Senator is perhaps unaware that I appeared and, quite unnecessarily, introduced this distinguished figure to the Committee on Foreign Relations at the time his nomination was considered. I said then that he was beginning to make a perennial appearance and commented on the great service which he has rendered to our country. I express the hope that he will continue to advance in appointive office and will not be diverted in any way to the seeking of elective office.

who constructs a road under the permit cannot later be compensated for it unless the permit so provides or such an arrangement is made. A road permittee with no such agreement will construct no better road than is required for this purpose. Consequently, the situation should not present a significant problem under most circumstances.

Under 12(a), we would point out that it may be necessary to regulate traffic to a slightly greater extent to meet special multiple-use requirements than does the BLM. Considering the interest the Forest Service acquires in the road and the requirements of public and mixed traffic, this is logical. Consequently, the Forest Service does not agree to have its easements conditioned upon Federal road users carrying general liability insurance to cover operations and activities on other national forest lands.

We believe in other respects the Forest Service and O. & C. basic positions are very close together.

Sincerely yours,

JOHN A. BAKER.

U.S. DEPARTMENT OF AGRICULTURE,
FOREST SERVICE,
Washington, D.C., March 18, 1963.

Mr. MORTIMER B. DOYLE,
National Lumber Manufacturers Association, Washington, D.C.

DEAR MR. DOYLE: This is in response to your letter of October 12 commenting on the discussion draft of the proposed road regulations which were circulated for review in early August.

We have given considerable study to your comments and the statement of principles for regulations governing access to private lands within the national forests. Our concern, of course, is how to obtain access across private lands to reach national forest lands. Since effective and constructive working relationships in areas of mixed ownerships are quite important, if the work of the industry and the Government is to be carried on economically and with minimum interruption, agreement on principles is quite desirable.

Our comments on the principles you presented follow hereafter in this letter. We substantially agree on many of them and we believe these are fully reflected in the existing and proposed policies and regulations. There are several, however, on which there is not full agreement. These are in conflict to a greater or lesser degree with principles which must control a national forest access program operated in the public interest. The national forest lands are dedicated by law to public use. This policy would not support regulation and restriction of use to serve only the needs of the forest products industry. We believe against this background that if these conditions are known to and accepted by the association, a major step forward will have been taken. We state them briefly.

1. Multiple-use access to national forest lands is needed in virtually every case. The United States needs and must obtain multiple-use access to national forest lands for the protection, administration, and utilization of the national forests, or where necessary, for the use and development of the resources upon which communities within or adjacent to the national forests are dependent.

2. Road construction by national forest timber purchasers is presently limited to the prudent operator concept. Consequently, some appropriated funds may be required sooner or later to do supplemental road improvement in every road system. This means that the right-of-way which is essential for multiple-use access is necessary before such improvement. It is usually good business to acquire initially the right-of-way to meet such foreseeable needs.

3. Sustained yield management of the various land resources requires generally permanent or long lasting improvements, including roads. Permanent or perpetual easements are so uniformly needed that this requirement can be regarded as the normal and usual one.

4. Easements granted to the United States and its assigns to meet the foregoing requirement must be nonrestrictive so as to provide for all foreseeable use including use by recreationists, hunters, and fishermen as well as timber haulers. It follows that if the owner of a private road being acquired by the United States wants to reserve access rights for recreation, timber management, mining, and any other lawful use of his property, the Forest Service is quite willing to consider such reservation of rights. The Forest Service wants to be able to cooperate with these private landowners who also seek to promote the desirable policy of multiple use.

5. Since the purpose of national forest roads is to accommodate mixed traffic or all anticipated kinds of traffic at various times, it is essential that the Government be in a position to regulate the traffic it plans to accommodate. This does not mean the private road owner cannot control and be assured of the use of the rights he reserves. The owner will logically want to reserve the rights of use he foresees the need of and will wish to be assured of as a property right. Rules specified in the conveyance to the United States for the exercise of reserved rights would be part of the private property right and not subject to change by the United States except after further acquisition through negotiation or in rare instances by the exercise of eminent domain.

6. Whenever possible and feasible, the Forest Service will avoid duplicating existing roads and road systems as a land and timber growing conservation policy by making a single road system serve all tributary ownerships insofar as practicable. If after reserving the interest desired by the owner for his purposes, it is determined by the Forest Service that the remaining road interests that can be acquired by the United States are less than will be needed, there must and will be a decision as to the best course to take. Usually the alternatives are to acquire subject to the owner's needs and widen and improve the road to meet the Government's needs, to acquire a separate right-of-way and construct a separate road system, or to condemn for access rights needed by the Government. It will be the policy to be quite prompt in reaching a decision to condemn for such needed access rights where negotiations cannot be concluded to the satisfaction of both parties.

With the foregoing in mind, we will turn to the "Statement of Principles" enclosed with your letter of October 12, 1962. Following each numbered principle are the Forest Service comments.

1. "Every landowner or possessor of interests in realty whose property is so located as to require access across national forest lands to reach and manage such property should be given access."

We believe this is provided for under 212.8 on Ingress and Egress, under 212.10 on Permission to Cross National Forest Land, and under 212.11 on Principles for Sharing Use of Roads.

2. "Existing access rights evidenced by such documents as Stipulations Government Exercise of Rights of Ingress and Egress and by Special Use Permits should be protected."

We agree in general to this principle. In cases where a road was constructed or improved in the past by the applicant and used for the purpose applied for, there is no intention to diminish any rights or privileges he has established. However, where a road was constructed by the Forest Service or by someone else for it, the party would be treated as not having a vested right of use in the road. See the provisions of proposed 212.10 concerning "Permission To Cross National Forest Lands and Assignable Rights-of-Way Owned by the United States," and 212.11 concerning principles for "Sharing Use of Roads."

3. "Grants of access across national forest lands should be given promptly for the purpose and duration requested, and should be appurtenant to the lands served."

We agree with the first part of this and intend to act as promptly as the conditions under the provisions of 212.10 and 212.11 can be met by the applicant and the Forest Service. The regulations will propose to continue using permits as in the past but add the substantial improvement of arranging to grant easements.

The procedure agreed upon with the Department of the Interior under the act of March 3, 1899 (30 Stat. 1233, 16 U.S.C. 525) is designed to provide a permanent right-of-way to be used in the administration, protection, and utilization of forest lands and the resources thereof owned or controlled by the applicant. It is thus more comprehensive than a right-of-way appurtenant to certain described lands.

Also, it may be transferred with the consent of the Government, provided the assignee agrees to comply with and be bound by the terms and conditions of said right-of-way. Since its use is limited to situations where there is essential agreement on sharing maintenance and use, we have not believed it should be assignable in whole or in fractions without assurance that essential agreements of those joined in the road system will continue to be carried out.

4. "If the Forest Service has authority to issue rules and regulations governing access, such rules and regulations, including charges, if any, should be certain, definite, and uniformly applicable to all users. Maintenance and road use fees collected should be expended on or credited to the roads for which collected."

Our comments are as follows:

(a) The Secretary's authority to issue regulations pertaining to this program has not been delegated to the Forest Service.

(b) "Charges" under these regulations are only for the purpose of recovering that part of the costs incurred by the United States which equitably should be shared by the particular users.

(c) Cost recovery charges are designed to be applied only to a non-Federal hauler who benefits directly from the road use and who has not participated in constructing the roads or improving them to the extent necessary to bear his use.

(d) Cost recovery charges will not be expended on the roads for which collected. In accordance with law they will be deposited in the Treasury of the United States.

Timber and other products on Federal lands are sold on the basis that the particular Forest Service road is available for hauling them subject to sharing maintenance proportionate to the hauler's use, or upon condition that the hauler construct, improve and maintain the road to the extent required to permit his safe and economic hauling. In either case he has borne his share of the cost by means other than through cost recovery charges.

Cost recovery charges will under the above limitations be as certain, definite, and uniformly made as conditions will permit to those to whom they apply. Maintenance will be required as occasioned by hauler's use and will be as uniform as are the uses. There are situations in which maintenance work is "pooled" for a particular group of roads within a maintenance unit. Where cooperator deposits are made to cover maintenance work performed, separate accounting for individual needs in such units would be difficult to administer and would increase overhead expenses.

5. "In those instances where the Forest Service has authority to place certain access

roads in restricted use categories, it should announce a policy for so doing. National Forest roads, not restricted to special uses, should be available without charge to all users."

We are in agreement with this.

6. "Each road use should bear only its proportionate share of road costs."

We agree generally that road costs should be shared in proportion to the planned use of the road. Whether use by recreationists and others is significant and measurable and should be borne by the Government, a particular landowner, or all landowners proportionate to their other planned use of the road will depend upon the particular facts in each case.

7. "Disagreement over operating problems should be settled by an appeals procedure such as that requested in August 9, 1962, letter to the Secretary of Agriculture on the lumber industry four-point program."

The appeals procedure is under study. At this point, the recourse available is through the regulation A–10 procedure.

8. "Where the Forest Service seeks to condition access to private land on the grant of a reciprocal right from an applicant for access, such right shall be limited to the same road system for which the applicant seeks rights, to substantially similar values, to like property interests, and to a like term."

The objective of this principle is, we believe, to stress that the policy be fairly and reasonably designed and applied. In some cases there are opportunities for exchanging quite different rights over more than one road system needed by the private owner and by the Government. The intent is to be fair and reasonable so that the results will benefit both parties.

We provide under proposed 212.10(a) that if a reciprocal benefit needed by the United States exceeds those applied for by an applicant, the additional interests will be acquired by payment from appropriate funds or by other methods described under 212.9(d). If the values needed by the applicant exceed those needed by the United States, the differences in value will be determined under principles set forth in 212.7(c), and 212.10(a), and 212.11.

9. "In the event of disagreement as to whether value of the right being sought by the Forest Service is reciprocal, the Forest Service should within a reasonable time exercise its right of eminent domain to determine the true value."

Condemnation is not available for determining the values to be used as a basis for reciprocal grants. However, before a recommendation to exercise eminent domain is made to the Secretary where valuation differences are involved, we generally intend to prepare a staff appraisal of value and also in complex or unusual cases to obtain an independent appraisal of the value of the interest to be taken so that our judgment may be guided as to the amount that will likely be just compensation. Application of this principle will, of course, require that appropriated funds be available for payment of the award at that time. Strong efforts will be made to arrange allocation of funds for condemnation within a reasonable time after it is found that agreement cannot be reached.

10. "Where requested, temporary access should be granted during negotiations for a joint road system. Investments made under such temporary rights should be protected, and the road owner should be compensated for temporary use of the road."

We agree with the first sentence of the principle where conditions require early access. The objective of the last part of the second sentence can be agreed to, if the applicant will deliver the right-of-way for the access needed by the United States. It can then be arranged by including cost recovery provisions in a permit issued by the United States for the road to be built on national forest land. The agreement can provide that it may be carried over to an easement to be issued by the United States. To protect an investment made for construction under a temporary permit an agreement should be entered into prior to the construction. Otherwise the roadbuilder has no assurance that the anticipated final agreement will be consummated and that he will receive the needed easement. However, all past experience indicates that those who build roads under permits, including those containing cost recovery provisions, have generally been able to continue use of the road they have constructed and incorporate the terms thereof into subsequent agreements.

The Forest Service is quite willing to enter agreements in advance so that it can meet the requirements of those cases where conditions require early access and there is agreement in principle to cooperate but facts or conditions are not yet available or known with sufficient accuracy to agree in specific detail.

11. "The Forest Service should acquire only temporary or periodic use access rights where adequate to meet national forest management objectives."

We agree with this principle. Our proposed regulation 212.9(g) expresses the principle as we think it should be stated in the context of the responsibility imposed on the administration of the national forests.

12. The principle as stated is rather lengthy and really is a series of principles some of which are actually in the points already covered. Our comments on your views are as follows:

First sentence: "The Forest Service should recognize that there are instances when negotiated road agreements between itself and other parties will better satisfy all parties' access requirements."

Mutually satisfactory agreements providing for exchange of rights-of-way, joint construction and use of road systems in areas of mixed national forest and other ownerships are regarded by the Forest Service as providing the most desirable means of access in such areas. Many agreements have already been made and successfully carried out. Continuation of the cooperative road program will be strongly supported and implemented by the Department. The subject is treated primarily in proposed 212.9(e) and 212.11.

Except for temporary roads, the Forest Service cannot spend appropriated road construction funds on lands which it has permission to use only through revocable "agreements." It must have an easement. Proposed regulation 212.9(e) states the intended policy. A cooperative agreement is subject to mutually agreed modifications and to termination by either party. This background needs to be kept in mind in discussing the principles under consideration.

We agree to the second sentence which states: "The Forest Service should also recognize the need to provide a fair, sound, and mutually beneficial basis for any such agreement."

Our views on the following principles as they have been listed are as follows:

(a) "The Forest Service should recognize the right of the party having the principal investment in a road to control it. Control should include the right to prescribe reasonable operating rules and regulations, including the creation of adequate indemnity by bond or otherwise, and requiring general liability insurance in amount and scope consistent with industry practice."

The cooperating party can in his conveyance to the United States reserve the right to use the road subject to such specific terms, conditions and road use rules as may be mutually agreed upon and set forth in the conveyance. This would retain in the grantor whatever assurance and control were mutually agreed upon over his reserved interest. Control as it pertains to multiple use or any mixed traffic, public safety and control of use by others not provided for by the reservations in the easement will need to be vested in the United States. We agree that operating rules and regulations should be kept on a reasonable basis.

In areas where the practice is well established in the industry, we have agreed in some cases to a provision for requiring commercial haulers to be bonded for indemnity for damage to the roads or structures used and for requiring reasonable liability insurance for such haulers to insure their operations while using the road. We do not agree to requiring national forest users, other than commercial haulers, to be bonded for such indemnity. Nor do we agree that unless it were required by law any national forest user, including commercial haulers, should be required to carry general liability insurance for activities or operations conducted on national forest lands.

(b) "The parties' respective investments in existing roads should be recognized."

We agree if it means roads on lands or interests in lands belonging to the parties. On the other hand, if this means that the private party should be reimbursed for a road he constructed under a permit which did not provide for cost recovery on the roads over national forest land prior to entering into a share-cost agreement, we cannot do this. However, we do not propose to diminish any rights or privileges, without cause, of any given party who has constructed a road crossing national forest lands as long as he uses the road for the purpose covered by the permit and is not in violation of the permit or applicable laws and regulations.

(c) "All road users should be required to obtain a permit from the road owner prior to commencement of use. Such permit should contain terms and conditions of use which should be detailed at the time the joint agreement is negotiated."

This is partly covered in 12a above.

Control of use and how to permit it can best be worked out in the individual agreement at the time it is being negotiated.

(d) "Grants of right-of-way should be mutual with respect to their terms and conditions, including reservations, and with respect to their duration."

This principle is not incorporated in the regulations for the reasons hereafter stated.

The Forest Service must normally require that easements be unrestricted as to time and kind of use except in the rare instance where the facts clearly show it is in the interest of the United States to accept something less. The Forest Service needs multiple-use access in virtually every case. Sustained yield management requires generally permanent or longlasting improvements, including roads. Easements which enable the United States to meet these requirements must be permanent and nonrestrictive so as to provide for such users as recreationists, hunters, fishermen, etc., as well as timber haulers. Since the purpose of national forest roads is to accommodate mixed traffic or all anticipated kinds of traffic at various times, it is essential that the Government be in a position to regulate such traffic.

(e) "This agreement should be certain, definite, and specific as to:

(i) "The road or road system of all parties which each will have the right to use."

We agree to this.

(ii) "The lands of all parties from which forest products or other materials may be taken out over the roads subject to the agreement."

This principle cannot be categorically followed in all cases. It is impossible to be definite and specific with respect to the lands that are owned by third parties within the agreement area. When it is impracticable to

follow the principle, provisions may be made for adjustments and modifications.

(iii) "The extent to which overhead costs are to be recognized in both construction and maintenance."

We agree to this. Maintenance overhead expense may be quite nominal. Overhead items will be specific in agreements but not in the regulations.

(iv) "The procedure to be followed for reversion upon abandonment."

Generally reversion is not a problem; therefore, no regulation relating to it is proposed. Reversion or termination is not, however, a matter to be covered solely in an agreement. The terms should be stated clearly in the easement deed or other document granting right-of-way.

(f) "Where a change in private road status causes economic loss by limiting the uses of the road, the road owner should be compensated."

We intend to follow a policy of fair compensation recognizing whatever may be compensable under Federal law.

(g) "Existing reserved rights of use should be protected. Moreover, conditions agreed upon at the time a right-of-way agreement is entered into should not be subject to change by future regulations."

Existing rights of use, if retained by the owner in a conveyance, are property rights and are not subject to change by future regulations.

(h) "In appropriate instances, a road owner should be entitled to an amount equivalent to interest on any unamortized investment remaining in a road system."

This objective can be accomplished by agreement if conditions justify it. However, the objective is to eliminate any real need for it. This can frequently be done by having construction performed on behalf of each cooperator in time to avoid carrying any substantial unamortized investment.

(i) "Traffic rules shall be determined by mutual agreement subject to the party having the greater investment making the final decision."

See discussion of this point under "a" above.

(j) "Maintenance and road use fees collected from purchasers of national forest timber should be applied to the roads for which collected."

See discussion under 4 above.

(k) "Easements and other road use rights should be appurtenant to the lands served."

See our comments under 3 above.

(l) "Road replacement cost for each user should be determined at the time such user first removes logs."

We aren't certain of the purpose of this statement here. Perhaps you intend it to be applied to users who are not participants in the agreement.

Our proposed regulation 212.11(d) covers costs to be recovered by the United States from parties other than those who participate in road construction or improvement. Such costs would have to be determined at the time the user makes application for commercial hauling.

(m) "The amortization share allocated to timber volume should be based upon the total merchantable timber tributary to a particular road, including the volume merchantable at the time the road was constructed and the volume which will become merchantable during the payout period."

We agree quite fully to this in principle. However, there may be instances where this could produce inequity. When that is demonstrable, additional criteria may be required. Proposed 212.11(c) sets out the criteria we think should be given consideration. The "volume which will become merchantable during the pay-out period" may be indeterminate or the pay-out period be such that its inclusion could produce inequity or uncertainty. Therefore, we cannot agree to invariably include it.

(n) "A party should be required to share in the cost of a joint road only to the extent it is constructed to a standard adequate to serve his particular needs."

We would presume that the road must meet the sum of the needs of the parties and may require a standard more than adequate to meet the needs of any single one of the parties and yet result in having the share cost less than a road built by the party alone. Thus each party's share would be related to his situation. Our proposed 212.9(e) expresses what we believe is the sound guiding principle.

The foregoing together with the comments of all reviewers have been considered in redrafting the regulations. The redraft will shortly be referred to the Secretary. You have his letter of December 4, 1962, concerning them. You may be certain that your statement of principles has been given thorough consideration already both in this agency and in appropriate departmental offices.

Sincerely yours,

EDWARD P. CLIFF,
Chief.

AMENDING THE TRADE ACT—ARTICLE BY SENATOR JACOB K. JAVITS

Mr. KUCHEL. Mr. President, one of the great students in the U.S. Senate on matters affecting American trade and trade policy is our able and distinguished colleague from New York [Mr. JAVITS].

In the March 25 edition of Brandon's Shipper & Forwarder, the Senator from New York discussed with great clarity the amendment of the present Trade Act and his own feeling as to how trade among the free nations of the world should be strengthened and should grow.

Mr. President, I ask unanimous consent that the entire text of this excellent article may be printed in the RECORD.

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

AMENDING THE TRADE ACT

(By Senator JACOB K. JAVITS)

President de Gaulle is threatening to make France and Germany the core of a so-called third force in world politics. I believe that we must be clear on the deplorable consequences of such a course of action.

We must also make sure that there is an alternative to the free world bearing these consequences. The alternative would at least prevent a complete scattering of free world power, as is now threatened by Great Britain's exclusion from membership in the European Economic Community (EEC). The alternative is an economic association of the English-speaking peoples, joined by other free world nations which are threatened by exclusion from the EEC.

Such an association would be viable and soundly based on economic power and historic fact. It must be nondiscriminatory and look to the day when the EEC can be fully reintegrated into free world trade patterns.

The United States and the United Kingdom both have a total trade with each other and with the Commonwealth, the European Free Trade Association (EFTA), Japan and Latin America, nearly four times greater than with the EEC countries. The $23 billion of U.S. trade and the $14 billion of United Kingdom trade with these areas and with each other, added together, form a $37 billion trading relationship which overshadows the $24 billion of trade among the EEC countries. In terms of sheer economic weight, the total world trade of the United States and the United Kingdom alone almost equal the total world trade of the EEC countries. The combined annual production of an economic association of the areas I am discussing is four times greater than the annual production of the EEC countries; the combined population is six times greater. To a large extent such an association would have common traditions of law and language. The United States and the United Kingdom also have in common the fact that both are vitally engaged in economic development ventures—the Alliance for Progress and the Colombo plan—conforming closest to the aspirations for dignity and responsibility among the newly developing nations of the free world.

Let us be cognizant of our own strength. We continue to adhere to our policy that the economic integration of an outward looking Europe is a major asset in the struggle for freedom. We must not, however, leave any impression that the free world has no alternative to accepting the consequences of a small, isolationist Europe.

The setting up of unsurmountable barriers to British membership in the EEC, the short-tempered EEC retaliation against the United States increase of the tariffs on glass and carpets under the "escape clause," and the fact that the United States feels it necessary to deny to France information on nuclear weapons technology are bringing to a head a grave crisis of unity among the Atlantic nations. The bonds of purpose, mutual trust and interdependence which have enabled the free world to resist Communist aggression for 15 years are being strained severely.

We cannot let the situation get away from us, because the consequences are too grave for the United States and for the free world.

This danger was foreseen by many, like myself, who strongly favored and supported the movement for European economic and political integration which has resulted in the creation of the EEC—we were and are right, for the strength to the free world brought by the EEC was worth the risk, but this does not erase the need to fight the danger now. U.S. economic power, exercised through the instrument of trade, must be applied to counter the political forces which threaten to split the Atlantic Community.

But a decision must be made to so apply our strength, rather than to stand transfixed by the quixotic spectacle being enacted in Paris. Whatever may be General de Gaulle's motivations, his actions are made possible only by the economic power of the EEC. But economic power also can be used to bring these countries back into the mainstream of free world policies.

The principal element of the amendment (S. 602) which I have offered to the Trade Expansion Act of 1962 was conceived in the belief that the value of the EEC resides in its ability to strengthen the free world. If the EEC should tend to divide and weaken the free world, its value could turn into a temporary liability. Therefore, I have proposed authority for the President to negotiate for the mutual elimination of all tariffs with all fully developed free world nations. Thus, if Great Britain, the industrialized members of the British Commonwealth and the industrialized members of the European Free Trade Association are shut out of the Common Market, we can take them into an economic partnership with us.

With the authority now given to the President by the Trade Act, we could stand by, relatively helpless, while the EEC eliminated its internal tariffs and became a family club, and trade barriers continued to divide us from the rest of the free world. This is the effect of the provision that tariffs can be eliminated only on categories of items in which the EEC and the United States account for 80 percent or more of the world's export trade. There are only a very few such

categories, unless Great Britain is a member of the EEC.

But the United States and Great Britain can and should form an effective economic and trading partnership with the developing nations and with Japan. Together, we take more than $4 billion of Latin American exports—twice as much as does the EEC. Together we import $9.1 billion from the British Commonwealth. Britain alone takes nearly as much in Japanese exports as the EEC, and, of course, the United States is Japan's best customer.

We are leading customers for British machinery and transport equipment, leather, wool textile manufactures, and, of course, Scotch whisky. Great Britain, in turn, is among the top European purchasers of our machinery, chemicals, grain products, fats and oils, nonferrous metals, textiles, pulp and paper, and fruits and vegetables.

Consideration of the U.S. export markets alone shows that we sell to Great Britain, the Commonwealth, the European Free Trade Association, Japan, and Latin America $11.3 billion of our products, more than three times as much as to the EEC countries. There is no logical reason why the action of General de Gaulle should deprive us of such a great trading partnership merely because of a quirk in our own law. I felt so last year when I originally introduced my amendment, and I continue to be convinced of this.

The markets and productive capacities of this free world complex are so vast that they could generate the kind of magnetic pull which would draw the EEC into solidarity with us. The debates now going on in Western Europe, as well as the clearly stated positions of high ranking statesmen on the continent of Europe give a basis for believing that the separatist tendencies will not prevail. But the fact that the alternative of an association of the English speaking peoples does exist could give substance to this hope.

INFORMATION ON THE CURRENT FINANCIAL STATUS OF THE UNITED NATIONS

Mr. HICKENLOOPER. Mr. President, the Republican policy committee of the Senate, at my request, has recently completed a comprehensive and I believe most informative study on the current financial status of the United Nations. This study was approached from a totally nonpolitical and impartial standpoint, and we believe it is an accurate objective presentation of the financial situation of the United Nations at the present time. I think it should be of great help to Senators and to the public generally in evaluating the program and from an information standpoint in connection with United Nations activities.

Mr. President, I ask unanimous consent that in connection with my remarks, this study may be printed in the RECORD; including the preliminary statement; to be followed by a table giving the status of advances to the working capital fund and contributions due to the United Nations regular budget; a statistical statement of the status of contributions due to the United Nations Emergency Force special account; a statistical financial statement of the status of contributions due to the Congo ad hoc account; a compilation of the financial situation as to the totals of current and arrear contributions outstanding as at February 28, 1963; a table on contributions to the Food and Agricultural Organization for the Organization's calendar years 1958–61, as of the date October 31, 1962; a statement as to the contributions to the International Civil Aviation Organization, as those statistics were available October 31, 1962, for that Organization's calendar years 1957–61; a statement of the contributions to the International Labor Organization as compiled September 30, 1962, and showing the contributions to that Organization for the calendar years 1957–61; a statement of the contributions to the Intergovernmental Maritime Consultative Organization, compiled as of October 31, 1962, for that Organization's calendar years 1959–62; a statement of the contributions to the World Meteorological Organization, as of December 31, 1962, for that Organization's calendar years 1958–61; a statement of the contributions to the International Telecommunication Union, compiled as of December 31, 1962, for that organization's ordinary budgets for the years 1957–61; a statement of the contributions to the United Nations Educational, Scientific, and Cultural Organization, compiled as of October 31, 1962, for the Organization's calendar years 1958–61; and, finally, a statement of the contributions to the World Health Organization, compiled as of October 31, 1962, for the Organization's calendar years 1958–61.

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

INFORMATION ON THE CURRENT FINANCIAL STATUS OF THE UNITED NATIONS

(NOTE.—Prepared by the staff of the Senate Republican policy committee, BOURKE B. HICKENLOOPER, chairman; David S. Teeple, staff director.)

The United Nations regular budget was $82 million in 1962. Of this the United States is obligated to pay 32.02 percent; the Soviet Union, 14.97 percent; the United Kingdom, 7.58 percent; France, 5.94 percent; and the rest lesser percentages down to a minimum, fixed by the General Assembly, of 0.04 percent.

The regular budget of the United Nations is prepared by the U.N. Secretariat. When the General Assembly of the United Nations meets, it has before it both the budgetary estimates of the Secretary General and the report of the Advisory Committee on Administrative and Budgetary Questions. Decisions on the budget are made by a two-thirds vote of all General Assembly members present and voting.

No serious difficulties have been encountered on payments to the regular budget but difficulties have arisen on the special assessments levied for the U.N.'s Emergency Force in the Middle East (hereinafter designated as UNEF) and the U.N. operation in the Congo (hereinafter designated as UNOC).

The charter of the United Nations lays a specific obligation upon all countries to pay their assessments or, after 2 years in arrears, face the loss of their votes. But the charter provides, in article 19, "The General Assembly may, nevertheless, permit such a member to vote if it is satisfied that the failure to pay is due to conditions beyond the control of the member." As a result member countries great and small are refusing to fulfill their financial responsibilities to the United Nations.

No one has seriously suggested that any of them be deprived of their votes.

Prior to 1956, the expenses of peace and security operations had been carried within the regular budget. In 1956 UNEF was financed under a special budget, called a special account, and in 1960 in the case of UNOC, the budget was called an ad hoc account.

Another account, titled the "Working Capital Fund," is assessed on the same basis of percentage as the regular budget. It currently has a ceiling of $40 million. It is used partly as a revolving fund to carry the U.N. through the period when the regular budget assessments are due and when regular budget assessments are collected, and partly to finance emergency operations.

While willing to vote these peace and security operations into existence, most countries in the United Nations refused to share the cost of UNEF and UNOC in the usual manner; that is, on the basis of the regular scale of assessmenets. Because of default on these special levies, the organization will approach a debt of $200 million by the end of 1963. Reasons offered by defaulters for their refusal to share the cost of UNEF and UNOC in the usual manner were many and varied.

First, they contended the charter contemplated peace and security actions should be carried out primarily by the five permanent members of the Security Council who would furnish their troops without cost to other U.N. members. They said the five permanent members of the Security Council should therefore pay considerably more than their ordinary assessment percentage for UNEF and UNOC.

Second, they said the "aggressors" who made U.N. peace and security actions a necessity, plus "parties in interest" should pay all or most of the expenses.

Third, some member countries claimed they could not afford to contribute to the UNEF budget and UNOC budget.

Finally, some countries felt these operations to be unwarranted and in violation of the charter. As a result the United States has felt it necessary to make voluntary contributions, over and above our normal assessment contributions, in 1957, 1958, 1959, 1960, 1961, and 1962.

The Soviet Union argued these emergency items did not fall within the assessments procedure provided by the charter and therefore any disapproving member is free to refuse to help pay for them.

The United States contended the charter's provision applied to all expenses of the U.N. The International Court of Justice at The Hague in July 1962 issued an advisory opinion supporting the U.S. position. The Soviet Union says it will ignore the Court's opinion and continue to refuse to pay its share of the special assessments. The Communist bloc countries have followed the Soviet lead and approximately 40 other nations have also refused to contribute to either or both of the peace-enforcing operations.

In the face of this financial crisis the Assembly in December 1961 voted to authorize the Secretary General to sell $200 million worth of bonds. At President Kennedy's request Congress last year passed a bill authorizing the United States to purchase up to $100 million worth of the U.N. bonds if the amounts are matched by other members.

Further financial criticism was directed at the United Nations when it was revealed, late in 1962, that the U.N. had undertaken to provide a grant of $1,157,600, over a 5-year period, to assist in the development of an agricultural research program in Cuba. To the extent the United States provides approximately 40 percent of the money contributed to the U.N. Special Fund for Economic Development, it was said that 40 percent of the cost of this assistance to Cuba was defrayed by the United States, contrary to our national interests.

Not all operations of the United Nations are financed through assessments. Several specialized agencies receive voluntary contributions from member countries. These specialized agencies include:

1. International Atomic Energy Agency.
2. International Labor Organization.
3. Food and Agriculture Organization.
4. United Nations Educational, Scientific and Cultural Organization.
5. World Health Organization.
6. International Bank for Reconstruction and Development.
7. International Development Association.
8. International Finance Corporation.
9. International Monetary Fund.
10. International Civil Aviation Organization.
11. Universal Postal Union.
12. International Telecommunications Union.
13. World Meteorological Organization.
14. Intergovernmental Maritime Consultative Organization.

The following tables list, as of February 28, 1963, amounts due to the current Working Capital Fund, as well as amounts due to the regular budget, the U.N. emergency force, and the U.N. operation in the Congo, for each year in which funds are due.

An appendix to this report contains those available records of uncollected contributions to the voluntarily financed agencies as furnished by the U.S. Dpartment of State, Office of International Administration.

SOURCES

"Information on the Operations and Financing of the United Nations" (joint committee print), Committee on Foreign Relations, U.S. Senate, Committee on Foreign Affairs, U.S. House of Representatives, 87th Congress, 2d session, February 6, 1962.

Supplement to joint committee print of February 6, 1962, "Information on the Operations and Financing of the United Nations" (prepared by the Department of State), June 25, 1962.

Disbursements made to United Nations agencies during the period July 1, 1961–June 30, 1962 (fiscal year 1962), memorandum from Sidney S. Cummins, Office of International Administration, Department of State, February 18, 1963.

Statement of advances to the Working Capital Fund and contributions to the United Nations budget payable by member States for the financial year 1963, United Nations Secretariat, December 27, 1962.

Statement of the collection of contributions as at February 28, 1963, United Nations Secretariat, March 8, 1963.

II. Status of advances to the working capital fund and contributions due to the United Nations regular budget [1]

[In U.S. dollars]

Member states	Advances to the working capital fund	United Nations regular budget					Total due
		1963	1962	1961	1960	1959	
Afghanistan	7,392.00	39,459.00					46,851.00
Albania	6,000.00	31,965.00	15,648.00				53,613.00
Argentina	150,421.00	782,949.00	611,362.00	642,815.00			2,187,547.00
Australia	247,597.00	1,294,537.00					1,542,134.00
Austria	7,717.00	359,655.00					367,372.00
Belgium	178,921.00	941,070.00	741,687.00	57,212.09			1,918,890.09
Bolivia	6,000.00	30,126.00	24,274.00	22,907.00	1,503		84,810.00
Brazil	154,609.00	823,116.00	2,391.00				980,116.00
Bulgaria	30,432.00	159,930.00	87,088.00				277,450.00
Burma	10,393.00	55,911.00					66,304.00
Byelorussian Soviet Socialist Republic	78,539.00	415,674.00					494,213.00
Cambodia	6,000.00	31,965.00	24,746.00				62,711.00
Cameroon	6,431.00	31,965.00					38,396.00
Canada	468,109.00	2,451,553.00					2,919,662.00
Central African Republic	6,431.00	31,965.00					38,396.00
Ceylon	13,392.00	71,893.00					85,285.00
Chad		28,540.80					28,540.80
Chile	38,892.00	200,759.00	160,340.00				399,991.00
China	680,752.00	3,624,229.00	2,850,814.00	3,072,961.00			10,228,756.00
Colombia	38,460.00	207,637.00					246,097.00
Congo (Brazzaville)	6,431.00	31,965.00	26,175.00	193.60			64,764.60
Congo (Léopoldville)	11,256.00	56,018.00	17,669.50				84,943.50
Costa Rica	6,000.00	31,965.00	9,231.12				47,196.12
Cuba	32,676.00	169,817.00	132,913.00	66,551.00			401,957.00
Cyprus	6,431.00	31,965.00					38,396.00
Czechoslovakia	178,738.00	910,187.00	549,255.40				1,638,180.40
Dahomey	6,431.00	31,965.00	15,854.89				54,250.89
Denmark		178,495.00					178,495.00
Dominican Republic	7,500.00	39,231.00					46,731.00
Ecuador	9,000.00	47,733.00	3,311.98				60,044.98
El Salvador	5,891.00	31,255.00					37,146.00
Ethiopia	7,392.00	39,930.00					47,322.00
Federation of Malaya	19,068.00	103,778.00					122,846.00
Finland							
France	886,036.00	4,667,518.00					5,553,554.00
Gabon	6,431.00	31,965.00					38,396.00
Ghana	13,715.00	71,973.00					85,688.00
Greece	34,500.00	177,048.00	29,273.00				240,821.00
Guatemala	7,500.00	39,518.00	32,203.00	28,871.00			108,092.00
Guinea	6,431.00	31,965.00	25,682.00				64,078.00
Haiti	6,000.00	30,801.00	24,949.00	23,582.00	19,436	1,667	106,435.00
Honduras	6,000.00	31,687.00	25,835.00	24,468.00	20,322	389	108,701.00
Hungary		447,877.00	365,819.00	259,841.00			1,073,537.00
Iceland							
India	299,860.00	1,559,041.00	139,999.50				1,998,900.50
Indonesia	67,284.00	359,549.00					426,833.00
Iran	29,892.00	156,035.00					185,927.00
Iraq	13,500.00	70,165.00					83,665.00
Ireland	20,784.00	111,823.00					132,607.00
Israel	22,608.00	119,893.00	55,548.00				198,049.00
Italy	335,892.00	1,789,993.00					2,125,885.00
Ivory Coast	6,431.00	31,912.00					38,343.00
Japan	341,363.00	1,814,206.00					2,155,569.00
Jordan	6,000.00	31,965.00					37,965.00
Laos	6,000.00	31,965.00	24,746.00				62,711.00
Lebanon	7,500.00	39,956.00					47,456.00
Liberia	6,000.00	31,965.00					37,965.00
Libya	6,000.00	31,965.00					37,965.00
Luxembourg	7,392.00	35,458.01					42,850.01
Madagascar	6,431.00	31,912.00					38,343.00
Mali	6,431.00	31,965.00					38,396.00
Mexico	111,324.00	587,301.00					698,625.00
Morocco	19,639.00	111,876.00					131,515.00
Nepal	6,000.00	31,965.00	2,290.81				40,255.81
Netherlands							
New Zealand	61,392.00	317,187.00					378,579.00
Nicaragua	6,000.00	31,810.00	25,958.00	2,831.18			66,599.18
Niger	6,431.00	31,965.00	26,175.00	13,925.00			78,496.00
Nigeria	33,767.00	167,814.00					201,581.00
Norway		24,885.64					24,885.64
Pakistan	63,216.00	335,682.00	140,000.00				538,898.00
Panama	5,969.04	30,586.00					36,555.04
Paraguay	6,000.00	31,965.00	26,113.00	24,746.00	4,199		93,023.00
Peru	14,892.00	77,673.00					92,565.00
Philippines	59,677.00	319,566.00					379,243.00

See footnotes at end of table.

II. Status of advances to the working capital fund and contributions due to the United Nations regular budget [1]—Continued

[In U.S. dollars]

Member states	Advances to the working capital fund	United Nations regular budget					Total due
		1963	1962	1961	1960	1959	
Poland	191,030.00	993,624.00	184,920.00				1,369,574.00
Portugal	23,569.00	127,752.00					151,321.00
Romania	47,785.00	255,664.00					303,449.00
Saudi Arabia	13,000.00	55,965.00	45,715.00				114,680.00
Senegal	20,000.00	39,930.00	32,717.00				92,647.00
Somalia	6,431.00	31,965.00					38,396.00
South Africa	79,176.00	403,749.00					482,925.00
Spain	128,245.00	687,054.00					815,299.00
Sudan	10,608.00	55,965.00	2,392.00				68,965.00
Sweden		194,029.00					194,029.00
Syria [2]	7,464.00	39,947.00	32,356.00				79,767.00
Thailand	24,000.00	119,664.00					143,664.00
Togo	6,431.00	31,965.00					38,396.00
Tunisia	7,500.00	39,956.00					47,456.00
Turkey	57,950.00	313,292.00					371,242.00
Ukrainian Soviet Socialist Republic	298,943.00	1,582,727.00					1,881,670.00
Union of Soviet Socialist Republics	2,260,069.00	11,951,498.00					14,211,567.00
United Arab Republic	37,320.00	195,532.00	157,578.00	152,737.96			543,167.96
United Kingdom		5,806,367.22					5,806,367.22
United States of America	4,797,713.00	26,532,732.01					31,330,445.01
Upper Volta	6,431.00	31,965.00	25,744.00				64,140.00
Uruguay	16,391.00	82,963.00	65,655.00	60,000.00			225,009.00
Venezuela	78,216.00	412,156.00					490,372.00
Yemen	6,000.00	31,965.00	26,113.00	772.50			64,850.50
Yugoslavia	57,324.00	285,465.00					342,789.00
Total	13,165,186.04	77,533,489.68	6,790,542.20	4,454,414.33	45,460	2,056	101,991,148.25
Mauritania	16,000.00	32,071.00	26,182.00	2,686.00			76,939.00
Mongolia	16,000.00	32,071.00	26,182.00	2,686.00			76,939.00
Sierra Leone	16,000.00	32,071.00	26,182.00	2,686.00			76,939.00
Tanganyika	16,000.00	32,071.00	26,182.00	2,686.00			76,939.00
Total	13,229,186.04	77,661,773.68	6,895,270.20	4,465,158.33	45,460	2,056	102,298,904.25

[1] United Nations Secretariat, statement on the collection of contributions as at Feb. 28, 1963, ST/ADM/SER.B/170, Mar. 8, 1963.

[2] For the year 1961 assessment has been shown against the United Arab Republic.

III. Status of contributions due to the United Nations Emergency Force special account [1]

[In U.S. dollars]

Member states	Jan. 1 to June 30, 1962	1961	1960	1959	1958	1957	Total due
Afghanistan	907.00	5,583.50	5,926.00	9,092	15,000	2,814	39,322.50
Albania	735.00	7,484.00	3,951.00	6,062	10,000	5,876	34,108.00
Argentina	18,442.00	103,291.00	109,594.00	168,180	285,000	171,869	856,376.00
Australia							
Austria							
Belgium	115,533.00	43,245.00					158,778.00
Bolivia	735.00	7,484.00	3,939.00	6,056	12,500	7,345	38,059.00
Brazil							
Bulgaria	3,720.00	29,938.00	15,826.00	24,257	35,000	20,565	129,306.00
Burma							
Byelorussian Soviet Socialist Republic	50,170.00	87,943.00	46,419.00	71,219	117,500	70,510	443,761.00
Cambodia							
Cameroon							
Canada							
Central African Republic							
Ceylon							
Chad	777.00						777.00
Chile	4,765.00	25,125.00	26,643.00	35,269			91,802.00
China	217,133.00	466,207.50	989,797.00	759,151	1,252,500	505,048	4,189,836.50
Colombia							
Congo (Brazzaville)	777.00	7,524.00	444.00				8,745.00
Congo (Léopoldville)	1,362.00						1,362.00
Costa Rica	735.00	3,722.00	3,171.09				7,628.09
Cuba	4,008.00	46,778.00	24,679.00	37,874	65,000	12,662	191,001.00
Cyprus							
Czechoslovakia	113,093.00	162,787.00	85,983.00	131,856	205,000	123,393	822,112.00
Dahomey	777.00	381.93					1,158.93
Denmark							
Dominican Republic	919.00	9,356.00					10,275.00
Ecuador							
El Salvador	724.00	4,653.00					5,377.00
Ethiopia	907.00	5,583.50	5,868.00	9,067	27,500	16,159	65,084.50
Federation of Malaya							
Finland							
France							
Gabon							
Ghana							
Greece							
Guatemala	919.00	4,653.00	4,915.00	7,566			18,053.00
Guinea	735.00	7,484.00					8,219.00
Haiti	735.00	3,722.00	3,951.00	6,062			14,470.00
Honduras	735.00	3,722.00	3,951.00				8,408.00
Hungary	54,126.00	78,587.00	41,516.00	63,627	97,500	67,572	402,928.00
Iceland							
India							
Indonesia							
Iran							
Iraq	1,654.00	16,840.00	8,854.00	13,623	30,000	5,627	76,598.00
Ireland							
Israel							
Italy							
Ivory Coast							
Japan							
Jordan	735.00	7,484.00	3,951.00	6,062	10,000	5,876	34,108.00
Laos	735.00	2,987.00					3,722.00
Lebanon	919.00	4,653.00	4,938.00	7,576	1,759		19,845.00

See footnotes at end of table.

III. Status of contributions due to the United Nations Emergency Force special account [1]—Continued

[In U.S. dollars]

Member states	Jan. 1 to June 30, 1962	1961	1960	1959	1958	1957	Total due
Liberia							
Libya	735.00	7,484.00	3,951.00	6,062	10,000	5,876	34,108.00
Luxembourg							
Madagascar							
Mali	15.50						15.50
Mexico	13,629.00	132,849.00	70,158.00	107,564	170,000	32,828	527,028.00
Morocco	2,572.00	13,028.00	13,851.00				29,451.00
Nepal	735.00	200.00					935.20
Netherlands							
New Zealand							
Nicaragua	735.00	2,963.25					3,698.25
Niger	777.00	3,762.00	444.00				4,983.00
Nigeria							
Norway							
Pakistan							
Panama	735.00	3,722.00	3,939.00	6,056	12,500	1,289	28,241.00
Paraguay	735.00	3,722.00	3,951.00	6,062	10,000	5,876	30,346.00
Peru	1,826.00	20,582.00	10,817.00	16,649	37,500	7,034	94,408.00
Philippines	485.00						485.00
Poland	60,854.00	256,343.00	135,134.00	207,514	380,000	229,159	1,269,004.00
Portugal							
Rumania	30,816.00	63,618.00	33,406.00	51,442	122,500	73,448	375,230.00
Saudi Arabia	1,297.00	11,227.00	5,915.00	9,087	17,500	10,283	55,309.00
Senegal	971.00						971.00
Somalia							
South Africa							
Spain	15,720.00	174,013.00	91,643.00	140,826	277,500	167,462	867,164.00
Sudan	1,297.00	11,227.00	5,868.00	9,067	27,500	16,159	71,118.00
Sweden							
Syria [2]	915.00				20,000	11,752	32,667.00
Thailand	2,940.00						2,940.00
Togo	777.00	3,762.00	444.00				4,983.00
Tunisia							
Turkey							
Ukrainian Soviet Socialist Republic	191,019.00	336,801.00	177,778.00	272,747	450,000	271,759	1,700,104.00
Union of Soviet Socialist Republics	1,444,204.00	2,548,457.00	2,706,146.00	2,063,805	3,405,000	2,050,676	14,218,288.00
United Arab Republic	4,574.00	59,876.00	31,477.00	48,432	87,500	52,883	284,742.00
United Kingdom of Great Britain and Northern Ireland							
United States of America							
Upper Volta	777.00	7,524.00	444.00				8,745.00
Uruguay	2,010.00	11,167.00	11,806.00				24,983.00
Venezuela							
Yemen	735.00	7,484.00	3,951.00	6,062	10,000	5,876	34,108.00
Yugoslavia							
Total	2,379,397.50	4,827,029.88	4,705,439.09	4,313,974	7,201,759	3,957,676	27,385,275.47
Mauritania	780.00	416.00					1,196.00
Mongolia	780.00	416.00					1,196.00
Sierra Leone	780.00	416.00					1,196.00
Tanganyika	780.00	416.00					1,196.00
Total	2,382,517.50	4,828,693.88	4,705,439.09	4,313,974	7,201,759	3,957,676	27,390,059.47

[1] United Nations Secretariat, statement on the collection of contributions as at Feb. 28, 1963, ST/ADM/SER. B/170, Mar. 8, 1963.

[2] For the years 1959, 1960, and 1961 assessments have been shown against the United Arab Republic.

IV. Status of contributions due to the Congo ad hoc account [1]

[In U.S. dollars]

Member states	Nov. 1, 1961, to June 30, 1962	Jan. 1 to Oct. 31, 1961	July 14 to Dec. 31, 1960	Total due
Afghanistan	7,949.00	11,887.00	14,529.50	34,365.50
Albania	6,366.00	7,925.00	19,373.00	33,664.00
Argentina	160,664.00	219,911.00	268,797.00	649,372.00
Australia				
Austria	359,637.00	109,210.00		468,847.00
Belgium	958,903.00	1,287,766.00	629,615.00	2,876,284.00
Bolivia	6,366.00	7,925.00	19,373.00	33,664.00
Brazil	163,940.00	202,080.00	44,922.50	410,942.50
Bulgaria	31,865.00	31,699.00	77,491.00	141,055.00
Burma				
Byelorussian Soviet Socialist Republic	415,604.00	465,577.00	227,630.00	1,108,811.00
Cambodia	6,566.00	7,925.00	13,007.00	27,298.00
Cameroon				
Canada				
Central Africa Republic				
Ceylon				
Chad	6,936.00	6,639.98		13,035.98
Chile	41,372.00	53,492.00	65,383.00	160,247.00
China	1,823,774.00	2,481,426.00	1,446,543.50	5,751,743.50
Colombia				
Congo (Brazzaville)	6,396.00	7,925.00	2,131.00	16,452.00
Congo (Léopoldville)	11,196.00			11,196.00
Costa Rica	6,366.00	7,925.00	9,686.50	23,977.50
Cuba	34,989.00	49,529.00	121,080.00	205,598.00
Cyprus				
Czechoslovakia	935,266.00	861,813.00	421,358.00	2,218,437.00
Dahomey	6,246.06			6,246.06
Denmark				
Dominican Republic	7,958.00	9,905.00	24,216.00	42,079.00
Ecuador	8,655.85			8,655.85
El Salvador	6,358.00	9,905.00		16,263.00
Ethiopia	7,949.00	11,887.00	14,529.50	34,365.50
Federation of Malaya				
Finland				
France	4,746,601.00	6,339,772.00	3,099,642.00	14,186,015.00
Gabon				
Ghana				
Greece				
Guatemala	7,958.00	9,905.00	12,108.00	29,971.00
Guinea	6,366.00	7,925.00	19,373.00	33,664.00
Haiti	6,366.00	7,925.00	9,686.50	23,977.50
Honduras	6,366.00	7,925.00	9,686.50	23,977.50
Hungary	447,646.00	83,210.00	203,414.00	734,270.00
Iceland				
India				
Indonesia				
Iran	31,823.00	41,605.00	25,853.50	99,281.50
Iraq	14,324.00	17,831.00	43,589.00	75,744.00
Ireland				
Israel				
Italy				
Ivory Coast				
Japan				
Jordan	6,366.00	7,925.00	19,373.00	33,664.00
Laos	6,366.00	7,925.00	3,320.50	17,611.50
Lebanon	7,958.00	4,150.02		12,108.02
Liberia				
Libya				
Luxembourg	7,949.00			7,949.00
Madagascar	6,394.00	10,936.00		17,330.00
Mali	6,396.00	7,925.00		14,321.00
Mexico	117,801.00	140,664.00	343,866.00	602,331.00
Morocco	22,282.00	27,736.00	67,805.00	117,823.00
Nepal	6,366.00	137.16		6,503.16
Netherlands				
New Zealand				
Nicaragua	6,366.00	7,925.00	9,686.50	23,977.50
Niger	6,396.00	7,925.00	1,065.50	15,386.50
Nigeria				
Norway				
Pakistan				
Panama	6,366.00	7,925.00	9,686.50	23,977.50
Paraguay	6,366.00	7,925.00	9,686.50	23,977.50

See footnotes at end of table.

IV. Status of contributions due to the Congo ad hoc account [1]—Continued

[In U.S. dollars]

Member states	Nov. 1, 1961, to June 30, 1962	Jan. 1 to Oct. 31, 1961	July 14 to Dec. 31, 1960	Total due
Peru	15,907.00	21,793.00	26,637.50	64,337.50
Philippines				
Poland	510,845.00	678,553.00	663,517.00	1,852,915.00
Portugal	25,431.00	39,624.00	96,864.00	161,919.00
Romania	255,713.00	336,800.00	164,668.00	757,181.00
Saudi Arabia	11,149.00	11,887.00	29,059.00	52,095,00
Senegal	7,994.00			7,994.00
Somalia	6,396.00	1,111.07		7,507.07
South Africa	423,528.00	554,730.00	271,219.00	1,249,477.00
Spain	136,816.00	184,250.00	450,417.00	771,483.00
Sudan				
Sweden				
Syria [2]	7,955.00			7,955.00
Thailand	25,465.00			25,465.00
Togo	6,396.00	7,925.00	1,065.50	15,386.50
Tunisia				
Turkey				
Ukrainian Soviet Socialist Republic	1,582,482.00	1,783,061.00	871,774.00	4,237,317.00
Union of Soviet Socialist Republics	11,964,509.00	13,491,828.00	6,596,425.00	32,052,762.00
United Arab Republic	39,775.00	63,398.00	154,982.00	258,155.00
United Kingdom	377,242.2			377,242.92
United States of America				
Upper Volta	6,396.00	7,925.00	2,131.00	16,452.00
Uruguay	17,499.00	23,774.00	29,059.00	70,332.00
Venezuela	82,778.00	99,059.00	121,079.50	302,916.50
Yemen	6,366.00	7,925.00	19,373.00	33,664.00
Yugoslavia	60,505.00	69,341.00	169,512.00	299,358.00
Total	26,072,551.83	29,990,532.23	16,975,290.00	73,038,374.06
Mauritania	6,400.00	877.00		7,277.00
Mongolia	6,400.00	877.00		7,277.00
Sierra Leone	6,400.00	877.00		7,277.00
Tanganyika	6,400.00	877.00		7,277.00
Total	26,098,151.83	29,994,040.23	16,975,290.00	73,067,482

[1] United Nations Secretariat, statement on the collection of contributions as at Feb. 28, 1963, ST/ADM/SER.B/170, Mar. 8, 1963.

[2] For the years 1960 and 1961 assessments have been shown against the United Arab Republic.

V. Totals of current and arrear contributions outstanding as at Feb. 28, 1963 [1]

[In U.S. dollars]

	Current [2]	Arrears	Total amount due
Working capital fund	13,214,834.04	14,352.00	13,229,186.04
United Nations regular budget	77,777,245.68	11,292,472.53	89,069,718.21
United Nations Emergency Force	4,784.00	27,385,275.47	27,390,059.47
Congo ad hoc	29,108.00	73,038,374.06	73,067,482.06
Total	91,025,971.72	111,730,474.06	202,756,445.78

[1] United Nations Secretariat, statement on the collection of contributions as at Feb. 28, 1963, ST/ADM/SER. B/170, Mar. 8, 1963.

[2] Including contributions of new member states for 1961 and 1962 as assessed in 1963.

VI. Summary of contributions due and received as at Feb. 28, 1963 [1]

[In U.S. dollars]

	Total amount assessed	Amount received (including credits)	Percent received	Balance due
Working capital fund	40,064,000	26,834,813.96	66.98	13,229,186.04
1959 contributions	61,500,000	61,497,944.00	99.997	2,056.00
1960 contributions	58,347,514	58,302,054.00	99.92	45,460.00
1960 contributions for new member states [2]	52,032	52,032.00		
1961 contributions	69,347,807	64,893,392.67	93.58	4,454,414.33
1962 contributions	74,124,117	67,333,574.80	90.84	6,790,542.20
1963 contributions	89,406,446	11,744,672.32	13.14	77,661,773.68
1961 and 1962 contributions for new member states [3]	115,472			115,472.00
UNEF 1957 assessments	15,028,988	11,071,312.00	73.67	3,957,676.00
UNEF 1958 assessments	25,000,000	17,798,241.00	71.19	7,201,759.00
UNEF 1959 assessments	15,205,000	10,891,026.00	71.63	4,313,974.00
UNEF 1960 assessments	20,000,000	[4] 15,296,336.91	76.48	4,703,663.09
UNEF 1960 assessments for new member states [2]	10,102	8,326.00		1,776.00
UNEF 1961 assessments	18,989,898	[5] 14,162,868.12	74.58	4,827,029.88
UNEF 1962 assessments	9,750,000	[6] 7,370,602.50	75.60	2,379,397.50
UNEF 1961 and 1962 assessments for new member states	4,784			4,784.00
Congo 1960 assessments	48,500,000	[7] 31,524,710.00	65.00	16,975,290.00
Congo 1961 assessments	100,000,000	[8] 70,009,467.77	70.01	29,990,532.23
Congo 1962 assessments	80,000,000	[9] 53,927,448.17	67.41	26,072,551.83
Congo 1961 and 1962 assessments for new member states	29,108			29,108.00

[1] United Nations Secretariat, statement on the collection of contributions as at Feb. 28, 1963, ST/ADM/SER. B/170, Mar. 8, 1963.

[2] Under financial regulation 5.2(e), this amount is applied as an adjustment to the amount of the appropriations for 1961.

[3] Under financial regulation 5.2(e), this amount is applied as an adjustment to the amount of the appropriations for 1963.

[4] Includes credits of $3,475,000 offset by voluntary contributions.

[5] Includes credits of $1,685,481.50 offset by voluntary contributions.

[6] Includes credits of $1,389,474 offset by voluntary contributions.

[7] Includes credits of $3,900,000 offset by voluntary contributions.

[8] Includes credits of $15,305,596 offset by voluntary contributions.

[9] Includes credits of $11,400,800 offset by voluntary contributions.

Food and Agriculture Organization

Contributions statement as of Oct. 31, 1962, for the Organization's calendar years 1958–61 [1]

SUMMARY

Calendar year	Total due	Amount received	Percent received	Balance due
1958	$8,322,500	$8,313,352	99.89	$9,148
1959	8,322,500	8,261,932	99.27	60,568
1960	$9,225,500	$9,067,835	98.29	$157,665
1961	9,225,500	9,145,894	99.14	79,606

UNCOLLECTED CONTRIBUTIONS [2]

Country	Calendar year 1958	Calendar year 1959	Calendar year 1960	Calendar year 1961	Total
Argentina		$49,970	$134,692		$184,662
Bolivia	$5,826	5,826	3,690	$3,690	19,032
Costa Rica				544	544
Dominican Republic				6,458	6,458
Ecuador		1,443	7,381	1,880	10,704
Greece				3,446	3,446
Guinea			832	3,690	4,522
Haiti			3,690	3,690	7,380
Panama				$3,690	$3,690
Paraguay	$3,322	$3,329	$3,690	3,690	14,031
United Arab Republic				31,219	31,219
Uruguay				13,919	13,919
Yemen			3,690	3,690	7,380
Total	9,148	60,568	157,665	79,606	306,987

[1] Totals due for years prior to 1958 are: China, $1,077,198 (1948–52); Czechoslovakia, $141,292 (1949–50); Hungary, $88,235; Bolivia, $6,550 (1956–57).

[2] Czechoslovakia (on Dec. 27, 1949); Hungary (on Jan. 26, 1951); and China (on July 21, 1951) gave notice of withdrawal from the Food and Agriculture Organization. However, because of the revisions of the Food and Agriculture Organization Constitution (art. XVIII) that "notice shall take effect 1 year after the date of its communication to the Director General," and that "financial obligation to the organization of a member nation which has given notice of withdrawal shall include the entire financial year which the notice takes effect," these countries are under obligation to pay their assessments.

INTERNATIONAL CIVIL AVIATION ORGANIZATION

Contributions statement as of Oct. 31, 1962, for the organization's calendar years 1957–61 [1]

SUMMARY

Calendar year	Total due [2]	Amount received	Percent received	Balance due	Calendar year	Total due [2]	Amount received	Percent received	Balance due
1957	$3,074,437	$3,020,013	98.23	$54,424	1960	$3,865,000	$3,852,632	99.68	$12,368
1958	2,987,901	2,983,973	99.87	3,896	1961	4,083,000	4,038,505	98.91	44,495
1959	3,672,000	3,667,104	99.87	4,896					

UNCOLLECTED CONTRIBUTIONS

Country	Calendar year 1957	Calendar year 1958	Calendar year 1959	Calendar year 1960	Calendar year 1961	Total	Country	Calendar year 1957	Calendar year 1958	Calendar year 1959	Calendar year 1960	Calendar year 1961	Total
Bolivia				$3,745	$4,618	$8,363	Panama				$4,188	$5,274	$9,462
Cuba					10,098	10,098	Paraguay	$3,163	$3,928	$4,896	4,435	4,737	21,159
Dominican Republic					4,403	4,403	Poland	51,261					51,261
Haiti					4,258	4,258	Uruguay					4,954	4,954
Honduras					4,222	4,222							
Laos					51	51	Total	54,424	3,928	4,896	12,368	44,495	120,111
Nepal					1,880	1,880							

[1] Does not take into account supplemental assessment for 1957 and 1958 totaling $896.

[2] Totals due prior to calendar year 1957; China, $54,378 (1950–51); Cuba, $18,537 (1953–54); Czechoslovakia, $22,699 (1954–55); Poland, $86,645 (1955–56).

INTERNATIONAL LABOR ORGANIZATION

Contributions statement as of Sept. 30, 1962, for the Organization's calendar years 1957–61 [1]

SUMMARY

Calendar year	Total due	Amount received	Percent received	Balance due	Calendar year	Total due	Amount received	Percent received	Balance due
1957	$7,617,708	$7,598,999	99.75	$18,709	1960	$9,003,909	$8,859,097	98.39	$144,812
1958	7,972,901	7,963,333	99.88	9,568	1961	10,054,660	9,685,512	96.33	369,148
1959	8,529,857	8,519,621	99.88	10,236					

UNCOLLECTED CONTRIBUTIONS

Country	Calendar year 1957	Calendar year 1958	Calendar year 1959	Calendar year 1960	Calendar year 1961	Total	Country	Calendar year 1957	Calendar year 1958	Calendar year 1959	Calendar year 1960	Calendar year 1961	Total
Argentina				$120,956	$149,828	$270,784	Hungary					$41,143	$41,143
Bolivia	$9,141			10,805	11,829	31,775	Mauritania					6,319	6,319
Chile					35,265	35,265	Panama					11,755	11,755
Congo (Brazza)				1,535	11,829	13,364	Paraguay	$9,568	$9,568	$10,236	$10,805	11,829	52,006
Costa Rica					1,732	1,732	Philippines					36,245	36,245
Ecuador				711	10,506	11,217	Syria					2,029	2,029
Guatemala					11,755	11,755	Uruguay					3,500	3,500
Haiti					11,829	11,829							
Honduras					11,755	11,755	Total	18,709	9,568	10,236	144,812	369,148	552,473

[1] Contributions due prior to 1957: Bolivia, $20,785 (1953–56); China, $243,463 (1952–53); Hungary, $33,034 (1953); Paraguay, $25,621 (1920–37, 1956); Spain, $38,750 (1937–41).

INTERGOVERNMENTAL MARITIME CONSULTATIVE ORGANIZATION

Contributions statement as of Oct. 31, 1962, for the organization's calendar years 1959–62

SUMMARY

Calendar year	Total due	Amount received	Percent received	Balance due	Calendar year	Total due	Amount received	Percent received	Balance due
1959	$237,000	$232,554	98.12	$4,446	1961	$232,500	$219,982	94.62	$12,518
1960	255,000	248,728	97.54	6,272	1962	459,050	424,158	92.40	34,892

UNCOLLECTED CONTRIBUTIONS

Country	1959	1960	1961	1962	Total	Country	1959	1960	1961	1962	Total
Argentina				$1,210	$1,210	New Zealand				$2,565	$2,565
Dominican Republic				2,000	2,000	Nigeria			$1,000	1,000	2,000
Ecuador	$2,000	$2,000	$2,000	2,000	8,000	Panama			5,233	12,459	17,692
Ghana				6	6	United Arab Republic				2,492	2,492
Haiti		2,000	2,000	2,000	6,000	Korea				1,333	1,333
Honduras	2,446	2,272	2,118	2,310	9,146	Morocco				833	833
Indonesia				2,68	2,684						
Madagascar			167	2,000	2,167	Total	$4,446	$6,272	12,518	34,892	58,128

WORLD METEOROLOGICAL ORGANIZATION

Contributions statement as of Dec. 31, 1962, for the Organization's calendar years 1958–61 [1]

SUMMARY

Calendar year	Total due	Amount received	Percent received	Balance due	Calendar year	Total due	Amount received	Percent received	Balance due
1958	$434,929	$432,998	99.56	$1,931	1960	$652,605	$648,790	$99.42	$3,815
1959	465,596	463,227	99.49	2,369	1961	666,179	651,400	97.78	14,779

See footnote at end of table.

WORLD METEOROLOGICAL ORGANIZATION—Continued

Contributions statement as of Dec. 31, 1962, for the Organization's calendar years 1958–61 [1]—Continued

UNCOLLECTED CONTRIBUTIONS

Country	Calendar year 1958	Calendar year 1959	Calendar year 1960	Calendar year 1961	Total	Country	Calendar year 1958	Calendar year 1959	Calendar year 1960	Calendar year 1961	Total
Argentina				$10,062	$10,062	Nicaragua		$302	$580	$590	$1,472
Bolivia	$1,931	$2,067	$2,318	2,358	8,674						
Congo (Brazza)				590	590	Total	$1,931	2,369	3,815	14,779	22,894
Haiti			917	1,179	2,096						

[1] Prior year's unpaid contributions are: Bolivia, $5,582 (1954–57).

INTERNATIONAL TELECOMMUNICATION UNION

Contributions statement as of Dec. 31, 1962, for the Organization's ordinary budgets for the years 1957–61 [1]

[Money amounts in Swiss francs]

SUMMARY

Calendar year	Total due	Amounts received	Percent received	Balance due	Calendar year	Total due	Amounts received	Percent received	Balance due
1957	5,410,533	5,361,256	99.09	49.277	1960	12,626,432	12,092,272	95.77	534,160
1958	5,429,233	5,376,433	99.03	52,800	1961	12,652,661	11,386,017	89.99	1,266,644
1959	5,440,600	5,379,000	98.87	61,600					

UNCOLLECTED CONTRIBUTIONS

Country	Calendar year 1957	Calendar year 1958	Calendar year 1959	Calendar year 1960	Calendar year 1961	Total	Country	Calendar year 1957	Calendar year 1958	Calendar year 1959	Calendar year 1960	Calendar year 1961	Total
Argentina				348,500	349,440	697,940	Ecuador			8,800	13,940	23,296	46,036
Bolivia	26,400	26,400	26,400	41,820	69,888	190,908	Haiti	5,277	8,800	8,800	13,940	23,296	60,113
Brazil					516,124	516,124	Honduras					33,813	33,813
Chile				15,420	69,888	85,308	Liberia				15,420	37,544	52,964
Congo (Léopoldville)					1,941	1,941	Sierra Leone					971	971
Costa Rica				15,420	47,138	62,558	Uruguay				41,820	23,296	65,116
Cuba	17,600	17,600	17,600	27,880		80,680	Total	49,277	52,800	61,600	534,160	1,266,644	1,964,481
Dominican Republic					121	121							
El Salvador					69,888	69,888							

[1] Prior to 1957 the unpaid sums in Swiss francs are as follows: Bolivia, 155,216 (1949–56); Cuba, 127,450 (1951–56).

UNITED NATIONS EDUCATIONAL, SCIENTIFIC, AND CULTURAL ORGANIZATION

Contributions statement as of Oct. 31, 1962, for the Organization's calendar years 1958–61 [1]

SUMMARY

Calendar year	Total due	Amount received	Percent received	Balance due	Calendar year	Total due	Amount received	Percent received	Balance due
1958	$11,770,035	$11,763,163	99.94	$6,872	1960	$12,957,763	$12,935,382	99.83	$22,381
1959	12,614,034	12,598,763	99.88	15,271	1961	15,070,703	14,640,645	97.15	430,058

UNCOLLECTED CONTRIBUTIONS

Country	Calendar year 1958	Calendar year 1959	Calendar year 1960	Calendar year 1961	Total	Country	Calendar year 1958	Calendar year 1959	Calendar year 1960	Calendar year 1961	Total
Afghanistan				$1,062	$1,062	Greece				$22,700	$22,700
Argentina				161,256	161,256	Haiti			$4,499	6,028	10,527
Bolivia	$5,872	$5,126	$5,183	6,028	22,209	Hungary				61,790	61,790
Chile				37,489	37,489	Paraguay	$1,000	$5,126	5,182	6,028	17,337
Costa Rica				1,241	1,241	Ruanda Urundi			1,037	3,014	4,051
Congo (Léopoldville)				6,028	6,028	United Arab Republic				5,663	5,663
Czechoslovakia				80,033	80,033	Uruguay				18,085	18,085
Dominican Republic				6,078	6,078						
Guatemala		5,019	6,479	7,535	19,033	Total	6,872	15,271	22,381	430,058	474,582

[1] Unpaid contributions for prior years: Bolivia, $11,564 (1956–57); China, Czechoslovakia, Hungary, and Poland are paying their prior years' contributions in annual installments in accordance with the decisions of the 8th and 11th sessions of the General Conference.

WORLD HEALTH ORGANIZATION

Contributions statement as of Oct. 31, 1962, for the Organization's calendar years 1958–61 [1]

SUMMARY

Calendar year	Total due	Amount received	Percent received	Balance due	Calendar year	Total due	Amount received	Percent received	Balance due
1958	$13,393,480	$13,386,820	99.95	$6,660	1960	$15,704,700	$15,657,908	99.70	$46,792
1959	13,897,600	13,889,440	99.94	8,160	1961	17,723,430	17,360,787	97.95	362,643

See footnote at end of table.

WORLD HEALTH ORGANIZATION—Continued

Contributions statement as of Oct. 31, 1962, for the Organization's calendar years 1958–61 [1]—Continued

UNCOLLECTED CONTRIBUTIONS

Country	Calendar year 1958	Calendar year 1959	Calendar year 1960	Calendar year 1961	Total
Argentina			$16,977	$192,990	$209,967
Bolivia	$6,660	$8,160	6,760	7,570	29,150
Chile				47,300	47,300
Costa Rica				1,116	1,116
Congo (Léopoldville)				7,570	7,570
Cuba			14,490	43,520	58,010
Ecuador				2,859	2,859
Guatemala				9,460	9,460
Haiti			4,805	7,570	12,375
Honduras				70	70
Nepal				$810	$810
Nicaragua				810	810
Panama				7,570	7,570
Paraguay			$3,760	7,570	11,330
Sierra Leone				440	440
Uruguay				20,810	20,810
Yemen				4,608	4,608
Total	$6,660	$8,160	46,792	362,643	424,255

[1] Totals due for prior years: Bolivia $14,980.

DANGER IN THE ARCTIC AS RADIOACTIVITY MOUNTS

Mr. BARTLETT. Mr. President, a grave and potentially dangerous situation exists in the Arctic regions of our Nation. American citizens of Eskimo and Indian stock who live in inland Alaska rely upon caribou meat as their principal food stock. There is reason to believe that the caribou are becoming increasingly contaminated with strontium 90 and cesium 137. This contamination cannot be of good effect and may well be of harm to these people and to their descendants.

The time is approaching, Mr. President, when the Senate and the Nation must give real attention to the perils caused by the radioactive refuse of atomic testing. Practical action is needed and the Federal Government dare not duck its responsibility.

Let me make it very clear, Mr. President, that I realize I am speaking of a highly technical scientific subject of which I have no expert knowledge. This is a subject on which there has been inadequate investigation and study. Scientists themselves cannot agree upon the implication and import of this contamination and certainly no layman can speak with any assurance.

Although I am not a scientist, as a Senator it is my responsibility to speak out when the health and safety of the people of my State are threatened. I am not an expert, but I will become one if it is necessary in order to get action and attention on this subject.

The contamination of foodstuffs by radioactive matter is subject to a good deal of misinformation and fear. It is not my intention to stir panic, to make wild charges, or to confuse further what is already a dreadfully confused situation.

It is my intention to obtain from those Federal officials responsible a clear statement of the facts as we now know them. I intend to press for active, continuing, and adequate on-the-spot investigations and a sensible and intelligent plan for securing and insuring the health and safety of Eskimo and Indian Americans.

TRICK FIGURES

The facts on radioactivity in the Arctic are not now adequate. I will present to the Senate such figures as are available to me. Before doing so let me make two points.

The figures that are available are scanty indeed. Averages and conclusions are often based upon findings taken from but two or three caribou or from three or four human beings. Figures are often "one shot" taken at one time in one place, even though there is reason to believe—especially with cesium 137 which has a biological half-life of approximately 120 days—that contamination levels may vary greatly with season, with atomic activity, with variations in plant life and general ecology.

The terms used in measuring the biological effects of radiation are many and confusing. Measurements may be given in nanocuries, picocuries, micromicrocuries, disintegrations per minute, rads, strontium units—SU, roentgen equivalent man—REM. Contamination levels may be given in the same report in DPM's per kilogram, wet weight per kilogram, ash per gram calcium and so forth and so forth and so forth. It has been suggested, Mr. President, and I pass this suggestion on without comment, that such a variety of units could be used to discourage and confuse the layman attempting to arrive at the facts of the situation. Certainly they have that effect.

The figures are sparse and insufficient. We should not place, therefore, too much reliance upon them. They should be taken as indications rather than fact.

In evaluating these statistics, we must remember that the radiation protection standards recommended by the Federal Radiation Council are not to be taken as standards but merely as guidelines. Let me quote from a Federal Radiation Council public announcement of September 10, 1962:

> Radiation protection guides are not a dividing line between safety and danger in actual radiation situations, nor are they alone intended to set a limit at which protective action should be taken or to indicate what kind of action should be taken. As applied to fallout, guides can be used as an indication of when there is a need for detailed evaluation of possible exposure risks and when there is a need to consider whether any protection action should be taken under all the relevant circumstances.

To a layman, it appears in practice that when these guidelines are approached, as they are being approached in Alaska, everything becomes very spongy. On some occasions when these limits are approached, the evaluation and protective action called for by the Federal Radiation Council are not undertaken. Instead, the limits themselves are reexamined.

Prior to 1960, the maximum permissible concentrations—MPC—as accepted by the U.S. Public Health Service for strontium 90 were 80 micromicrocuries per liter. In 1960 this limit was lowered to 33, thus conforming to the recommendation of the International Commission on Radiological Protection. In 1962 the maximum permissible concentrations were raised from 33 to 200 strontium units—strontium unit is defined as one micromicrocurie of strontium 90 per gram of calcium.

I ask unanimous consent that the table indicating the current radiation protection guide given for strontium 90 be printed in the RECORD at this point. This table is taken from the second summary report of the Atomic Energy Commission on Project Chariot.

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

	Strontium 90 [1] *in picocuries per day*
Range I	0–20
Range II	20–200
Range III	200–2000

[1] Assumes intake of 1 gram of calcium per day.

Mr. BARTLETT. I quote from the Public Health Service, 1962:

> The grades are as follows: Range I, intakes in this range would result in only a few individuals, if any, reaching a large fraction of the radiation protection guide; range II, intakes in this range would result in average exposures to population groups not exceeding the radiation protection guide; and range III, intakes within this range would result in exposures exceeding the radiation protection guide if continued for a sufficient period of time. The Federal Radiation Council has recommended that measures limiting intake of radioactive materials should be considered when indications are that levels averaged over a year will be within range III.

I am informed that the recommendations of the National Committee on Radiation Protection indicate that the maximum permissible burden of cesium 137 for nonoccupational populations is in the area of 1,000 nanocuries. For individuals the maximum range permissible lies at 3,000 nanocuries. The average rate is set lower than the individual rate to allow for individual mini-max

variations of the contamination level within the group being averaged.

Strontium 90 taken into the body finds its way to the bones, where it lodges for many years. Concentrations of this nuclide can cause leukemia or bone cancer. Because children are growing and adding to their bone structure they tend, on the average, to absorb eight times the amounts of strontium 90 absorbed by adults under the same conditions. This is why strontium 90 is so very dangerous to the young.

Cesium 137 does not concentrate in any particular organ in the body but tends to spread throughout the system. The body eliminates roughly half of the cesium 137 within 100 days of ingestion. This short biological half-life of cesium 137 contrasts with the biological half-life of strontium 90 which is 11 years. Cesium 137 has as its main effect the mutation of gene structure leading to deformities in children yet unborn.

In the light of the above, my statement today must be read with the understanding that the figures are sketchy and the guidelines elastic.

CONTAMINATED FOOD CHAIN

The source of the contamination of Alaska native peoples is found in the unique arctic food chain. One of the major forms of indigenous plant life in the northern regions of Alaska is lichen. This type of plant, unlike most others, depends for its water and nutrients upon the atmosphere and not the soil. It sifts the air and thus absorbs directly and without dilution fallout material from atomic testing. Arctic lichen has been found to be very, very heavily contaminated with cesium 137 and strontium 90.

In the long, hard arctic winter the caribou depend upon this lichen as their principal food source. And thus they, too, become contaminated.

The Eskimos and Indians in these inland areas depend for their food upon caribou. There is ample reason to believe that these people in turn have absorbed into their system unusual amounts of radioactive materials.

The size of these amounts is a subject for debate. Adequate figures do not exist. The extent of the health hazard created is also a subject for dispute due to the lack of information.

This, however, seems clear and irrefutable: The Eskimos and Indians are receiving several times more strontium 90 and cesium 137 into their system than are American citizens of more temperate climates.

This contamination is not limited to Alaska alone. The lichen-caribou-man food chain exists throughout the arctic regions of the world. It is repeated in Canada; in Sweden, the Laplanders depend upon reindeer, which in turn depend upon lichen. Native peoples of the arctic regions, whether in Siberia, Canada, Europe, or Alaska, live by this food chain.

Mr. President, I ask unanimous consent that three tables be printed at the conclusion of my remarks: Exhibit I indicating known measurements of radionuclides in lichen, exhibit II indicating amounts found in caribou and reindeer, and exhibit III indicating amounts found in arctic man. These tables were prepared by Dr. L. A. Viereck of the Alaska Department of Fish and Game.

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

(See exhibits I, II, and III.)

Mr. BARTLETT. Mr. President, exhibit I indicates what few details we have on the contamination levels in arctic lichen. It appears that lichens have concentrations of strontium 90 and cesium 137 up to 100 times that of other plants in the Arctic as in temperate zones.

CARIBOU AND REINDEER

The figures on caribou contamination are difficult to evaluate. The levels of strontium 90 in caribou meat appear to be 25 to 30 times that of beef in the United States. The levels of cesium 137 appear to be from 3 to 300 times that found in beef.

It is perhaps significant that the level of strontium 90 found in reindeer bones in Scandinavia has doubled in the 4 years from 1956 to 1960. The level found in caribou antlers tripled in the years from 1955 to 1959. Since that time, with the stepup in atomic testing since 1960, these levels cannot have fallen.

The AEC has pointed out, in a letter to me dated February 12, 1963, that figures obtained during the 1962 Project Chariot investigations produced somewhat lower figures than those obtained elsewhere. This, however, is readily explained by the fact that there is little lichen available in the region in which the AEC tests were conducted—page 145, Project Chariot Report, 1962, "Floristic surveys and analyses of caribou rumen content both indicate a sparsity of forage lichens in the Cape Thompson region."

On the basis of the figures in exhibit II, it appears that radiation levels in caribou are approaching—or have surpassed since the figures were taken—the top of the second range as set forth by the Federal Radiation Council. The Council in publishing its guidelines said that such levels call for appropriate positive control measures. Yet, so far as I know, nothing whatever is known as to the effect such exposure is having on the caribou; so far as I know, nothing whatever is being done to find out.

HUMAN BEINGS

Exhibit II outlines what is known about contamination in arctic man It is apparently a fact that both in Finland and in Alaska human beings for whom caribou and reindeer are staple foods are receiving susbtantially more strontium 90 and cesium 137 than are those who depend upon other foods. This is not to say necessarily that these levels have reached dangerous proportions. But any strontium 90 is bad; more is worse; and it is foolish to deny it. It is both foolish and inhumane not to investigate with very great care situations involving continued substantial intake of the isotope.

Studies made so far on caribou-eating Eskimos have been insufficient in both time and extent. Individual adults sampled had values as high as 1.9 picocuries strontium 90 per gram calcium. Since young growing children retain in their bones eight times the strontium concentration of adults, this could mean that some individuals have a value as high as 15 picocuries per gram of strontium in their systems. It has been estimated this means that some are receiving about 50 picocuries per gram in their diet on a regular sustained basis. This is well above the maximum permissible concentration recommended by the International Commission on Radiological Protection and is midway within range II of the radiation protection guide.

Cesium 137 levels, because of the short biological half-life of this element, tend to vary excessively. Levels in Alaska have been found as high as 800 nanocuries; levels in Lapland have been found as high as 1,000 nanocuries. These figures are one-third the maximum permissible amounts. Whether these are exceptions on the high side or whether individual counts may rise, perhaps even double this level in other seasons under other circumstances we cannot know. I repeat: The figures we have are "one shot" figures.

WORLDWIDE CONCERN

Although we in the United States have taken little action in this area and have demonstrated little concern, the subject has been given attention by agencies and governments in other countries. The International Atomic Energy Agency, I am told, has sponsored radiology investigations in Scandinavia—RIS—and two international symposia have taken place. The United States was not represented at the first symposium but did, I believe, send a representative to the second; a third meeting was scheduled for March in Sweden. I shall request a full report on this meeting from the Atomic Energy Commission. I shall inform the Senate of its contents.

Many articles in scientific journals have touched upon the problem, and I ask unanimous consent to place in the RECORD at the conclusion of my remarks exhibit IV, two articles on the subject.

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

(See exhibit IV.)

Mr. BARTLETT. I requested the Atomic Energy Commission to comment upon the contents of one of these articles, "A New Caribou Problem," by Dr. William O. Pruitt, Jr. Dr. Pruitt is associate professor at the University of Alaska. In his article he pointed out the high strontium 90 level in caribou bone as an indication of the seriousness of the contamination threat to the Eskimo. The AEC dismissed this point by saying, "Eskimos do not eat caribou bone." Of course no one said they do. They eat caribou meat and marrow and if the bone is contaminated, will not this be contaminated too?

CONTAMINATION: A NATIONAL PROBLEM

Fallout and radionuclide contamination are a national problem. They are not a State problem. Failure to assume full Federal leadership and direction could lead to tragedy far larger than statewide proportions.

The time is long past due for the appropriate Federal agency to educate and inform the people as to the extent and nature of the subject. I am confident there is no widespread danger. The hazards that exist are of a spotty and

variable nature and can be handled with adequate and fairly simple safeguards.

Certainly, in the case of the lichen-caribou-man life chain, remedy and precautions are not complex. Unlike problems caused by fallout, the contamination in the Arctic is concentrated in the single source: The life chain. Although Eskimos have always lived on caribou, they need not do so. Because it is certain that only a few areas would be heavily contaminated, it should be possible to find and demarcate these areas and to see that human beings living within them are given adequate protection.

The time is long past due to begin a program of informing and educating the people on the extent of fallout and contamination. That there is now a large measure of confusion and apprehension in this field is due in part to the lack of public information and understanding. It often appears that the responsible government agencies in this field look upon the public not as compatriots but as combatants.

Hazards from fallout or from contamination—if they exist and when they exist—are found only in small areas where wind or ecology will bring about an undue concentration. In these areas as they become identified positive steps should be taken to insure the health of the people.

IMMEDIATE NEEDS

It is imperative right now, to institute adequate, continuous, extensive, painstaking testing in Arctic Alaska. These tests should be on a month-in, month-out basis. There is little use and little point to one-shot tests. These have shown in the past only that the problem exists. What we need to know now is exactly where it exists and exactly how severe it is.

What is equally necessary is to work out a sensible program of steps to be taken should human radiation levels among the Eskimos reach grave heights.

In this regard, the radiation protection guide set the level 200 to 2,000 strontium units as that which would require "appropriate positive control measures." It is my understanding that the U.S. Public Health Service has not as yet determined just what measures will constitute "appropriate positive control." It is time that it does so.

There is no question that the vast majority of caribou-eating Eskimos are healthy. There is, however, the possibility that a few—a very few—individuals may be risking serious injury to themselves and their progeny through unusual intake of contaminated meat. Where such a possibiilty exists, it is our responsibility and our Government's responsibility to see that these individuals are found, that they are warned and helped.

Mr. President, as an example of lack of interest evinced by Government agencies in this question, I should like to have inserted at the conclusion of my remarks as exhibit V, the comments of the Atomic Energy Commission upon Dr. Pruitt's article and my own letter in reply to the Commission's remarks.

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

(See exhibit V.)

EXHIBIT I.—*Sr^{90} and Cs^{137} in lichens and a few other plants—Lichen and comparative plant data*

Source	Location	Date	Sr^{90} pc/gr. dry weight	Sr^{90} Dpm/kg wet weight	Sr^{90} Dpm/gr. ash	Sr^{90} pc/gCa	Cs^{137} pc/g dry weight
Lichens:							
Virkkunen (1962)	Finland	(?)	6.0			10,000.0	
Miettinen (1962)	Finnish Lapland	1960				350.0–2,800.0	
Davis et al. (1961)	Cape Thompson	1960	1.4				27
Davis (1962)	do	1960?					26
Wild hay: Miettinen (1962)	Finnish Lapland					50.0–300.0	
Wheat: Schulert (1962)	Fairbanks	1960		50.5	3.03	60.5	
	East United States	1960		100.0	5.89	114.0	
Sedges: Davis et al. (1960)	Cape Thompson	1959	.32				4.6
Willow Leaves: Davis et al. (1960)	do	1959	.09				1.4

EXHIBIT II.—*Amounts of Sr^{90} and Cs^{137} in caribou and reindeer*

[Data for Alaska is for caribou, that for Greenland and Scandinavia is for reindeer]

Source	Location	Date	Number of samples	Sr^{90} Dpm/kg wet wt.	Sr^{90} Dpm/kg ash	Sr^{90} pc/gCa	Cs^{137} pc/gK	Cs^{137} pc/g dry wt.	Cs^{137} pc/g wet wt.
Meat:									
Schulert (1962)	Anaktuvuk Pass	November 1959	1?	16.0		160			
	Shungnak	March 1961	1		3.3	162			
	do	February 1961	1		1.3	146			
Davis (1962)	Ogotoruk Creek	1961	(?)					4.4	
Davis et al. (1961)	do	1960	2					13	3.7
	Kisimilowk Creek	1960	15					2.7	.72
	Noatak River	1960	18					33	8.5
	Kobuk River	1960	1					1.0	.27
Lindell (1962)	Northern Scandinavia	September 1961							
	Lappland		7						12–14
	Norbotten		2						15–19
	Vasterbotten		1						3
	Jamtland		11						2–20
	Norrafinland		1						9
Virkkunen et al. (1962)	Finland	(?)	(?)						20
Aarkrog (1962)	Greenland	1961	10				1,940		11–12
Liden (1961)	North Sweden	1961	1						28
Other foods:									
Kulp and Schulert (1962)	Average meat in eastern U.S. diet.	1961				5.4			
Liden (1961)	Beef—Lund, Sweden	1961	(?)						.1
Kulp and Schulert (1962)	All foods U.S. diet	1956–1961					16–41		
Schulert (1962)	Milk U.S.	1957–1961				7.8–15.7	22–83		
Caribou and reindeer bones:									
Schulert (1962)	Shungnak	March 1961							
	Backbone		1		136	177			
	Legbone		1		179	180			
	Shungnak	February 1961							
	Backbone		1		121	140			
	Legbone		1		150	175			
Davies et al. (1961)	Northwest Alaska	1960							
	Ogotoruk Creek		1					.35	
	Kisimilowk Creek		5					.17	
	Cape Thompson		10					.70	
	Noatak River		6					1.00	
	Kobuk River		1					.53	
Virkkunen et al. (1962)	Finland	1961?	8			232			

EXHIBIT II.—*Amounts of Sr^{90} and Cs^{137} in caribou and reindeer*—Continued

[Data for Alaska is for caribou; that for Greenland and Scandinavia is for reindeer]

Source	Location	Date	Number of samples	Sr^{90} Dpm/kg wet wt.	Sr^{90} Dpm/kg ash	Sr^{90} pc/gCa	Cs^{137} pc/gK	Cs^{137} pc/g dry wt.	Cs^{137} pc/g wet wt.
Aarkrog (1962)	Southwest Greenland	1961	*1			278			
	do	1961	*1			318			
Hvinden	North Norway	1956							
	Sor Trondelag		1?			120			
	do		1?			120			
	Hallingdal		1?			120			
	do		1?			40			
Other bones:									
Hvinden (1958)	Sheep bones, North Norway	1956	14			17			
USAEC (1960)	Cattle bones, Nevada Test Site.	1957–59	(?)			Max. 44.8 Min. 5.6			
Schultz and Longhurst (1961)	Deer bones, California	1952–60	49			Max. 72.1 Min. 0.5			
Caribou and reindeer antlers:									
Schulert (1962)	Anaktuvuk River	1959	1?	9,450	238.0	281.0			
	do	1959	1	6,480	146.0	170.0			
	Tolugak Creek	1959	1	6,400	143.0	170.0			
	Alaska	1958	1?		98.4	106.1			
Davis (1961)	Northwest Alaska	1960							
	Ogotoruk Creek		1					0.29	
	Kisimilowk Creek		3					.39	
	Cape Thompson		9					.48	
	Noatak		3					.50	
Larson, K., personal letter	Anaktuvuk	October 1959	13			128.1			
	Glenn Highway	October 1959	1			128			
	Gulkana River	September 1955	1			36.7			
	Denali Highway	September 1956	1			51.7			
Other antlers:									
Schulert (1962)	California deer antlers	1958			6.81	8.05			
Larson, K., personal letter	Moose, Fairbanks, Alaska	1958	1			8.9			
Rumen:									
Schulert (1962)	Anaktuvuk River	November 1959	1?	7,880	245	1,264			
	Shungnak	March 1961	1?		300	3,444			
	do	February 1961	1?		231	2,968			
Davis (1961)	Northwest Alaska	1960							
	Ogotoruk Creek		2					.16	
	Kissimilowk Creek		8					.14	
	Cape Thompson		4					.22	
	Noatak River		9					.21	

*Chosen because of high Cs^{137} amounts in the meat.

EXHIBIT III.—*Sr^{90} and Cs^{137} in humans from northern areas*

Source	Location	Date	Age	Number of samples	Sr^{90}, pc/gCa	Cs^{137} Pc/kg body weight	Cs^{137} Whole ct. in nc	Cs^{137} Pc/gK
Schulert (1962)	Alaskan Eskimos	November 1959 to December 1960.	4 months	1	2.4			
			7 years	1	3.4			
			16 years	1	2.4			
			20 to 61 years	(35)	.50			
Salo, K. (1962)	Finland	1960–61	0 to 5 years	3	3.13			
			5 to 20 years	6	1.21			
			Over 20 years	8	.54			
Kulp and Schulert (1962)	Average American adult	1961	Adult	(?)	.30			
Liden (1961)	North Sweden	1961	35 years	1			196.0	2,020
			46 years	1			361.0	3,360
			34 years	1			242.0	2,690
	Oslo, Norway		(?)	15			21.0	180
	Bergen, Norway		(?)	6			60.0	480
Dunning (1962)	United States	1960	(?)	(?)			[1] 90.0	
Palmer et al. (1962)	Diomede	1962	Adults	8			Max. 35.0 Min. 8.0 Ave. 22.0	
	Barrow	1962	do	259			Max. 166.0 Min. 8.0 Ave. 52.0	
	Point Hope	1962	do	107			Max. 119.0 Min. 3.0 Ave. 17.0	
	Kotzebue	1962	do	132			Max. 518.0 Min. 17.0 Ave. 138.0	
	Anaktuvuk	1962	do	52			Max. 790.0 Min. 83.0 Ave. 421.0	
Miettinen (1962)	Finland	October 1961						
	Men:							
	Reindeer breeders		40 years (average)	50			245.0	
	All Lapps		33 years (average)	84			178.0	
	Helsinki inhabitants		28 years (average)	84			8.4	
	Women:							
	Helsinki inhabitants		28 years (average)	5			8.4	
	Women:							
	Reindeer breeders		44 years (average)	33			122.0	
	All Lapps		35 years (average)	65			86.0	
	Helsinki inhabitants		32 years (average)	6			3.2	
Palmer et al. (1962)	Hanford Laboratory personnel	(?)	Adults	(?)			5.0–7.0	
Onstead et al. (1962)	Germany	1960	do	6,000		200	[2] 11.0	

[1] Highest quarterly value ever recorded.

[2] Based on an average weight of 125 pounds.

[From the Hudson's Bay Co. Beaver, winter 1962]

EXHIBIT IV—A NEW CARIBOU PROBLEM

(By William O. Pruitt, Jr.)

The caribou problem in Canada has engaged the attention of biologists for several years. The massive decline in the caribou population has resulted in tragedy for segments of the northern ecosystem, including man. While the decline has been attributed to a variety of causes, the best explanation concerns the progressive loss, over many years, of mature spruce-lichen forest. This situation of loss of the winter range through forest fires has now been superseded by another caribou problem of even greater seriousness.

The new problem is that caribou (and reindeer) are "hot spots" in terms of contamination with radioactive material. This is true of not only Canadian caribou but also those in Alaska, northern Scandinavia, and northern U.S.S.R. Strontium 90 and cesium 137 appear to be the primary contaminants. The source of these radionuclides is undoubtedly atmospheric nuclear explosions.

In order to understand the magnitude of the contamination one must delve into the jargon of the radiation biologist. Here one meets a welter of terms for various levels of exposure and concentration of radionuclides—rems, millirems, microcuries, micromicrocuries, and a newly introduced one, nanocuries. In the United States the Federal Radiation Council has set a safe limit for humans for whole-body exposure of 0.17 rem per year. Such an exposure would occur with a concentration of about 17 strontium units of strontium 90 in the skeleton. The levels of contamination in caribou bones tested so far are now on the order of 100 to 200 strontium units, far above the level set as safe for another mammal, man. In Swedish reindeer contamination with cesium 137 has reached the order of 25 nanocuries per kilogram, while beef from the same region showed less than 0.1 nanocurie per kilogram.

Radioactive contamination of other northern mammals appears relatively low. Why are caribou and reindeer so high? Here is a neat demonstration of the interdependence of all living things. The answer can be deduced logically and, indeed, was ecologically obvious as far back as 1959. In that year E. Gorham reported in the Canadian Journal of Botany that lichens showed abnormally high radiation counts. Later work by a number of investigators has confirmed Gorham's findings. Moreover, the northern plants that rank next to lichens in intensity of radioactive contamination are sedges. What are the two most important caribou foods? Lichens and sedges.

Lichens are subject to radioactive contamination, particularly by fallout from noncontaminated nuclear explosions, because of their peculiar physiology. A lichen is actually a combination of two types of plants—a fungus and an alga. The two live together and together they form a completely different kind of plant—a lichen. This form of life receives its nutrients directly from the air, from dust and other windblown material. Thus a lichen feeds on a kind of natural fallout. In all the eons of time before 1945 it was a harmless kind of fallout. Now, however, lichens absorb manmade radioactive fallout along with the natural nutrients. Lichens have evolved such efficient mechanisms for retaining natural fallout that they also retain virtually 100 percent of the radioactive particles which fall onto them. Moreover, lichens grow exceedingly slowly. While a blade of grass may contain fallout particles deposited on it during a 2- or 3-month growing season, a fragment of lichen of similar size may contain fallout particles deposited during many years. Because of their slow growth, lichens now contaminated will probably remain hot for many years.

The mechanisms whereby sedges are contaminated are not so well understood. It is known, however, that plants from tundra-wet meadows generally contain more radioactive material than do plants from other tundra habitats.

Since the caribou is the base of the food chain in the North, turning vegetation into a form that other animals, including man, can utilize, one would expect the entire food chain to be contaminated. Here we run into a paucity of data. What data have been gathered, however, indicate that the entire food chain (lichen/sedge—caribou—carnivore/man) is indeed contaminated. For example, what few data have been gathered on man indicate that all people who eat much caribou or reindeer meat have higher whole-body radiation counts than people who do not eat caribou or reindeer. Tests for strontium 90 in a few Alaskans showed that new bone was being formed which had about four times the average U.S. concentration. Measurements of a few Swedish Lapps showed that they had cesium 137 concentrations 30 to 40 times as high as the average of the control group from southern Sweden. What the levels of contamination are in relation to details of diet and food habits and how these levels affect the genetic and somatic attributes of the plants, animals and men concerned, is not known. The few published reports from North America have shown a strikingly nonecological approach to the problem.

Behind all the reassuring announcements and news releases about nuclear explosions since the beginning of the atomic age there has lurked the spectre of the time when the so-called safe limits would be exceeded. It is clear that for a great area of the earth's surface that time has now come. The tundra and taiga which now contain such ecologically important hot spots comprise about one-fifth of the land area of the northern hemisphere. The human population of the region is relatively sparse and, unfortunately, casts few votes in the world's halls of government. If a hot spot of similar magnitude were to develop in relation to peaches, or beef, or milk, or tobacco it seems probable that no reason would be thought serious enough to allow the contamination to continue.

[From Science magazine, April 1962]

STRONTIUM 90 IN ALASKA—ALASKAN ESKIMOS FOR WHOM THE CARIBOU IS A DIETARY STAPLE HAVE A HIGH STRONTIUM 90 CONCENTRATION

(By Arthur R. Schulert, assistant professor of biochemistry at Vanderbilt University, Nashville, Tenn., and attached to the U.S. Navy Medical Research Unit No. 3, Cairo, Egypt)

(Abstract: Strontium 90 concentrations have been determined in a variety of foods used by the native population. Caribou from the tundra carry 10 to 20 times the level of domestic cattle. Eskimos for whom caribou is a staple in the diet are found to have four times the strontium 90 content of the average for the world population of the North Temperate Zone.)

The strontium 90 distribution in the ecology of the Arctic tundra has been given relatively little attention. The closeness to the U.S.S.R. test site, the permafrost surface, and the initial high concentrations in caribou bone from Alaska suggested that a survey of critical samples from this area should be performed.[1] It was decided to examine caribou which live on the mosses and low vegetation overlying the permafrost zone, foodstuffs grown on farms along the coastal belt, native fish, and human bone and particularly urine from isolated Eskimo groups.[2] The localities of interest are shown in figure 1.

Most of the samples were obtained in cooperation with the Arctic Health Research Center of the Public Health Service. The farm crops were obtained through the University of Alaska. Some caribou samples were obtained by personnel at the Ladd Air Force Base in Fairbanks. About 75 percent of the human bone samples were analyzed by commercial laboratories. The remainder of the human bones, and all other samples, were analyzed at the Lamont Laboratory by use of previously reported methods.[3]

Table 1 gives the results of pooled samples of deer antlers obtained in California in 1945, 1952, 1955, and 1958, and shows the gradual increase in concentration. In contrast, the pooled sample of caribou antlers from Alaska showed over 10 times the concentrations of the California deer. Since the fallout appears roughly proportional to precipitation, which is very low in the tundra region, this great difference would appear to point toward an ecological mechanism. For example, in late 1959 the strontium 90 cumulative deposition in Columbus, Ohio, and New York, N.Y., was about 67 megacycles per square mile in the 40-inches-per-year rainfall belt, while at Point Barrow, Alaska, deposition was 11 megacycles per square mile for 10 to 20 inches of rainfall.[4] The tundra region averages less than 10 inches per year of rainfall.

The strontium 90 content of a variety of Alaskan foods is given in table 2. The farm crops are compared with the average values from three eastern U.S. locations previously reported, namely, Atlanta, Ga.; Baltimore, Md.; and Cincinnati, Ohio.[5] The cabbage and potatoes show much lower concentrations of strontium 90 in Fairbanks than in the eastern United States, but the wheat carries similar concentration. The milk produced in the vicinity of Anchorage, Alaska, has a similar strontium 90 concentration to that in the Midwest.[4] Thus it might be expected that the level of strontium 90 in human bone for the non-Eskimo population in the cities and towns along the southern coast of Alaska would be similar to that in the continental United States.

Among the native foodstuffs sampled, marine fish as well as polar bears, who feed largely upon them, show generally low concentrations with the exception of one

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[1] Most of the sample procurement was accomplished by Dr. Christine Heller of the Arctic Health Research Institute of the Public Health Service at Anchorage, Alaska. This followed arrangements made in cooperation with Dr. A. B. Colyar and Dr. E. M. Scott in October 1959. Some caribou samples were obtained by Col. J. D. Fulton of the Ladd Air Force Base in Fairbanks. The wheat, cabbage, and potatoes were obtained by Dr. Arvo Kallio of the Department of Horticulture, University of Alaska. The California antlers were submitted by Dr. Harry Foreman of the Los Alamos Scientific Laboratory, Los Alamos, N. Mex. Prof. J. L. Kulp critically read the manuscript and offered helpful suggestions. The Lamont analyses were conducted by Rieta Slakter Hirshman and Karin Bartelsen. This research was supported by the U.S. Atomic Energy Commission on contract AT (30–1)– 1656. This report is Lamont Geological Observatory contribution No. 537.

[2] "An Appraisal of the Health and Nutritional Status of the Eskimo," report of the Interdepartmental Commission on Nutrition for National Defense, Department of Defense (Washington, D.C., August 1959).

[3] H. L. Volchok, J. L. Kulp, W. R. Eckelmann, J. E. Gaetjen, Ann. N.Y. Acad. Sci. 71, 1, 293 (1957).

[4] U.S. Department of Health, Education, and Welfare, "Radiological Health Data," vol. 2, No. 3 (Office of Technical Services, U.S. Department of Commerce, Washington, D.C., March 1961).

[5] A. R. Schulert, R. S. Hirshman, K. E. Bartelsen, "Health Physics," in press.

sample of Beluga meat. The fresh-water fish and one sample of plant roots are in the range of vegetables and grain grown in the United States. One walrus sample showed a high concentration of strontium 90 in the meat. Overall it would be expected that Alaskan natives who live predominantly on fresh-water fish would have body burdens of strontium 90 similar to the rest of the United States, whereas those who live predominantly on marine life would have values somewhat lower, particularly those that eat the bony parts of small fish.

In contrast to the above, samples associated with caribou of the Arctic tundra show much higher concentrations (table 3).

The stomach contents of the caribou show extremely high concentrations, indicating that the strontium 90 from fallout must be concentrated on the surface and soaked up by the lichens, mosses and other plant life which exists on top of the permafrost and constitutes the caribou diet. Since there was no significant reduction in the concentration between 1959 and 1961, the concentration of strontium 90 in the atmosphere and rainfall must not be an important factor for this ecological situation.

The lower strontium 90 concentration in bone and meat compared to stomach contents is in the direction of the discrimination against strontium relative to calcium which exists in almost all biological processes. The discrimination from diet to bone in the caribou, however, as indicated by these data, is 10 to 20, as compared to 4 for man. The strontium 90 concentrations in soft tissue and newly depositing bone are similar but are 10 to 20 times higher than animals' bones in Germany or Nevada at about the same time.[6] The antlers which are replaced yearly show values similar to those of the bone.

[6] Health and Safety Lab., U.S. Atomic Energy Commission publication No. HASL–88 (1960); Publication No. HASL–69 (October 1959).

TABLE 1.—*Strontium 90 concentration in deer and caribou antlers*

Antlers	Dpm/g ash	μμc Sr^{90}/g Ca
1945 California deer antlers	<0.10	<0.12
1952 California deer antlers	.71	.85
1955 California deer antlers	4.19	5.04
1958 California deer antlers	6.81	8.05
1958 Alaska caribou antlers	98.4	106.1

TABLE 2.—*Strontium 90 concentrations in foodstuffs and animal products*

Sample	Location	Collection date	Strontium 90 content		
			Dpm/kg wet	Dpm/g ash	μμc/g Ca
Farm crops:					
Wheat	Fairbanks	1957	22.0	1.42	22.6
	do	1958	98.0	6.38	104.0
	do	1959	106	6.20	125.0
	do	1960	50.5	3.03	60.5
	Eastern United States	1959	143	6.09	147.0
	do	1960	100	5.89	114.0
Cabbage	Fairbanks	1959	5.9	1.11	7.8
	do	1960	4.1	.52	4.4
	Eastern United States	1959	76.2	7.78	45.4
	do	1960	44.8	5.92	36.5
Potatoes	Fairbanks	1959	1.6	.17	7.8
	do	1960	1.5	.26	7.6
	Eastern United States	1959	15.0	1.85	54.1
	do	1960	13.1	1.25	52.2
Milk	Average U.S. Midwest (3)	1960			8.0
	Anchorage, Alaska, milkshed (3)	1960			7.0
Native foods:					
Marine fish:					
Tom cods	Point Hope	December 1959	3.45	.05	.1
Needlefish	Hooper Bay	October 1959	605	7.24	7.6
Beluga meat	Kotzebue	do	.39	.12	8.8
Do	do	Fall 1959	26.3	.81	142.3
Beluga Muktuk	do	October 1959		.67	11.5
Dried flounder and herring	Newfok	do	110	1.46	2.7
Cod	Kotzebue	do	632	6.63	7.9
Fresh-water fish:					
Whitefish	Kobuk River	do	[1] 156	2.25	15.7
Do	do	Spring 1960	[1] (2390)	42.4	62.4
Do	do	do	[1] (115)	2.03	3.5
Do	do	do	[1] (1410)	25.0	32.8
Marine mammals:					
Whale meat	Point Hope	October 1959	<.04	<.07	<2.4
Whale rib (bowhead)	Saint Lawrence	May 1959	<64	<.12	<.1
Seal backbone	Point Hope	Fall 1959	8.40	.07	.1
Walrus backbone	Saint Lawrence	Spring 1959	324	.65	.8
Walrus meat	do	do	180	9.38	360.0
Do	Gambell	December 1960		.66	25.2
Land animals: Polar bear meat	Point Hope	Fall 1959	<.6	<.06	<2.8
Plants: Plant roots	Shungnak	October 1959	106	4.30	16.7

[1] These values are approximate, since accurate wet weights were not obtained on these samples.

TABLE 3.—*Strontium 90 in samples of Alaskan caribou*

Sample	Location	Collection date	Strontium 90 content		
			Dpm/kg wet	Dpm/g ash	μμc/g Ca
Antlers	Arctic Tundra	1958		98.0	106
Do	Anaktuvuk River	October 1959	9,450	238.0	[1] 281
Do	do	do	6,480	146.0	170
Do	Tolugak Creek	do	6,400	143.0	170
Meat	Anaktuvuk Pass	November 1959	16		160
Stomach contents	Anaktuvuk River	do	7,880	245.0	1,264
Caribou–A	Shungnak	March 1961			
Backbone				136.0	177
Leg bone				179.0	[2] 180
Meat				3.3	162
Stomach contents				300.0	3,444
Caribou–B	Shungnak	February 1961			
Backbone				121.0	140
Leg bone				150.0	[3] 158
Meat				1.3	146
Stomach contents				231.0	2,968

[1] Average 207. [2] Average 179. [3] Average 158.

In view of the high strontium 90 concentration in caribou, an attempt was made to obtain bone samples from outlying districts, since it is understood that a few of the inland Eskimos live largely on caribou. This, of course, is very difficult in the sparsely settled areas where autopsies are almost nonexistent, but some samples were obtained from natives in these areas, who were treated at the Public Health hospitals. Most samples were obtained during thoracic resection; some were obtained at autopsy.

Bone samples, shown in table 4, were obtained from native people, but most of them lived near towns or villages or along the seacoast. A few probably lived inland. No precise dietary information was obtained on these subjects.

The average of these adult samples (0.5 $\mu\mu$c Sr^{90}/g Ca) lies somewhat above that for the rest of North America (0.3 $\mu\mu$c Sr^{90}/g Ca for adults).[1] The individual adult samples which gave 1.9, 1.4, and 1.0 $\mu\mu$c Sr^{90}/g Ca are unusually high. Since young children have eight times the concentration of adults, children on the diet which gave an adult level of 1.9 $\mu\mu$c Sr^{90}/g Ca would reach 15 $\mu\mu$c Sr^{90}/g Ca, and newly formed bone would have a concentration slightly greater than this, corresponding to an average diet of about 50 $\mu\mu$c Sr^{90}/g Ca, which is about four times the U.S. average for the same period. Thus, while the average in this series in which high values were sought is about 25 percent greater than the U.S. average, a few samples are quite high, which may reflect an appreciable quantity of caribou in the diet.

TABLE 4.—*Strontium 90 content of bones from native Alaskan children and adults*

Age:	$\mu\mu$c Sr^{90}/g Ca
Single bones, November 1959–	
December 1960: 4 months	2.4±0.3
1960: 4 months	2.4±0.3
Years:	
7	3.4±0.3
6	2.4±0.1
20	1.0±0.2
20	0.8±0.2
20	0.6±0.1
24	0.4±0.1
24	0.7±0.2
25	0.2±0.1
26	0.4±0.2
26	<0.3
26	<0.1±0.0
26	1.9±0.2
29	0.4±0.1
30	0.5±0.1
30	<0.2
32	0.2±0.1
33	0.7±0.1
35	1.4±0.1
36	<0.2
38	0.3±0.1
38	0.3±0.1
39	0.8±0.1
40	<0.4
42	<0.4
44	0.4±0.1
46	<0.4
46	<0.2
48	0.5±0.1
53	0.4±0.1
54	0.7±0.2
54	0.3±0.2
58	0.2±0.1
60	0.8±0.2
60	0.4±0.1
60	0.4±0.1
61	0.4±0.1
62	0.5±0.1
Composite samples, January–February 1961:	
Years:	
38	0.58±0.06
38	0.38±0.04

[1] J. L. Kulp and A. R. Schulert, Science, in press.

A few tribes that consume caribou almost exclusively are known in Alaska, but bone samples did not become available from this small group. Therefore, in order to get an adequate index of their exposure to strontium 90 and thus what the level would be in newly deposited bone, urine samples were obtained on six such individuals in February 1961 with the results shown in table 5. Their tribe is located near Shungnak in northwest Alaska about 50 miles north of the Arctic Circle and 150 miles from the coast along the Kobuk River. Thus, in addition to caribou, they had access to fresh-water fish, but probably not marine life. It is noted that the strontium 90 concentration averaged 25 $\mu\mu$c (range 20 to 32) in the individuals of this predominately caribou-eating tribe.

In earlier work comparing the diet and urine concentrations of strontium 90 in three diverse population groups, it was shown that the diet level is about twice that found in the urine.[2] Therefore, these individuals had diet levels of about 50 $\mu\mu$c Sr^{90}/g Ca. The diet/bone discrimination against strontium 90 is four, and thus these individuals are forming bone at concentrations of 12 $\mu\mu$c Sr^{90}/g Ca. This is more than four times the U.S. average in 1961 and corresponds with the highest value obtained in bone among the 36 samples received and individually analyzed from native residents of Alaska.

The following conclusions are reached:

1. The foodstuffs consumed by the bulk of the population in Alaska probably have strontium 90 concentrations similar to those in the North Temperate Zone.

2. The concentration of strontium 90 in Alaskan caribou exceeds that of other foods by a factor of 10 or more.

3. Urine concentration of strontium 90 in a caribou-eating tribe indicates that new bone is being laid down with about 12 $\mu\mu$c Sr^{90}/g Ca, which is more than four times the average U.S. concentration.

4. Three human bones of 35 that were analyzed also indicated new bone deposition of about this concentration.

TABLE 5.—*Strontium 90 content in human urine specimens from Alaska, February 1961*

Sample	Dpm/liter	$\mu\mu$c Sr^{90}/g Ca
1	10.4	23.4
2	22.6	32.1
3	11.4	19.9
4	8.9	21.1
5	12.3	31.6
6	7.5	22.1
Average	12.2	25.0

[2] A. R. Schulert, "Nature," 189, 933 (1961).

EXHIBIT V

U.S. ATOMIC ENERGY COMMISSION,
Washington, D.C., February 12, 1963.

Hon. E. L. BARTLETT,
U.S. Senate.

DEAR SENATOR BARTLETT: This is in reply to your letter of January 18, 1963, which forwarded for our comment an article concerning caribou in Canada and Alaska.

The article by Dr. William O. Pruitt, Jr., on "A New Caribou Problem" in the Hudson's Bay Co. publication entitled "The Beaver" is somewhat misleading.

The guides provided in "Handbook 69," National Bureau of Standards, and in the Reports of the Federal Radiation Council, which are in agreement, are intended for use under assumptions of a 50-year exposure period and a constant exposure level. Thus, exposure to such things as fallout or nuclear accidents presents a much different problem from the constant level 50-year exposure. Even if the guides could be used, Dr. Pruitt's reports of 100 to 200 strontium units are not applicable because they represent ratios of calcium to strontium; moreover Eskimos do not eat caribou bone, at least during their usual patterns of living.

The cesium levels that were obtained for Eskimos during the 1962 Chariot investigations provide a basis for a somewhat different view than that of Dr. Pruitt. The FRC guide is 0.5 rem per year for an individual, and one-third of that (0.17 rem per year) for the average of a population.

These exposure levels are considered by the FRC to fall well within levels of exposure acceptable for a lifetime. The 1-year cumulative totals are simply fractions of this total, arbitrarily recommended to provide a regular interval within which to check exposure levels as radiation exposure occurs. For cesium 137 these levels are 3,000 nanocuries (per individual) averaged over 1 year, and 1,000 nanocuries (per population) averaged over 1 year.

Inland Eskimo communities had higher levels in 1962 than coastal villages because, Dr. Pruitt explains, the people are more dependent on caribou meat for food. Caribou eat lichens and these have higher levels of almost all isotopes than any other plants and, frequently, are the chief food plant during the winter months. At Anaktuvuk, the cesium 137 level in one individual was 790 nanocuries, less than a third of the radiation guide level specified by FRC. The average for the village was 421 nanocuries, less than half of the guide level specified by FRC.

At the coastal village of Point Hope, near the Chariot site, levels were much lower, the average being 17 nanocuries, and the maximum for an individual was 119 nanocuries. These are one fifty-ninth and one twenty-fifth of the radiation protection guide, respectively.

But, as was pointed out at the beginning, these guides were designed to apply only to a reasonably constant source of radiation, a dubious assumption in the tundra, but used in attaining the above values.

Pruitt's language is also misleading in that he cites levels in terms of multiples of some lower level without citing the actual value of the lower level.

Cesium 137 has a biological half-life of about 100 days, a factor not mentioned by Dr. Pruitt. It is difficult to conclude that "safe limits" are being exceeded and that the tundra and the evergreen forests to the south contain "ecologically important 'hot spots,'" either on the basis of data obtained during the Chariot investigations or on the basis of those data cited by Dr. Pruitt.

Your attention is called to the graph on page 148 of the recent Chariot report which you have received showing relative levels of cesium 137 in caribou. Seasonality is emphasized in one location, but much less prominent in another. This is traceable to presence or absence of lichens in the caribou diet during winter months.

Additional findings are contained in the section of the Chariot report entitled "Radiation and Biotic Populations," beginning on page 113.

If we can be of further assistance in this matter, please let us know. We are returning the article forwarded to you by Mr. Lucien.

Sincerely yours,

S. G. ENGLISH,
Assistant General Manager.

MARCH 21, 1963.

Dr. SPOFFORD G. ENGLISH,
Assistant General Manager for Research and Development, Atomic Energy Commission, Washington, D.C.

DEAR DR. ENGLISH: I write to you relative to the question of the radiocontamination of caribou in the Arctic and in response to your letter of February 12.

In paragraph 3 of your letter it appears that you have misinterpreted Dr. Pruitt's reference to strontium units found in caribou. In his article, Dr. Pruitt reports that the FRC guide for humans for whole-body exposure is set at 0.17 rem per year. He says, "Such an exposure would occur with the concentration of about 17 'strontium units' of strontium 90 in the skeleton. The levels of contamination in caribou bones tested so far are now on the order of 100 to 200 strontium units." Dr. Pruitt is not saying here that Eskimos eat caribou bone as you imply. He is saying that the caribou has been found, in certain areas, to be heavily contaminated. It is an uncontested fact that in the inland areas of the Arctic, caribou meat is a major and staple food for Eskimos. If caribou bones are highly contaminated, is it not logical to assume that caribou meat will also be contaminated; and is it not likely that the Eskimo eating this meat will also receive a high level of radioactivity? This is what Dr. Pruitt is saying.

As you point out, cesium 137 has a biological half-life of about 100 days. I am informed that at the time Project Chariot scientists were measuring whole-body contamination levels at Point Hope, Alaska, it had been more than 100 days since caribou had been taken by the people. As a result whole-body levels were low. I am told that while the AEC investigator was on the scene, 11 boatloads of caribou arrived in the village from hunters on the Kukpuk River. If the investigator had tested the people a week or so after they had eaten the fresh meat, would not the results have been significantly different?

It would appear to me noncontrovertible that caribou meat is a consequential and perhaps dangerous source of contamination for human beings. People who eat caribou and reindeer have been found to be in the 400–700 small nanocurie gamma range while those who do not eat caribou and reindeer have been found to be in the 5–10 nanocurie range.

While apparently such contamination is not a source of great concern to the AEC, it is of concern to the International Atomic Energy Agency. This Agency has sponsored the radiation investigations in Scandinavia (RIS) and two international symposia on the subject.

Is it true, as I am told, that no American or Canadian representative was present at the first symposium and that the second was attended by an AEC official who had not himself investigated the caribou-Eskimo problem?

You say, "It is difficult to conclude that * * * the tundra and the evergreen forest to the south contain ecologically important 'hot spots' either on the basis of data obtained during the Chariot investigations or on the basis of those data cited by Dr. Pruitt." While the AEC does not feel that "hot spot" is the appropriate term, apparently RIS does. This term, I am told, is taken directly from RIS literature.

May I please have, at your convenience, comments on the above and a direct answer in layman's language to the following:

1. Is caribou contamination a peril to the health and future of the Eskimo?

2. If it is AEC's position that this could be a peril to health, what is being done to protect American citizens living in the Arctic?

3. If it is AEC's position that this is not a peril to health, how do you reconcile your stand with that of the International Atomic Energy Agency?

Sincerely yours,

E. L. BARTLETT.

THE CALENDAR

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of bills on the calendar beginning with Calendar No. 71, Senate bill 74, and continuing through Calendar No. 86, Senate bill 752, and that they be considered in sequence.

The PRESIDING OFFICER. Is there objection? The Chair hears none and it is so ordered.

Under the agreement, the following bills were considered and passed, as follows:

DR. OLGA MARIE FERRER

The bill (S. 74) for the relief of Dr. Olga Marie Ferrer was considered, ordered to be engrossed for a third reading, read the third time, and passed, 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 title III of the Immigration and Nationality Act, Doctor Olga Marie Ferrer ([redacted]) shall be held and considered to have been admitted to the United States for permanent residence on May 17, 1947, and to have complied with the residential and physical presence requirements of section 316 of the said Act.

FLORA ROMANO TORRE

The bill (S. 93) for the relief of Flora Romano Torre was considered, ordered to be engrossed for a third reading, read the third time, and passed, 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, Flora Torre 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.

CARNETTA GERMAINE THOMAS HUNTE

The bill (S. 196) for the relief of Carnetta Germaine Thomas Hunte was considered, ordered to be engrossed for a third reading, read the third time, and passed, 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, Carnetta Germaine Thomas Hunte 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.

CARMELO SCHILLACI

The bill (S. 213) for the relief of Carmelo Schillaci was considered, ordered to be engrossed for a third reading, read the third time, and passed, 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, Mr. Carmelo Schillaci 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 resident 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.

YOO CHUL SOO

The bill (S. 292) for the relief of Yoo Chul Soo was considered, ordered to be engrossed for a third reading, read the third time, and passed, 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, Yoo Chul Soo may be classified as an eligible orphan within the meaning of section 101(b)(1)(F) of the said Act and a petition may be filed by the Reverend and Mrs. Gordon J. Milldrum, citizens of the United States, in behalf of the said Yoo Chul Soo pursuant to section 205(b) of the Immigration and Nationality Act subject to all the conditions in that section relating to eligible orphans.

KAINO HELY AUZIS

The bill (S. 310) for the relief of Kaino Hely Auzis was considered, ordered to be engrossed for a third reading, read the third time, and passed, 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 sections 101(a)(27)(A) and 205 of the Immigration and Nationality Act, Kaino Hely Auzis shall be held and considered to be the natural-born alien minor child of Aileen Ellen Auzis and Anthony Adolph Auzis, citizens of the United States: *Provided,* That the natural parents of the beneficiary shall not, by virtue of such parentage, be accorded any right, privilege, or status under the Immigration and Nationality Act.

DOMENICO MARTINO

The bill (S. 504) for the relief of Domenico Martino was considered, ordered to be engrossed for a third reading, was read the third time, and passed, 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 paragraph (9) of section 212(a) of the Immigration and Nationality Act, Domenico Martino may be issued an immigrant visa and admitted to the United States for permanent residence if he is found to be otherwise admissible under the provisions of such Act: *Provided,* This this Act shall apply only to grounds for exclusion under such paragraph known to the Secretary of State or the Attorney General prior to the date of the enactment of this Act.

MILLIE GAIL MESA

The bill (S. 686) for the relief of Millie Gail Mesa was considered, ordered to be engrossed for a third reading, was

Mr. HUMPHREY. The Senator from New York makes such wise observations. I knew that the Senator came before the committee to present Mr. Harriman. This was only another expression of the qualities of courtesy and hospitality—and, I might add, good commonsense—on the part of the Senator from New York. For this, I commend him.

Mr. KEATING. I thank the Senator from Minnesota.

BOARD OF PAROLE

The legislative clerk read the nomination of James A. Carr, Jr., to be a member of the Board of Parole.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of Homer Lester Benson to be a member of the Board of Parole.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

Mr. HUMPHREY. Mr. President, I ask unanimous consent that the President be notified immediately of the nominations confirmed today.

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

LEGISLATIVE SESSION

Mr. HUMPHREY. I move that the Senate resume the consideration of legislative business.

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

A COMPREHENSIVE STUDY OF ENVIRONMENTAL HEALTH

Mr. HUMPHREY. Mr. President, I should like to announce that the Subcommittee on Reorganization and International Organizations of the Committee on Government Operations will be conducting a major study on "Inter-Agency Coordination in Environmental Hazards."

A multitude of evidence confirms that such a study could prove tremendously useful to the Nation.

A formal examination of this nature was first proposed to me by my distinguished associate, the junior Senator from Connecticut [Mr. RIBICOFF].

I have asked Senator RIBICOFF to take the lead in conducting this review.

OUTSTANDING QUALIFICATIONS OF SENATOR RIBICOFF

Senator RIBICOFF brings to this heavy assignment outstanding qualifications as a former Member of the House, former Governor, former Cabinet officer, and now a Member of this body. As Secretary of Health, Education, and Welfare, Senator RIBICOFF had firsthand knowledge of the need for coordinated activity in the field of environmental hazards. In joint action with the Secretaries of Agriculture, Interior, and Defense, he established on June 22, 1961, the Federal Pest Control Review Board. Significantly, the earliest recognition of the need for establishing an administrative procedure like this was expressed by Dr. Neely Turner, entomologist for the State of Connecticut, during the controversy resulting from gypsy moth control operations in the Northeastern United States a number of years ago. Actually, the Review Board was established after President Kennedy's special message on natural resources in 1961 spelled out the need to resolve the conflict that had arisen between several agencies of Government over the use of chemical pesticides that might harm public health and our fish and wildlife resources.

Senator RIBICOFF also served as Chairman of the Federal Radiation Council, composed of the major Federal agencies having an interest in nuclear energy and its safe use. Congress had authorized the establishment of this Council in recognition of the challenge facing the Nation in the field of radiological health, requiring coordinated activity on the part of the various Federal agencies involved in nuclear matters.

The Nation can count on him and on the subcommittee as a whole for a thorough-going and rational review.

THE SUPREME INTEREST—HEALTH

Earlier, I mentioned various economic and other interests involved. The fact is that there is one supreme interest—the health of us all. We are all, in the final analysis, consumers.

As consumers, we both benefit from chemicals and face possible hazards.

Last night's CBS program indicated the great good that has come to mankind as a result of the development of pesticides, insecticides, herbicides, and fungicides. As the distinguished Senator from Oregon [Mrs. NEUBERGER] pointed out on the floor 2 days ago:

> Today through the use of chemical insecticides, typhus, yellow fever, and malaria, man's ancient and dismal scourges, are rapidly disappearing throughout the world. Were it not for modern pesticides * * * our agricultural resources would be fearfully inadequate to the task of sustaining an expanding world population at acceptable standards of living and health.

And I agree with her that this good must be weighed against possible adverse affects from uncontrolled and mismanaged use of these products. A reasonable balance must be struck. This is the underlying concept of all control measures in the field of environmental hazards.

No one in a position of responsibility, including, of course, Miss Carson, has suggested that "all" chemical poisons be taken off the market. No one suggests we close down our industry, because water is being polluted. No one proposes to take automobiles off the road because they contribute to air pollution. But what must be done is to establish reasonable and intelligent controls over possible hazards so that they do not become unmanageable threats to our health, our economy and our very way of life.

MEMORANDUM FROM SENATOR RIBICOFF AND WALL STREET JOURNAL ARTICLE

I believe that, as a matter of completeness of the record, the Senate may be interested in reading the excellent memorandum from Senator RIBICOFF, which prompted the review.

I ask unanimous consent that his comments be printed at this point in the RECORD, to be followed by a helpful article in the April 3, 1963, issue of the Wall Street Journal, entitled "Pesticides and Health."

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

To: Senator HUBERT H. HUMPHREY, chairman, Subcommittee on Reorganization and International Organizations.

From: Senator ABRAHAM RIBICOFF.

Subject: Agency coordination in environmental hazard research and regulation.

Rachel Carson's book "Silent Spring" has stirred wide public interest in the problem of environmental hazards. As she pointed out: "The most alarming of all man's assaults upon the environment is the contamination of air, earth, rivers, and sea with dangerous and even lethal materials."

During my tenure as Secretary of Health, Education, and Welfare I became acutely aware of the problems of interagency coordination in the field of environmental hazards.

As Secretary I served as Chairman of the Federal Radiation Council which was established some years ago to work out the interagency problems of radiation control. Without the Council there would have been chaos in this vitally important field. At least now the interagency conflicts in the field of radiation control can be resolved in an orderly manner. But serious problems remain in the development of Government policy with respect to many environmental hazards.

For example, the pesticide situation discussed in Miss Carson's book had deteriorated to such an extent, with each agency going its own way without regard to the programs or policies of other agencies, that it became necessary, through the joint action of the Secretaries of Agriculture, Interior, Defense, and Health, Education, and Welfare to issue an order establishing the Federal Pest Control Review Board (June 22, 1961). This action grew out of a recommendation by the President in his 1961 natural resources message. One of the examples cited by the President in that message was the need to resolve the conflict that had arisen between several agencies of Government over the use of chemical pesticides that might harm public health and our fish and wildlife resources.

Air pollution activities are carried on in the Public Health Service, the Bureau of Mines, and other agencies.

Water pollution control problems are considered in various agencies and in different units of the same agency.

The contamination of milk and food is under study and control of various agencies.

In short, there is real need to examine the agency coordination aspects of environmental hazard regulations with a view to determining the efficiency and economy of programs designed to protect the health and safety of 180 million American men, women, and children.

We have the various agencies studying themselves and the White House Office of Science and Technology studying the various agencies. While these studies are helpful there is a need for a full public airing of the problem which only can be accomplished by a congressional subcommittee having a wide-scope jurisdiction and directive to look into interagency relations. Only your subcommittee has such authority.

I have studied your hearings on drug research and regulation and feel that a study of environmental hazards could follow that same pattern. The issues and problems are quite similar and the good work already done could serve as a guide to the staff. Perhaps an initial subject to be looked at in this field is pesticides. The White House Office of Science and Technology has circulated among interested Federal agencies the first draft of its report reviewing the use of

pesticides in the United States and what is being done by the Government to control their effects. The report could serve as background for an agency coordination study by your subcommittee on the subject of pesticides as one example in the field of environmental hazards.

With regard to staff, I would endeavor to have assigned to me an intern under the American Political Science Association program who could be assigned full-time to working with other members of my staff and Mr. Cahn in developing these hearings.

[From The Wall Street Journal, Apr. 3, 1963]

PESTICIDES AND HEALTH: CHARGE THAT CHEMICALS HARM HUMANS, NATURE FAILS TO HAMPER SALES—FARMERS, GARDENERS STEP UP SPRING BUYING AMID FUROR STIRRED BY AUTHOR'S ATTACK—TIGHTER U.S. CURBS FORESEEN

(By Roger B. May)

Makers of chemicals that attack insect pests, rodents and weeds say sales are soaring this spring even though they are under heavy attack themselves. But they are concerned about the future.

Although no stranger to controversy, the industry has been under increased fire since last June when Rachel Carson, a respected author and biologist, charged that careless users of pesticides were not only poisoning pests but also beneficial wildlife and man himself. Contending that the present massive chemical attack on nature could have dire results, she urged use of other controls. For instance, she argued that crabgrass killers widely used on lawns wouldn't be necessary if proper methods of lawn care were followed.

Miss Carson's views first appeared in a series of articles in the New Yorker magazine. In September, a longer version, documented with 54 pages of references, was published as a book titled "Silent Spring."

The book, a best seller for a time, aroused conservationists and other groups. Since the beginning of the year, 40 bills have been introduced in State legislatures calling for stricter controls on the use of pesticides. In Connecticut a hearing last month on new pesticide legislation drew such a large crowd it had to be moved to larger quarters.

PRESIDENT'S COMMITTEE TO REPORT

One of the chemical companies' biggest worries is over a study of pesticides being conducted by President Kennedy's Advisory Committee on Science and Technology. Insiders say the committee's report, to be issued soon, will stress the value of pesticides but will take a critical line and recommend Federal steps to assure better control. Two bills already have been introduced in Congress to tighten Federal controls on pesticide use.

No one can predict what further restrictions, if any at all, these efforts will bring on the use of pesticides.

But so far there is no evidence that sales have been affected at all. Industry sales of pesticides rose to $345 million last year, 16 percent over the 1961 level. This accelerated a climb that has lifted volume 72 percent since 1955. As the planting season gets underway in many parts of the Nation, producers say farmers and gardeners are buying more of these chemicals than a year ago at this time.

An outpouring of new products has been partly responsible for the industry's rapid growth. Nearly 5,300 new pesticide compounds were registered with the Department of Agriculture last year, the most since 1948, the first year registration was required. For the first 2 months of this year, registrations were slightly ahead of the 1962 pace. There are over 57,000 pesticides on the market for use against some 25,000 species of insects and untold varieties of weeds and rodents. Most of the compounds are based on chemicals known as chlorinated hydrocarbons.

RESEARCH SPENDING HIGH

Spending for pesticide research this year is expected to be close to $40 million, more than 10 percent of industry sales. Research expenditures for industrial chemicals generally average only about 4.4 percent of sales. Stauffer Chemical Co. of New York raised its pesticide research budget by 17 percent in 1962 over the year before and boosted it a further 20 percent this year. Of the 757 patent applications filed by Dow Chemical Co. of Midland, Mich., in 1962, about 10 percent were for pesticides although only about 7 percent of Dow's sales are in this field.

American Cyanamid Co. has pumped $11 million into new greenhouses and related facilities near Princeton, N.J. for testing farm chemicals. California Chemical Co., a Standard Oil Co. of California subsidiary, is increasing the research staff of its Ortho Division by 12 percent this year as it mans new research facilities in California and Florida. Union Carbide Corp. has more than doubled the size of its research farm near Raleigh, N.C., since it opened in 1956.

Among the new fruits of this research is a Rohm & Haas Co. product which the company claims will kill barnyard grass in rice fields but not the rice itself. It may save farmers the bother of flooding fields to hold down grass and weeds. FMC Corp.'s Niagara Division is marketing a new herbicide which it claims kills weeds in tomato fields without affecting the tomatoes, a difficult problem in the past. Monsanto Chemical Co. has a new chemical it says will destroy hard-to-kill weeds such as thistle and lambsquarter. Du Pont Co. is beginning large-scale promotion of a chemical designed to kill cornfield grasses, which are hard to control, as well as weeds.

ENTHUSIASTIC FARMER

Farmers often greet chemical developments with enthusiasm. Joseph A. Wagner in Prince George County, Va., claims his yield from a 50-acre peanut field last season was 2,200 pounds to the acre after he used a new soil insecticide. The previous season, using no insecticide, his yield was only 1,400 pounds an acre, largely because of an attack by army worms. Such dramatic increases in yields through use of pesticides are not unusual.

"Farmers have been convinced of the value of these chemicals—the objections are coming from nonagricultural people," one company official says. Public health officials also frequently support the chemical companies. Massive chemical attacks on mosquitoes and flies have been credited with widespread control of malaria and other diseases.

But critics also cite evidence of damage. Dr. James D. DeWitt of the U.S. Fish and Wildlife Service told the annual convention of the National Audubon Society last fall that findings of chemicals in dead birds indicate pesticides may be contributing to the extinction of certain species, including the bald eagle. The society is urging States to set up control boards to regulate pesticide use. Massachusetts has set up such a board and Ohio and Connecticut have bills pending.

Douglas Campbell, a San Francisco psychiatrist and a professor at the University of California, contends that many of what are believed to be virus infections and nervous disorders in humans may actually be toxic conditions resulting from repeated small doses of insecticides. Such doses, he claims, only cause vague aches and pains, low-grade fevers and chronic stomach aches, but also the symptoms of some mental disorders, such as double vision.

In Miami, a Dade County medical examiner recently ruled that a fumigation of a household with insecticides "instigated a chain of events that led to the death" of a housewife. Six homeowners in Norfolk, Va., recently filed an unsuccessful suit to stop the State from using a chemical called dieldrin to wipe out the white-fringed beetle, which damages plants. Miss Carson's "Silent Spring" cited deaths of birds and cats near Sheldon, Ill., when dieldrin was used to kill beetles.

POSITIVE SIDE STRESSED

To try to counter such adverse publicity, the Manufacturing Chemists Association (MCA) and National Agricultural Chemicals Association (NACA), both in Washington, last November began sending monthly feature stories to news media stressing the positive side of pesticide use. Similar material is being mailed directly to 100,000 individuals. The NACA doubled its public relations budget for the fiscal year that begins October 1 and is promoting a safety program, underway so far in five States, aimed at convincing applicators of chemicals they should follow manufacturers' directions. Chemical makers complain most accidents stem from improper usage of pesticides.

"But I don't see how it (the industry) can be regulated any more than it is," says Pincus Rothberg, president of Montrose Chemical Corp. of California, a Stauffer affiliate and a major producer of DDT, one of the earliest of modern insect killers. Chemical companies contend they spend several years testing new pesticides and then must register them with the Department of Agriculture, which can require further tests.

In addition, the Food and Drug Administration sets maximum levels of residues of pesticides that may remain on food crops after harvesting. The FDA cannot check all foodstuffs that go to the consumer, of course, and its police powers are limited. But an FDA charge of unsafe practices can have spectacular results. Cranberry sales plummeted in November 1959 after the Agency warned that the crop had been sprayed with a weedkiller that had caused cancer in rats.

Miss Carson argues that the results of chemical attacks often are only temporary, since pests have a habit of adapting quickly to new poisons. She urges greater use of other types of controls, such as encouraging the natural predators of pests.

Some chemical companies admit insects do develop immunities; some varieties of house flies have become immune to DDT, for example. Much current research and some new products are necessitated by this, they say. Some companies are working on products that are not direct poisons. For instance, Olin Mathieson Chemical Corp. is working on a compound that it hopes will eradicate boll weevils and potato bugs by sterilizing the male of the species. Federal tests of this method on the boll weevil have shown promise. Sterilization has been used successfully by the USDA in the Southeast to destroy the screw worm fly, which attacks animals.

The chemical companies say, however, that Miss Carson's attack was one-sided and overdrawn, failing to weigh the large benefits of pesticide use against its risks. Miss Carson's warning about the dangers involved when man attempts to manipulate his environment are challenged by George C. Decker, an entomologist at the Illinois Agricultural Experiment Station. He argues that man has been successfully manipulating his environment for centuries.

"With populations increasing and the area of farmland decreasing, it will be only a matter of a few years until (the world) will have to make ever-increasing use of agricultural technology, including more efficient pest control, to meet the world's food and fiber requirements," Mr. Decker says.

THE GREAT DEBATE

Mr. HUMPHREY. Mr. President, a great debate has been raging in our country over various aspects of environmental health, notably over issues posed by pesticides.

It is, however, indisputable that there are environmental hazards, and that they are increasing, not diminishing. There definitely is a rising contamination of the air, earth, rivers, and seas with dangerous, and sometimes even lethal, materials. Man is gaining increasing benefits from the chemical-industrial revolution, but he is also paying a price.

Last night, the Nation saw an outstanding television program, prepared by CBS Reports, "The Silent Spring of Rachel Carson." It dramatically pointed up one of the great challenges of our time—man's assault upon his environment.

It depicted the strong, sincere views of leading public and private protagonists on this subject.

The unassailable fact, as I see it, is that, as man changes his environment, his environment may change him. Man is a part of his environment. He is a part of Nature: He must be prudent as he makes changes in the balance of nature. But changes will come.

We cannot turn the "hands of the clock" back. As I told the Animal Health Institute yesterday, whether anyone likes it or not, we are living in a chemical age of incredible scientific achievement.

We must set our goal consciously to maximize the benefits of science and minimize avoidable hazards.

A FEW GENERAL GUIDELINES

I should like to set forth what I regard as a few additional guidelines of the study.

First. Its aim will be to get the significant facts and present them to the Senate and the Nation.

We will want to know where our country is heading and why, and how, and where we should be heading.

Our traditional procedure on the subcommitte has been, to learn and set forth which agency is doing what, why, how, where, at what cost, and with what relationship to what other agencies are doing.

Our procedure, moreover, has been to draw to the fullest extent upon the facts and judgment of prior and contemporaneous studies.

Very considerable review of this subject has already been conducted within the executive branch, by the National Academy of Sciences-National Research Council, and other sources. Our aim would be to capitalize upon the other work, avoiding any duplication, and picking up from where others have left off.

COOPERATION WITH PRESIDENT'S OFFICE OF SCIENCE AND TECHNOLOGY

Second. We would work very closely, I am sure, with the President's able science adviser, Dr. Jerome Wiesner. I am informed that the pesticide problem has been receiving Dr. Wiesner's closest attention. I am further informed that within about 4 weeks, a report by the Life Sciences Panel of the President's Science Advisory Committee on this issue will be ready for release. I have not seen the report, but it is my understanding that it is a frank, historic statement of the policy and technical issues confronting the U.S. Government agencies, industry, agriculture and the public on this much-debated issue.

I do not have the slightest doubt that it will be a landmark report.

INTERAGENCY MECHANISMS

Third. We will be interested, as indicated earlier, in how well interagency mechanisms are actually working. I refer, of course, to the Pesticide Control Review Board, the Interdepartmental Committee on Pesticides, the Armed Forces Pesticide Control Review Board, and so forth.

It is clear that interagency coordination is the key to success in these efforts. Numerous Federal agencies have important and enlarging responsibilities in this field. These agencies include the Department of Health, Education, and Welfare, Department of Agriculture, Department of the Interior, Department of Defense, and others. Considerable sums of taxpayers' money are involved, both for regulatory and research purposes.

Our subcommittee's continuing study of drug issues has repeatedly shown that, even with the best of intentions, Federal agencies face serious difficulties in coordination and collaboration, because of often different orientations, approaches, and backgrounds.

PERSPECTIVE ON AGREEMENT AND DISAGREEMENT

Fourth. We will want to learn the areas of interagency agreement, and the areas of interagency disagreement, as well as the comparable points of agreement and dispute in the vast private sector of our society.

Having outlined these areas, we will be in a position to find a sound, judicious road ahead.

A sense of overall perspective is essential.

MINNESOTA'S BROAD INTERESTS

The people of Minnesota know that I approach this problem with a full awareness of its many implications to all segments of life in my State and in all the other 49 States of the Union. Our conservationists are aware of my deep concern over the misfortune of man's permitting the despoiling of the great outdoors.

Industry knows, however, that it is my desire to advance the state of the art in science and technology as rapidly as possible. And agriculture is aware that in order to continue to have high-quality foods and fibers at reasonable cost, it is essential that man deal effectively with insect pests, weeds, and disease.

These respective interests are hardly irreconcilable; but they do involve sharply different emphases and can and do lead to misunderstanding.

The problem of environmental hazards has, of course, long been of interest to me. In 1956 and 1961, I joined with Congressman JOHN BLATNIK, of Minnesota, in sponsoring legislation to strengthen the Nation's water pollution control programs. This year I am pleased to be a cosponsor of S. 432, the clean air bill introduced by Senator RIBICOFF and S. 649, a bill to further strengthen the Federal Water Pollution Control Act introduced by Senator MUSKIE.

CONTINUED STUDY OF DRUGS

Our subcommittee's present study of interagency coordination in drug research and regulation will, of course, continue. It has given us valuable experience for this larger study.

Chemical agents used to treat man's diseases are but one part of man's changing environment. There are both similarities, as well as differences between the study of drugs and other environmental factors.

Preliminary evidence suggests these similarities, among others, between our drug study and the wider study which are now launching.

First. In the field of environmental health, there is as critical a problem of breakdown in scientific communication, as exists in almost any other aspect of modern life. All of the mounting problems which this subcommittee has mentioned over a period of years—relating to the collection, abstracting, indexing, storage, retrieval, evaluation, and dissemination of scientific information—are multiplied manyfold in the area of environmental health.

We are dealing with incredible numbers of chemical ingredients and of published and unpublished information about them.

There are today well over 200 basic chemicals used in somewhat over 54,000 formulations—registered with the U.S. Department of Agriculture.

How even one chemical on a given crop at a given time under given circumstances interacts with another chemical—much less still others—is a scientific problem in itself, and a problem to try to search in the literature to the extent that the literature exists.

Second. We do not begin to know enough about how drugs actually work on a cellular or system or organism basis, particularly over a long term; and we do not know the genetic effects of many drugs and chemicals. In the same manner, science does not possess a fraction of the counterpart knowledge which it feels it must have as regards agricultural and other chemicals.

The question often is: How far and how fast dare we go or dare we not go—while the basic knowledge is being discovered?

If, at one extreme, we wait "until all the answers are in," we will not use a single new drug or other chemical agent. If, at the other extreme, we hardly wait at all, we run a needlessly high degree of risk.

Third. Everyone should be aware that the Food and Drug Administration has important statutory obligations with respect to both drugs and environmental health. I may add that this latter area seems to illustrate as strikingly as almost any other—the critical shortage of manpower, materiel, and equipment which has for so long confronted this vital agency. Its scientists, inspectors, and other personnel have had to spread themselves so thinly with respect to the

pesticide problem alone, that it seems almost a miracle that we have achieved as much protection as we have.

The proposed 1964 fiscal year budget for the agency will allow it, for example, to increase its tiny present sampling of one-third of 1 percent of interstate shipments of food crops to but 1 percent of the total.

The proposed budget, moreover, will only make a small dent in overcoming the shortage of scientific personnel for the setting of safety levels—tolerances—for residues of agriculture chemicals permitted on crops.

PAST SUBCOMMITTEE WORK

Both from an FDA and other standpoint, environmental health is far from new to this subcommittee. The very title of our subcommittee, "Reorganization and International Organizations," indicates our area of jurisdiction over fiscal and other phases of U.S. activities in the U.N. Food and Agricultural Organization and the World Health Organization.

Our extensive past series of health publications has made numerous references to the type of problems we will now meet head-on. For example, of our 11 committee prints on international health, print No. 5—"Cancer—A Worldwide Menace"—noted carcinogenic effects of chemical agents; print No. 10—Radiation Research in the Life Sciences—referred to health problems posed by nuclear progress and our report, Senate Report 142, 87th Congress—"Coordination of Research in Bio-Medicine and Other Scientific Areas"—noted overall outlay for all health purposes, including environmental health.

Mr. RIBICOFF. Mr. President, may I say to the distinguished Senator from Minnesota that I am honored he has given me this assignment. Under the chairmanship of Senator HUMPHREY, the subcommittee on reorganizations has performed invaluable service to the American people.

His hearings on drug safety have alerted us to the continued need for careful administration of our drug laws and more frequent interchange of information and ideas between Federal agencies.

The adoption of a strong drug law last year was an important step forward. Its proper administration is now the essential element of consumer protection against dangerous and useless drug products.

The drug hearings have served and will continue to serve a most useful purpose. I am very hopeful that our study of environmental hazards, which the chairman has just now authorized, will be just as useful.

As last night's CBS telecast clearly showed, there is an appalling lack of information in the entire field of environmental hazards. We face serious questions, but we are woefully short of answers.

We will take a full and careful look at this entire field. We will seek neither to condemn any useful product nor to condone any needless hazard. It is clear these chemicals have a great potential for good. They also have a potential for harm. We want to know how the appropriate balance is being struck, and how our Federal agencies are going about this vitally important job.

Mr. HUMPHREY. Mr. President, I thank the Senator very much for his remarks.

ADDRESS BY RIGHT HON. HAROLD WILSON, O.B.E., M.P.

Mr. McCARTHY. Mr. President, recently the leader of one of the major political parties in Great Britain addressed the National Press Club in Washington. In the course of his address, he spoke on a number of subjects, including the United States, England, and the whole Western Alliance. I ask unanimous consent that the remarks of the Right Honorable Harold Wilson be printed at this point in the RECORD.

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

SPEECH BY THE RIGHT HONORABLE HAROLD WILSON, O.B.E., M.P., AT THE NATIONAL PRESS CLUB AT WASHINGTON, D.C., ON MONDAY, APRIL 1, 1963.

I should like to begin by saying what I am here for. First, what I am not here for. I am not here to negotiate. An opposition cannot negotiate with governments. I am here as leader of one of the great parties in our democracy to learn more about current thinking in the United States on the great issues confronting the Atlantic partnership. I was last here in January 1962, at that time as the Labor Party's spokesman on foreign affairs. I would have come in January of this year, but had to return from New York to London on the day that Hugh Gaitskell died, without coming on to Washington.

So having said what I am here for I do not need, I hope, to repudiate the story which was featured in some papers last week under the title "Wilson's Fourteen Points." I haven't got 14. I haven't got any. A statement in one of Friday's papers that I "announced" before leaving London that I was bringing a 14-point program is quite wrong. The London story came as the responsibility of the pressman who wrote it and who at that time had not been to see me or had any discussion with me. It was a nice and amusing piece of imaginative writing but I cannot take any responsibility for it. I'm sorry.

I have not come to press any lines of policy on the U.S. administration. To do so would be highly improper and unconstitutional. My purpose in coming is to learn and to listen—and to explain, when I am asked, the general trend of Labor Party thinking and policy on the main issues of world affairs.

But I have read a great deal of what has been written, and I should like to thank you for all the kind things you have said about me—I have in the process learned a lot of things about myself I didn't know before—and I have been asked by many pressmen a lot of questions about our approach. I should, therefore, like to try today in my talk to answer some of these questions.

I should like to begin with the economic problems the free world is facing.

All of us want to see a great expansion of trade, and a removal of trade barriers, between member countries of the Atlantic community. Equally we urgently need to see a steady and dynamic expansion of production within our respective countries. My fear is that anything we are able to do in freeing trade and expanding national production will run in a measurable period of time into a crisis of world liquidity. World trade has increased fourfold in monetary terms since prewar; the monetary resources available to lubricate this trade have barely doubled. We have the position that the two greatest trading nations in the world both urgently need to expand production, in their own inerests and that of the free world, and that both are inhibited by fear of balance-of-payments difficulties. We are moving more and more into the position that if sterling is strong, the dollar is weak, if the dollar is strong, sterling is weak; there are times when we face the danger that both are weak. And if Western nations show the degree of statesmanship which we hope for in reducing trade barriers, there is a real danger that trade expansion will grind to a standstill through a famine of liquidity. And we shall be reduced again to beggar-my-neighbor measures designed to export unemployment and deflation from one country to another. We are within a reasonable distance of a major sizeup in free world trade, beginning with a crisis in dollar and sterling trade, which at best will inhibit our hopes of economic expansion at a time when other nations are pressing remorselessly ahead, and which at worst could create another *1931*. I am also deeply concerned at the growth of indebtedness in underdeveloped countries such as those of Latin America. Already the burden of servicing loans is preempting a high proportion of their oversea earnings; in 4 or 5 years many of them will reach the breaking point.

In passing may I say with all the emphasis I can command that the answer does not lie in devaluation whether of the dollar, or sterling, or both. That would be a lunatic and self-destroying operation, neither justified by the problem nor relevant to its solution. The same applies to loose talk about floating rates. As an ex-trade minister I have a built-in prejudice in favor of enabling exporters to quote fixed prices with reasonable assurance of monetary stability. Equally the answer cannot be found in a revaluation of gold, which would simply provide an uncovenanted benefit to two countries, South Africa and the Soviet Union, whose benefit should be low in our scale of priorities.

What is needed is a medium for the creation of international credit through the established machinery of the International Monetary Fund. The unparalleled American and British expansion in the 19th century was made possible by a new discovery, the power of commercial banks to create credit, free from the thralldom of gold. In the 20th century we have so far shown ourselves unworthy of the ingenuity and inventiveness of our grandfathers. We should now move toward a system in which the IMF could create international credit peri passu with the development of world trade. If this could be combined with the Australian proposal for discriminatory credit facilities to be issued to underdeveloped countries to spend in debtor countries such as, in present circumstances, United States and Britain, we could evoke increased production in our two countries, related to the needs of world development. This could be the answer to unused capacity in our countries.

The dangers, and the opportunities, we now face would justify the summoning of a World Monetary Conference, an economic summit for the free world.

Now I turn to the situation which arises from the breakdown of the Brussels negotiations. I do not want to go back over the past. What matters now is our response to a challenging and even exciting situation. It is above all a new, though not an unforeseeable situation. For 18 months Western policies were directed to a consummation in Brussels. Now we have to start again.

The Labor Party was prepared to accept a solution which would have been genuinely outward looking and be a stepping stone to a wider free trade area embracing the Atlantic community, and the Commonwealth.

There was nothing in the Treaty of Rome, as such, that would have precluded such an advance. What we were not prepared to join was an inward looking, autarchic Europe which would sever Britain from our traditional channels of trade with the Commonwealth and the wide-trading world. The adoption by the EEC of an agricultural policy based on restrictionism, of high prices policed by a penal import levy on imports from the outside world was a sign that perhaps Schacht, rather than Adam Smith, provided the inspiration for the agricultural planners of the new Europe. This policy involved a degree of interference with established market channels, a degree of rigging of prices and production, of internal self-sufficiency, far transcending the wildest dreams of any British or American Secretary of Agriculture, of any party, who ever existed, and in saying this I am speaking the language of superlatives.

At every stage of the debates in Parliament, Hugh Gaitskell and I and others of us stressed the need for the preparation of an alternative policy in case the talks broke down and Britain was presented with entry terms which proved intolerable. This was designed not only to strengthen our bargaining position, for negotiations based on the thesis that there was no alternative to entry were bound to produce stiff, possibly unacceptable, terms; it was designed to avoid a vacuum, a paralysis of policy in the event of breakdown.

At all stages we spelled out a policy based on the concept of an Atlantic—and wider than Atlantic—community based on the United States, Britain and EFTA, EEC, the Commonwealth and probably Japan and possibly Latin America. As long ago as November 1961, when the Clayton-Herter report was presented to the joint committee of Congress, I said that this, rather than a narrow European conception, provided the key to the future.

President de Gaulle's brusque intervention faced us with the need for a constructive alternative. Paying every tribute to the breadth and vision of Mr. Macmillan's reappraisal after Brussels, I could not feel that a policy whose constructive measures were limited to the cancellation of a royal visit to Paris could be said to be measuring up fully to the challenge with which we were faced. We, therefore, put forward the following:

1. Urgent action to make the Kennedy round effective, on the basis I have mentioned including the United States, United Kingdom, the Commonwealth, EFTA, and those trading areas such as Japan and Latin America which are essential to U.S. trade.

2. Urgent action to conclude international commodity agreements to provide stability in the prices and production of those commodities which enter into international trade, including products of temperate zones such as cereals and dairy produce, and those of primary producing countries such as cocoa, tin, rubber, sisal and tea. We are too apt to forget that all that has been done in the past 10 years in the development of economic aid from advanced countries to the underdeveloped areas, amounting now to $3½ billion, has been more than offset by the collapse in the export income of underdeveloped countries through the fall in primary commodity prices.

3. Associated with this, action to channel food surpluses from advanced countries to meet the needs of hungry nations, for example on the lines proposed by Lord Boyd-Orr in 1946 for a world food board, an imaginative concept 15 years ahead of its time, which was rejected because most of us hadn't the dollars in a dollar-hungry world. We must face the fact in our modern democracies, that built-in subsidies and support to our farmers will mean a permanent surplus of food, and this will be enormously augmented if the Common Market agricultural policy is not vetoed by GATT.

4. Planned international action to provide not merely monetary help for developing countries, but governmental and intergovernmental orders for steel, machine tools, and transportation equipment, linking their needs with our industries at present working below capacity.

5. Measures to expand international liquidity.

6. Urgent action on the lines so imaginatively proposed by Mr. George Ball to provide planned quota outlets in all advanced countries for textiles and other manufactured goods from Asia and Africa.

7. On a Commonwealth basis closer integration of Commonwealth development plans enabling Britain to recapture markets we have lost through neglected opportunities in the past decade.

These are measures required on a marked scale. For our part we are prepared in Europe to work to find a solution to the problem of an economic division between EEC and EFTA. Perhaps OECD will provide the right forum, perhaps, as we have suggested, regular meetings of European heads of government to seek close political unity and a solution of Europe's economic problems. We are prepared at the right time, and given the right conditions to enter into fresh negotiations with the Six, provided this does not mean another 18 months with Britain setting the anti-chamber while the Six meet and wrangle about our fate, provided that no one regards the concessions made by Mr. Heath as an acceptable starting point. We have stated the five broad conditions which should govern Britain's entry and we are prepared to negotiate on the basis of these conditions. But no one sees any immediate prospect of a new breakthrough, and that is why I stress the urgency of the other measures which are open to us.

Now I turn to some of the wider issues of world affairs; three in particular, Berlin, disarmament, and the defense of the West.

On Berlin, I recognize that reports of a speech I made in Cardiff 5 weeks ago have caused some anxieties. This is because the full text was never available. I do not blame the press. I overloaded them. It was the night I made my first major speech as leader of the opposition. I had a full handout on our policy for housing and rents, and the position of slum landlords. In addition, I had a few animadversions on Mr. Macmillan and his colleagues which news editors thought of some interest. So there was little space to report a speech I made earlier in the day at the university in which Berlin was mentioned. Our view, which I repeatedly stated in Berlin when last year I led 42 Labor Members of Parliament on a mission to Berlin, designed to show our solidarity and support for Willy Brandt and the citizens of West Berlin is clear. Any settlement of the Berlin issue must provide two nonnegotiable, inalienable conditions: (1) the right of the people of West Berlin to live in a system of society and under a system of government of their own free choosing; (2) guarantees of access to West Berlin from the West going beyond mere paper promises, together with all other measures necessary to insure the viability of West Berlin; (3) we regard it as essential that for the foreseeable future Western forces remain in Berlin, as of right, and as custodians of the new agreement; (4) to secure such an agreement we should be prepared to show some degree of flexibility in relation to recognizing the existence of the authorities in East Germany and working out practical measures with them; and (5) we should show a willingness to recognize on a factual basis Germany's Eastern frontiers. Unfortunately some reports from Cardiff only repeated the fourth and fifth points of this package.

On disarmament I will say little because of the delicate stage of the negotiations, because we could be on the verge of a great breakthrough. My party accepts and insists on the need for effective international verification and supervision. On the test ban there is not only the problem of the number of inspections, but also the means and effectiveness of the system of inspection. On this Russia still has to come through.

On the wider question of a comprehensive disarmament agreement, nuclear and conventional, we feel that time has come when the Secretary General of the United Nations might be asked to take the two drafts and examine the possibility of bridging the formidable gap which still exists between them.

We believe that a further step forward could be made, here I know that what I am saying will find little acceptance here today, by the creation in areas of high tension of nuclear free zones and areas of effectively controlled conventional disarmament. Such areas as the continent of Africa, the Middle East, Latin America, and central Europe, might be taken, perhaps in that order.

This would mean effective inspection. The Soviet acceptance of the Rapacki plan involves acceptance of inspection. But inspection must be effective. And, as the Swedish Government insisted in their December 1961 resolution at U.N., we must have realism and no disturbance of the present balance of forces in Europe.

Now, on defense. Our position is clear. We stand firmly by NATO and the Western Alliance. We are not a neutralist party and neutralism has no part or place in our policies. We want to see Britain and other European countries make a more effective contribution to NATO.

I know there is nothing more boring in nature than a politician who continually refers to his past speeches, but I find that if I repeat, ipsissimis verbis, the speeches I made 2 or 3 years ago on this issue, there is a rush to say, "How he's changed since he became leader of his party." In every speech I made as foreign affairs spokesman I stressed the central role of NATO in our defense policy and in that wide section of our foreign policy which relates to defense; and, secondly, the paramount need to increase our contribution to the conventional strength of NATO forces. We do not believe this is possible if we pour out our substance on the vain effort to maintain the so-called independent, so-called British, so-called deterrent. Because it isn't independent, it isn't going to be British and its deterrent value in our view adds nothing to the effectiveness of Western deterrent power.

But it does mean such a deployment of our financial and real resources as to limit our ability to make an effective contribution to NATO's ground forces. It does mean a block to our hope of preventing the proliferation of nuclear weapons and it does mean increasing the danger that a conventional outbreak in Europe can quickly escalate into nuclear war.

I believe that our view on this represents the consensus of military opinion in Britain, including many Conservative M.P.'s, and that in this respect Mr. Macmillan is inhibited from pursuing the right military policy by the clamant pressure of a small but vociferous band of atavistic back-benders whose intervention was decisive at the time of Nassau.

It is argued that to be realistic and recognize the plain fact that the United States is the custodian of the strategic deterrent on behalf of the Western Alliance, that this places us in a position of humiliating dependence on another nation. I do not agree. It is dependence on the United States for the so-called British deterrent which creates the wrong relationship and which means that meetings of Western leaders, instead of being directed to the urgent problems of

strengthening the alliance, are dominated by unrewarding, and I would feel humiliating wrangles about the supply of particular weapons.

Every American pressman I met asks whether a labor government would repudiate the Nassau agreement. I don't like the word "repudiate" which implies breaking faith with a partner, and I have my doubts about the enthusiasm with which the U.S. administration approached the Nassau agreement. My answer is that a Labor government's first task would be to survey the defense position we inherit, to survey the shambles, some say, then to enter into discussions with our American partners about Nassau and about our broader approach to NATO. In view of our policy on deterrents, we should then renegotiate, I have heard the word "denegotiate," the agreement.

Before I leave defense I should like to say one word about Britain's overseas bases East of Suez. The future of some of them is obscure: one thing we should have learned at heavy cost is that you cannot hold a military base in hostile territory. But in general, though some rundown is possible and desirable to release troops for Germany and for the strategic reserve, I believe it to be a mistake to evacuate key bases where we have the chance to remain. It is a hundred times easier for Britain to remain there, even with a token force, than for us, still less the United States, to seek to enter if trouble breaks out. I believe, therefore, that our maintenance of these bases should be regarded as a specific and invaluable contribution to the alliance.

I have talked today mainly about the relationship of Britain and the United States within the Alliance. Frequently I am asked, "What about the special relationship?" I am never quite sure what this means. I am more interested in a close relationship based on a common purpose, common objectives and as far as can be achieved community of policy, a relationship based not on condescension or on a backward-looking nostalgia for the past, but on the ability of both parties to put forward their strength and their own unique contribution to our common purpose. Charles Lamb said in one of his essays, "There is nothing so irrelevant in nature as a poor relation," and if ever our relationship with you were based on that status the sooner it were ended the better: that is why the first priority in British internal policy is to build up our economic strength so that as partners, in the Alliance, in Europe, and the Commonwealth, we are relevant and necessary. It is on that, not on any conception of past greatness that our standing in the world will depend. Our ability to restore the lost dynamic to Britain's economic society, to restore a sense of economic and social and moral purpose, will have far more bearing on our value as an ally and a partner than any vain nuclear posturings. It may not be long before the same truth dawns on President de Gaulle.

Because we reject the notion that Britain is fated by history or some vicious twist of fate or by internal debility to be treated as the sick man of Europe, we are not. We have a reservoir of unused and underused talent, of skill and craftsmanship, of inventiveness and ingenuity, of administrative ability and scientific creativeness which if mobilized will, within a measurable period of time enable us to become, not the workshop of the world; that is no longer our role, but the pilot plant, the toolroom of the world. Our scientists are among the finest in the world. The tragedy is we don't produce enough of them, and those we do produce we do not use intelligently. Some we fail even to hold, and the reason for this is not as one noble lord has said the deficiencies in your educational system, it is deficiencies in our industrial and governmental system that we do not provide the status and opportunities, above all the key role in our society that the needs of the 1960's demand.

That is why the central thread of labor policy, the key to our plan to redynamize Britain's economy, is our plan to mobilize the talents of our scientists and technicians, redeployed from missile and warheads, on research and development contracts, civil research and development to produce the new instruments and tools of economic advance both for Britain and for the war on poverty in underdeveloped areas of the Commonwealth and elsewhere. If we are able to do this, and I have no doubt that we can, we shall be able in a very few years to transform our society and, in the alliance, in our economic relations with the Atlantic community, and in the wider context of the north-south challenge, to put forward our full and so far unrealized strength, dependent on no one, but ready to play our full role in the interdependent community of free nations.

FIRST INSTALLMENT OF REPORT OF SECURITIES AND EXCHANGE COMMISSION ON RULES OF NATIONAL SECURITIES EXCHANGES AND NATIONAL SECURITIES ASSOCIATIONS

Mr. WILLIAMS of New Jersey. Mr. President, yesterday the Securities and Exchange Commission submitted to Congress the first installment of its report on the adequacy, for the protection of investors, of the rules of national securities exchanges and national securities associations.

On March 28 I urged the industry, the press, investors, and the general public to consider the report in a mature and sober manner, with careful reflection and thorough analysis. From what I have read, it appears that such an approach has been adopted by those in authority.

Conflicting reports on the Commission's findings may arise, however, and it is, therefore, proper that the general public have an opportunity to review the highlights of this report as set forth in Chairman William L. Cary's letter of transmittal to the President of the Senate and the Speaker of the House of Representatives.

Mr. Cary sets the tone of the SEC's report in the following paragraph:

At the outset we emphasize that, although many specific recommendations for improvements in rules and practices are made in the report of the special study, the report demonstrates that neither the fundamental structure of the securities markets nor of the regulatory pattern of the securities acts requires dramatic reconstruction. The report should not impair public confidence in the securities markets, but should strengthen it as suggestions for raising standards are put into practice. Serious shortcomings are apparent and the report, of course, has concentrated on their examination and analysis. Yet it is not a picture of pervasive fraudulent activity and in this respect contrasts markedly with the hearings and findings of the early thirties preceding the enactment of the Federal securities laws. The study confirms the strength of those laws and the heightened sense of obligation of the financial community.

I ask unanimous consent that Mr. Cary's letter of transmittal be printed at this point in the RECORD:

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

SECURITIES AND EXCHANGE COMMISSION,
Washington, D.C., April 3, 1963.

THE PRESIDENT OF THE SENATE.

SIR: I have the honor to transmit the first segment of the Report of the Special Study of Securities Markets. The report is submitted pursuant to section 19(d) of the Securities Exchange Act of 1934 (P.L. 87-196), which directs the Commission to make a broad study of the adequacy of investor protection in the securities markets.

I

At the outset we emphasize that, although many specific recommendations for improvements in rules and practices are made in the Report of the Special Study, the report demonstrates that neither the fundamental structure of the securities markets nor of the regulatory pattern of the securities acts requires dramatic reconstruction. The report should not impair public confidence in the securities markets, but should strengthen it as suggestions for raising standards are put into practice. Serious shortcomings are apparent and the report, of course, has concentrated on their examination and analysis. Yet it is not a picture of pervasive fraudulent activity and in this respect contrasts markedly with the hearings and findings of the early thirties preceding the enactment of the Federal securities laws. The study confirms the strength of those laws and the heightened sense of obligation of the financial community.

At the same time the report makes very clear that important problems do exist, grave abuses do occur, and additional controls and improvements are much needed. The tremendous growth in the securities markets over the past 25 years, and most particularly the increased public participation, imposed strains on the regulatory system and revealed structural weaknesses. Neither the securities acts, the Commission, nor the industry itself anticipated the problems arising from the entry of unqualified persons, the spectacular development of the over-the-counter market, the vast number of companies going public for the first time, or a variety of other striking changes. Some of these problems resulted from inadequacies in established enforcement machinery, both Government and industry. Others reflect patterns of conduct now tolerated, but which, upon exposure and analysis, appear incompatible with the public interest. Testimony to this effect has been given by many responsible members of the financial community, in their comments and most vividly in their adoption of higher standards of conduct without compulsion of law. It is these voluntary standards which regulation should reflect and make generally applicable.

The functions of this report and of any changes proposed are to strengthen the mechanisms facilitating the free flow of capital into the markets and to raise the standards of investor protection, thus preserving and enhancing the level of investor confidence. Raising capital from the general public is a marked feature of the American economic system. In this country there are now approximately 17 million shareholders. As the study attests, this phenomenon has been advanced and protected by the securities acts, a proven legislative achievement. Yet no regulation can be static in a dynamic society; unanticipated changes in the markets and the broader public participation should be accompanied by corresponding investor protection. The importance of the capital markets to our national economic

progress does not permit anything less than the most fair and efficient operations. Government and industry regulation and the efforts of the financial community must continue to be directed against practices which undermine the integrity of the securities markets and which can only be harmful to the economic growth of this country and to the investors who furnish the funds for that growth.

While the report focuses upon shortcomings in the industry and in the self-regulatory authorities, in certain respects it is an express or implied criticism of the Commission as an institution. The Commission has not fully exercised its powers, nor coped effectively with all of the problems confronting it. There are undoubtedly several reasons for this. Important among these is the expansion of the securities markets, which renders exceedingly difficult the task of identifying and responding to a myriad of new problems while preoccupied with a heavy flow of administrative tasks. Furthermore, at times the Commission has been hampered by a lack of personnel or has concentrated its efforts on particular areas. Finally, in certain instances, statutory power has been lacking. But our job, like industry's, is not to rationalize inactivity but to initiate improvements. The report of the special study will be a catalyst in this process.

As a final prefatory comment, we should like to emphasize that this report is not a commentary on the level of securities prices, nor upon the investment merits of any particular company mentioned. These types of economic analyses have traditionally been outside the scope of the Commission's responsibilities.

II

The complete report of the "Special Study of Securities Markets" will be the most comprehensive of its kind in over 25 years. The examination of the securities markets and the writing of the report have been done by a separate group established in the Commission and designated the "Special Study of Securities Markets," under the supervision of Milton H. Cohen, Director. The special study was given freedom to analyze and point out problems as they appeared to it; in this respect, the judgments, analyses, and recommendations in the report are those of the special study and not the Commission. However, the Commission has worked very closely with the study throughout and has gone over every section of the report. We believe that the report is a thoroughly responsible document. We do not embrace every recommendation as our own, but we do accept them as a sound point of departure for proposals to the Congress, for rulemaking by the Commission and by the self-regulatory agencies, and for discussions with the industry. Like the study, we at the same time recognize the complexities and subtleties of the problems presented.

III

Transmitted here are chapters I through IV, and chapter IX. The remainder of the report, while nearing completion, is not available at this time essentially because of the scope of the undertaking. The Congress repeatedly made clear that the report should be broad and thorough. The study, with the support of the Commission and its operating divisions, has made every effort to carry out this mandate. However, the breadth of the obligation was not evident at the outset and a proper fulfillment necessitates some delay.

The chapters submitted deal with important and basic areas and practices in the securities markets. In many respects they disclose problems calling for vigorous and prompt responses by the Commission and the industry. The Commission will very shortly recommend to the Congress certain legislative proposals (to be discussed below) where the present statutory scheme appears inadequate. An important part of these reflects our continuing belief in self-regulation as an ingredient in protection of the investor. Certain deficiencies can be treated through rulemaking by either the Commission or the self-regulatory agencies. Still others can be resolved only by a more uniform and voluntary adoption of improved procedures by the members of the industry.

A

The report begins where regulation must begin—the point of entry into the business. It is self-evident that the standards of conduct of the securities industry are vitally dependent on the integrity and competency of its personnel. Obviously no system can be devised which eliminates all potential wrongdoers. But the report of the special study concludes that the minimal controls furnished by existing regulation are inadequate. Notable ease of entry is apparent under both Federal law and the rules of the National Association of Securities Dealers, Inc., the self-regulatory agency for the over-the-counter market. With the exception of the major exchanges, significant standards of character, competence, and minimum capital have not been generally imposed. Nor has attention been sufficiently directed to the unique problems of supervisors, such as branch managers, and research analysts. Furthermore, certain sectors of the industry, including most importantly certain distributors of mutual fund and real estate securities and also investment advisers, are not subject to the discipline of self-regulation. In addition, the present legislative scheme, in revolving around the firm as the regulated unit, provides an artificial and unsatisfactory means of focusing on the individual in the many instances where he is the appropriate object of disciplinary action. Finally, useful and needed intermediate sanctions, short of revoking the registration of a broker-dealer, are not available to the Commission.

We shall, therefore, recommend to the Congress legislative proposals in the following direction:

1. Authorizing standards of character, competence and financial responsibility as conditions for entry into the business, to be established and administered by the national securities associations, notably the NASD which will complement similar regulation by the exchanges of their members;

2. Requiring all firms and individuals to be subject to the authority of one of the self-regulatory agencies;

3. Granting the Commission direct disciplinary controls over individuals and perfecting NASD controls in this area; and

4. Providing the Commission with intermediate sanctions over firms and individuals.

B

A basic factor underlying the enactment of the Federal securities acts was recognition of the intricate nature and high liquidity of securities and of the corresponding duties necessarily assumed by those who deal in them. The heightened public participation in the securities markets severely tested the adequacy of controls, external and self-imposed, particularly in the area of selling practices and investment advice. The examples of sales techniques cited by the study show a striking spectrum: from the illegal operations of boilerrooms to the disciplined patterns of the responsible, reflecting elaborate supervisory procedures and voluntary codes of conduct. Even in the latter, which represent high standards of achievement, serious lapses have occurred. Yet it is their best formula which, if universally followed, would result in increased investor protection. Certain excesses also appear to have developed in the investment advisory materials of both broker-dealers and investment advisers, as evidenced by fanciful recommendations based on little more than mere rumor. Here again uniform application of the best industry practices would seem to be in order. In this area, legislation is not presently recommended. Powers exist in the self-regulatory institutions and the Commission to advance selling and investment advisory practices.

C

The mechanism, practices and rules for distributions in the securities markets are examined in the report with particular emphasis on the so-called "hot issue" phenomenon that accompanied the active and rising markets of the late 1950's and the early 1960's and involved primarily companies going to the public for the first time. A record flow of these new issues was another critical trial for both the regulatory pattern and industry practices; the findings of the report do not invalidate the general thrust of this pattern or whose practices. At the same time particular weaknesses have developed; their elimination should strengthen the distribution mechanism without impairing access to the capital markets. Most of these can be remedied by rules of the Commission and the NASD, with one important exception.

At present a prospectus containing business and financial information about a company must be delivered to the purchasers of the company's stock during a period of 40 days after a registered public offering of that stock. The findings of the report of the special study demonstrate that, particularly in the case of new issues, dramatic price movements may result from uninformed investor action and that maximum exposure of financial and public information is crucial to securing knowledgeable evaluation of these securities. The Commission will, therefore, recommend to the Congress that, in the case of new issues, the 40-day period be extended to 90 days or such shorter period as the Commission may prescribe by rule or order.

D

Much of the material submitted evidences the fundamental importance of adequate disclosure by issuers as a most vital means of investor protection. The report points out the broad range of problems and abuses in the securities markets, including improper selling practices, misleading public relations, irresponsible investment advice, and erratic "after markets" for new issues, which can be greatly mitigated by the more complete availability and dissemination of financial information. The report further demonstrates, as have prior studies, that the longstanding contrast in the disclosure-oriented protections afforded investors owning securities listed on national exchanges and investors owning securities traded in the over-the-counter market is not warranted. Issuers of over-the-counter securities, unlike their listed counterparts, are under no obligation to comply with the Commission's proxy rules or, except in certain cases, to furnish annual and periodic financial reports.

Another void in investor protection in the over-the-counter market relates to insider trading. An insider of a listed company must report his transactions in the company's stock; his short-swing trading profits in the stock are recoverable by the company; and he is prohibited from selling the stock short. The policies expressed in these sections should also be applicable in the over-the-counter market. The so-called sponsorship problem, where an underwriter makes an after-market in a stock he has underwritten and at the same time is represented on the board of directors of the issuing company, has been carefully analyzed by the

study. Its findings indicate that the application of the insider trading provisions will not disrupt trading markets in over-the-counter securities, except perhaps in very limited instances which could be handled through exemptions on a case-by-case basis.

Accordingly, the Commission will recommend extension of those sections of the Securities Exchange Act of 1934 which provide for the filing of annual and periodic reports, compliance with the proxy rules, and protections against insider trading to certain companies whose securities are traded in the over-the-counter market. A phased program of coverage would gradually include all those companies with 300 or more stockholders. In the case of bank stocks, which appear to account for about 20 percent of the issues of the over-the-counter market, if Congress so desires, disclosure requirements could be administered by the appropriate Federal bank regulatory authorities in order to integrate these controls with the existing patterns of bank regulation.

E

An analysis of the over-the-counter market will be submitted in our complete report. At this time, however, we wish to inform the Congress that we shall propose a legislative recommendation essentially directed to the wholesale quotations systems of that market.

At present the National Quotations Bureau dominates the business of over-the-counter wholesale quotations. The bureau, a private corporation, is not regulated by any agency, Federal, State or self-regulatory. Despite the efforts of the bureau, which has operated with a conscientious regard for the responsibility which its function and dominant position entail, this crucial segment of the over-the-counter market has had inadequate controls; numerous abuses involving quotations have been perpetrated by broker-dealers. Moreover, developments in electronic data processing have foreshadowed the emergence of new and perhaps revolutionary quotation systems. In view of the vital significance which these systems can have to the functioning of the over-the-counter market, they should not be allowed to emerge without due regard to the welfare of the market and to the public interest.

Accordingly, the Commission will recommend to the Congress that operators of quotations systems, like the National Quotations Bureau, be required to register with the Commission and adopt and enforce rules of fair practice in the use of their systems, just as is presently the case with the self-regulatory agencies.

F

We have described a substantial part of the legislative measures which we shall recommend to the Congress this year. A few others will subsequently be proposed; a very important one of these might concern certain aspects of security credit regulation—which would be submitted only after full coordination with the Federal Reserve Board. Not all of the study's legislative recommendations in the chapters transmitted have been adopted by the Commission; these are the subject of our continuing study and may be proposed to the Congress at a subsequent date.

To secure the benefit of industry views on our legislative proposals, we shall immediately request leaders of the financial community to form liaison committees.

IV

The report of the special study is a major contribution to the understanding of the operations and problems of the securities markets. In its collection and analyses of data, it provides a thorough and responsible foundation for action. Furthermore, the enactment of Public Law 87–196 and the very existence of a special study have assisted in the creation of a more salutary environment and have resulted in numerous important developments. The American Stock Exchange has undergone an intensive reorganization. The New York Stock Exchange has commenced a program for improved controls over selling practices and initiated new qualification standards. The NASD has undertaken a comprehensive revision of its bylaws and rules of fair practice. Broker-dealers have reviewed and altered their systems of supervision. It would go too far to assert that all of these, and other numerous changes, are the direct products of the special study and of the initiating legislation. Yet it would be difficult to deny that their existence has at least produced a re-evaluation of existing practices and procedures by the industry, as well as the Commission, which can only be beneficial. In other words, the financial community has taken the opportunity to make its own special study, with valuable consequences.

As has been pointed out throughout this letter, the report of the special study is only a prelude; it discloses many problems whose resolution will require the efforts of the Commission, the exchanges, the NASD, and the industry itself. To these we will now turn our attention. Our legislative recommendations to the Congress will be an important first element, indeed a prerequisite for needed improvements. However, much of the action may be taken through the self-regulatory agencies, through exercise by the Commission of existing powers and through the influence of leaders in the securities industry to raise standards.

In concluding, the Commission wishes to express its appreciation to the members of the financial community, the self-regulatory institutions and the numerous companies that fully cooperated with the special study. Many gave generously of their time and manpower in assisting the study to gather information and viewpoints.

The superlative efforts of the staff of the special study and its supervisors must be especially singled out. All worked tirelessly and with a fine understanding of the heavy responsibility they were obligated to discharge. The Commission was uniquely and most strongly served in having Milton H. Cohen as Director, Ralph S. Saul as Associate Director, Richard H. Paul as Chief Counsel, Sidney M. Robbins as Chief Economist, and Herbert C. Schick as Assistant Director. Not to be overlooked are the contributions to the study in counsel and data collection of many persons in the operating divisions and offices of the Commission.

By direction of the Commission.

WILLIAM L. CARY,
Chairman.

CUBA

Mr. KEATING. Mr. President, for many months the attention of this Nation has been fixed on the Caribbean area and in particular on the island of Cuba, where the Soviet Union has established a powerful military base. Last fall the Soviets installed medium and intermediate range missile bases, imported medium range missiles into Cuba and stationed bombers there, precipitating the most serious cold war threat since the days of the Berlin blockade. Under a quarantine procedure, supported by the Organization of American States, the United States was successful in forcing the withdrawal, so far as we know, of these weapons systems.

But, Mr. President, the overall Soviet threat to this hemisphere has not been withdrawn. A substantial Communist military base continues to exist only 90 miles from U.S. shores. Soviet troops and weapons are still there and so far as we know, are still being kept fully supplied. In my judgment, the people of the United States have no choice but to face this situation realistically and work out a course of action to meet it effectively.

I am convinced the American people and most of our Government officials share the same basic premises which I do in considering the Cuban situation:

First, the maintenance of a Soviet military base in Cuba is a persistent threat to world peace. Its removal by any means short of war would enhance prospects for world peace.

Secondly, Communist activities in Cuba and emanating from Cuba pose a special danger to the stability of the Western Hemisphere. Not only the security of the U.S. facilities, such as the Guantanamo Base and the Panama Canal, and the reliability of launching and communication facilities at Cape Canaveral, but also the internal stability of Latin American States are jeopardized by the continuing Soviet military presence in Cuba.

Thirdly, the Soviets, we can be sure, will not remove their forces and weapons from Cuba merely because we have asked that they do so. Only if the burden of their maintenance on this island, thousands of miles from the Soviet mainland, is made intolerable to them, will they consider the possibility of withdrawal.

Fourthly, the United States and the Organization of American States have the right and obligation to require the removal of a foreign controlled military base from the Western Hemisphere and to use all necessary measures to bring about such a removal.

These premises, I believe, form the basis for a common consensus on the part of the American people regarding Cuba. But, individuals may and do differ and offer contradictory views on the very difficult question on how to act to bring about the desired results. Many people in public life have spoken out on the subject. A number of Members of Congress have made specific recommendations. These range for instance, from the blockade or quarantine proposed by the distinguished Senator from Kentucky [Mr. COOPER], to the recognition of a Cuban government in exile, suggested by the distinguished Senator from Florida [Mr. SMATHERS].

There have, in fact, been many other proposals. I certainly do not claim for my own recommendations any particular infallibility; nor, of course, can I guarantee that my recommendations, if put into effect, would cause the Soviets to fade like mists from the Western Hemisphere. What I do offer, however, is my own analysis of the dangers that face us in Cuba, and, stemming out of that analysis, my own, personal views as to what course we can take in cooperation with other free world allies to bring maximum pressure to bear on the Soviets in Cuba.

Mr. President, these recommendations, which I shall be discussing today, are derived from a position paper on Cuba which I submitted on February 8 to Mr. John McCone, the Director of the Central

Intelligence Agency. This series of recommendations for U.S. action on Cuba was submitted to the President on the same day. It was agreed at that time that these proposals would not be made public until the President, the State Department, and others had an opportunity to review them.

A week and a half later—on February 19—I inquired whether it was at that time considered advisable to discuss publicly these recommendations. The next day I was advised by Mr. McCone that the President, of course, would not attempt to inhibit any Senator from discussing any matter, but that he felt that disclosure of these suggestions at that time might be harmful and might adversely affect the promised Soviet troop withdrawal, anticipated before mid-March. It was emphasized that the decision as to public disclosure of my proposals was entirely up to my own judgment.

Under the circumstances, however, I felt I should not go counter to the views of the Commander in Chief, regardless of whether I agreed with the rationale of his decision. Now that the middle of March has passed—indeed, the entire month of March—and a limited number of Soviet personnel have apparently been withdrawn, I see no further reason to maintain silence.

It has always been my view that constructive discussion of the Cuban situation is in the national interest and can contribute to the achievement of national unity and support for any effective program our Government ultimately adopts to eliminate Russian weapons and soldiers from this hemisphere.

Mr. President, this is not a time for lamenting and wringing of hands over Cuba. It is a time for a realistic review of the problems and a serious analysis of what can be done both in the short run and in the long run to meet the threat posed by a Soviet base in this hemisphere.

For that reason, I have decided to outline and discuss my policy recommendations at this time. I recognize that there are no pat solutions to the problem of Soviet Cuba; and offer my proposals only in the hope that they have sufficient merit to be worthy of study. Certainly, they will not be easy to implement and their effect may not be evident for many months. Nevertheless, I believe that they do offer an important alternative which should be seriously weighted and attempted before any more drastic and potentially more dangerous measures are considered.

First and foremost, let no one deceive himself into thinking that the danger is Cuba. Even Castro's Cuba, a country of 6 million people is not a military threat to the United States. And Castro as the head of such a state is no more able seriously to menace the United States than any other Latin American dictators, past or present, who have put their own personal ambitions and megalomania ahead of the welfare of their impoverished citizens.

No, Mr. President, the threat is not Cuba or Castro. The threat is the Soviet Union and Khrushchev. Those who try to conceal this unpleasant fact are not doing any service to the United States or the free world. They are only hiding their own heads in the sands of hope while the rough winds of reality continue to wreak havoc.

Mr. CLARK. Mr. President, will the Senator from New York yield; or does he prefer to finish his speech, first?

Mr. KEATING. I prefer to finish my speech; and then I shall be happy to yield.

Mr. President, surely this unpleasant truth should be clear by now. In fact, in his latest public utterance Castro appears to have emphasized the point himself. He revealed that the Soviets had taken the initiative and had requested the Cuban Government to permit the construction of MRBM and IRBM sites last fall. If this is true, the Soviets were not yielding to Cuban pressures in bringing their strategic missiles, as some Kremlinologists and Cubanologists have suggested. They were bringing the pressure to bear themselves, in order to menace to Western Hemisphere more directly. Of course, we cannot be positive that Castro is speaking the truth about anything; but those revealing words have not yet been disproved. They should be a warning to all who still choose to pretend that 180 million Americans do not need to pay any heed at all to 6 million Cubans. At this time the 6 million Cubans have, and deserve, the deep sympathy of virtually the entire hemisphere, but it is the 215 million Soviets and the power of Soviet Russia behind them that should be of concern to all of us.

Our ultimate objective, then, in dealing with Cuba, must be, as outlined in my position paper delivered on February 8:

First. The prevention of the spread of Communist influence and Soviet control from Cuba to other parts of the hemisphere.

Second. The removal from Cuba of Soviet-bloc forces, weapons, and other military equipment.

Third. The establishment of self-determination for the people of Cuba, through a freely elected constitutional government.

To block the spread of Soviet influence from Cuba, we must work closely with the Organization of American States. Meetings such as the recent Costa Rican gathering can be useful in devising methods to track Soviet agents throughout the hemisphere and in devising procedures for preventing the export from Cuba of propaganda, weapons, funds, and other equipment to promote subversive activities. This objective must not be subordinated to the enunciation of eloquent, long-range economic ideas, important indeed as that is. The United States must not measure the success of an international gathering by the amount of U.S. aid that is promised.

There are still too many ways for Communist influence and techniques to enter this hemisphere right now for us to be able to ignore the immediate threat. Tighter security is required in many areas.

Mexico, which still permits weekly Cubana Airline flights between Havana and Mexico City—parenthetically it should be said there used to be two a week; so it is an improvement to have them now only weekly—and is the principal gateway between Cuba and Latin America, was not even a party to the recent Costa Rican Conference. Other nations have under consideration the continuation of routes—which were discontinued at the time of the October crisis—between Cuba and the continent. Somehow, even U.S. citizens have found ways of reaching Cuba, so that they can return and can deliver glowing accounts of the supposed successes of communism.

Five nations—Mexico, Brazil, Chile, Uruguay, and Bolivia—still have Cuban diplomatic missions that are hives of Communist activity. Cuban diplomats transport anything from guns to propaganda broadsides and hard cash. These routes, by which communism is exported throughout the Western Hemisphere, can be, and must be, better controlled than is the case today.

The recent upheaval in Guatemala and the disturbances in Argentina illustrate the continuing instability in Latin America which increases the danger of the export of subversion and violence from Cuba. This is a particularly acute problem among the smaller nations of Central America. Admittedly, economic, social, and even political conditions in some of these countries are not what they might be, and add fuel to leftist propaganda. Admittedly, United States aid through the Alliance for Progress and economic coordination through a Central American Common Market will be useful in the long run in defeating Communist propaganda. But the immediate threat is subversion, violence, and revolution. When a hoodlum grabs you by the throat, you do not react by shouting, "Federal aid for urban renewal."

In my view, the isolation of Cuba should be the most important of the O.A.S. objectives at this time. I believe it can be accomplished by—

First. Setting up O.A.S. inspection teams to monitor and inspect all ships and planes on arrival in Latin American countries from Cuba.

Second. A progressive, gradual policy of curtailing flights and passenger steamship routings between Cuba and other Latin American countries.

Third. Establishment of a complete trade boycott between Cuba and other Latin American countries.

Fourth. Denying Latin American cargoes or refueling facilities to any ships or planes trading with Cuba.

Fifth. Withholding of U.S. assistance to Latin American countries which persist in supplying or strengthening the links between Soviet Cuba and the rest of the hemisphere.

These recommendations were, as I have said, first presented to the President on February 8—nearly 2 months ago. Since that time, some of the steps I suggested in whole or in part, as well as some others, have been taken by the U.S. Government. Both at the request of Latin American nations and under U.S. guidance, we have tightened up on procedures for keeping track of subversive agents throughout the hemisphere. Surveillance over Castorist supporters has been greatly stepped up. In my

judgment, all these moves are in the right direction.

Others of these proposals, such as a trade boycott, are in actual fact being very gradually realized by the increasing inability of the Cubans to offer goods for export or payments for imports. Some, such as the withholding of U.S. AID funds, seem to be more honored in the breach. But it is my convinced judgment that measures of this sort, seriously proposed and emphasized by the U.S. Government, can be forged into an effective OAS program against Cuba. I applaud the steps taken to date; and I hope they will be followed by some of the other measures proposed, as well.

Certainly there will be some opposition from Communist groups in Latin American countries. Some Latin American countries will be reluctant, as Mexico and Brazil have already been, but the point is that the United States must offer genuine and effective leadership. As President Garcio Fascio of Costa Rica, President of the OAS Council, pointed out recently on "Meet the Press":

> The OAS cannot have a definite policy without knowing what the policy of the United States is * * * We cannot take any step that the U.S. Government is not prepared to take because it is the one who has the responsibility of the cold war and the only one who can confront the military consequences of a clash with the Russians.

When the United States took the lead, as we did in October, the Latin American countries offered 100-percent cooperation. When we, on the other hand, deliberately downgrade the Soviet menace and talk only about economic development for the next decade, important as that is in the long run, then we do not get cooperation. That is one of the big lessons of the Cuban crisis. It must be taken to heart as part of an integrated and determined policy to rid this hemisphere of the Soviet military base that Cuba today represents.

OAS action, however, is only a part of the program which I propose and in many ways it is the lesser part. The real menace is not Castro or Cuba, but the Soviet Union. We must bear in mind at all times the fact that our principal objective is not merely to contain Castro but to effect the removal of Soviet troops and weapons. To dislodge Khrushchev from Cuba will require the cooperation of NATO and the entire free world. This, too, is possible, once our Government impresses upon the world what the real dangers are; once we make clear to the world that we are not afraid of a Cuban invasion of the United States any more than we feared a North Korean invasion of the United States in 1950 or a North Vietnamese invasion of the United States in 1962.

What we do fear and what we and the whole free world most oppose is a progressive takeover, as we saw in Eastern Europe, as we have seen in Laos, and as we may see elsewhere, under the supposed guise of legality, by a Communist power and dictatorship that will stifle the voice of freedom entirely.

Cuba today is isolated in geography from the rest of the Communist empire. But it is not isolated in the history of Communist expansion. It must be seen and handled in the whole, regrettable, unfortunate, but necessarily present context of the cold war.

The strongest weapon that NATO and the free word nations possess in this struggle is economic. The basic strength of the free enterprise system and the basic weakness of the totalitarian system are pitted against one another. Our strongest weapons in peacetime as in war are the muscle and sinew of our economy. Yet in the so-called peaceful competition between East and West, the Soviets are using every economic trick they know, while we, in effect, have too often ignored what we can accomplish by our genuine economic impact.

Particularly, where Cuba is concerned, the economic resources of the United States, of NATO, and of the free world could be mobilized with devastating effect. We could make the economic burden on the Kremlin for the support of their Cuban base well-nigh intolerable. Specifically, I propose a step by step program of economic pressure, on the Soviet Union and the Soviet bloc, which I am convinced would do more to halt Communist expansion than any other nonmilitary method. Until the Cuban people are restored to freedom, we should, first, forbid U.S. cargoes of any sort, Government or private, to be carried on ships or shipping lines that have been used since January 1963 to supply Cuba.

Second, we should insure that no U.S. shipping facilities or cargoes anywhere in the world are available for any ships or shipping lines that have supplied Cuba.

Third, we should initiate NATO regulations to provide that no NATO ships carry cargoes to Cuba.

Fourth, we should initiate NATO action to insure that no NATO cargoes will be available to ships supplying Cuba.

Fifth, we should deny U.S. nonmilitary aid to any nation providing shipping, trading, or refueling facilities or goods for Cuba.

Sixth, we should cut off NATO sales to the entire Soviet bloc of any goods or equipment of a type which the Soviet bloc is supplying Cuba, except possibly food and medicine.

Seventh, we should initiate further restrictions on NATO trade and, where possible, institute a complete free world boycott on trade, with the Soviet bloc, so long as any Soviet soldiers or weapons remain in Cuba.

Mr. President, let me again say that I know it will not be easy to secure agreement for such measures. It will require powerful influence and serious persuasion on the part of the U.S. Government. I also recognize that even so these measures may not be sufficient to force an immediate Soviet withdrawal. Even the most severe economic pressure and trade restrictions can be withstood by the Soviet Union for some time. Nevertheless, I believe they must be the first step in a concentrated policy to make the continued Soviet occupation of Cuba intolerable.

Only after measures of this kind have been attempted strongly and severely over a reasonably long interval, barring some unforeseen exacerbation of the situation, should the United States seek to move further. Only then, in my judgment, should the United States consider reconstitution of an international quarantine around the island to prevent additional Soviet economic or military entrenchment in Cuba. Only then, should the United States seek OAS and NATO cooperation to; first, institute a quarantine on shipments by the Soviet bloc or other countries of any additional military equipment to Cuba; and, second, if even this fails to accomplish our objective, institute a quarantine on shipments by the Soviet bloc or other countries of any petroleum products to Cuba.

To some extent we are moving in this direction right now. The United States has put into effect limited shipping restrictions. We have persuaded some of our allies to do the same.

Yet in the months of January, February, and up to about the middle of March, 39 ships from non-Communist nations landed in Cuba. These included 14 British—counting 2 visits by 1 ship—14 Greek—counting 2 visits by 1 ship—4 Norwegian, 3 Italian, 1 Japanese, 1 Lebanese, 1 Spanish, and 1 Danish. On March 16, the Greek Government forbade Greek ships, excluding those on long-term charter, to trade with Cuba, an act which I heartily commend.

Although I have been asked not to reveal the exact dates, more of these ships arrived in February than in January, and indications are that March figures also will not reflect any decline from the 2 previous months; in fact, more probably another slight increase. None of these ships carried any U.S. cargo in the month of January because of the east coast dock strike. Only three that I am aware of carried U.S. cargo in February or March either—but this was less the result of official Government action than of the patriotic determination of the International Longshoremen's Association.

There has also been a sharp drop in overall free world purchases from Cuba, from $789 million in 1958 to $81 million for the first 6 months of 1962; and in Cuban purchases from the free world, from $771 to $41 million for the same periods. This is primarily due to the limited ability of the Cubans to export or to finance imports in view of their deals with the Soviet Union and their decline in agricultural production.

As far as trade between the Soviet bloc and NATO and other free world countries is involved, this is an area of increasing importance, which in my judgment the United States has consistently underrated. It is a subject I have spoken on at some length in the past, several times, on the Senate floor.

It is a well-known fact that the Soviets gain a great deal more than the Western nations from the current trends of East-West trade. Immediately after Stalin's death in 1953, Soviet economic experts determined that there were many areas in which they might profit significantly from increased trade with the West. Particularly in order to meet the Soviet

requirements for rapid industrial growth, the Communists turned to Western Europe.

Communist-bloc imports between 1953 and 1960 from the industrialized countries of the West increased from $1.4 to $4.4 billion. Sixty to ninety percent of Soviet imports from European countries consisted of metals, metal shapes, transportation equipment, machinery, complete plants, and other goods representative of an advanced Western technology. Inevitably such items as electronic equipment for communications and control, precision machine tools, industrial handling equipment, railroad and sea transportation equipment, mills for sheet and strip steel, electric power equipment, and large diameter pipeline contributed greatly to Soviet industrial development. They enabled the Soviets in many cases to skip lengthy and expensive research and development programs. And these items help the Soviets in their efforts to "leap-frog" Western technological progress.

What does the West get in return? First of all, it must be admitted that European countries see the Soviet Union primarily as a market for their manufactured goods and, therefore, ultimately a source of jobs. What the European nations actually buy in return is to a large extent Soviet oil and petroleum products. These products could, of course, easily be purchased from Middle Eastern countries or from Latin America but at a somewhat higher price.

So, in effect, what is happening right now is that present East-West trade patterns provide the Soviets with what they want most in the way of Western industrial equipment and know-how. At the same time, it provides them with an important level where jobs are concerned in key west European countries. The French experience has indeed been instructive, for when the French coal miners went on strike, the Soviet Union canceled coal deliveries to France, already scheduled and contracted for, to demonstrate what they called "socialist solidarity" with the striking miners. Thus the Soviets used their trade position deliberately to influence the domestic economy and politics of France. In short, it should be completely clear that it is the Soviets and not the Western nations which gain by existing trade arrangements. Instead of using our powerful trade economic weapons to our own advantage, we are using them to help the Soviets. To cope with the present Cuba crisis we must use every means in our power to reverse this trend, to bring pressure to bear through trade and economic measures. The Soviets know how dependent they are on the industrial nations of the West. We are foolish to ignore this important source of economic power.

Specifically, I am concerned about the lack of coordination within NATO on trade controls with the Communist bloc.

I am concerned about the increasing sales of Soviet oil at cutrate prices, to create a market on which the industrial countries of Western Europe may come to depend.

I am concerned over the continued export to the Soviet Union of oil pipeline and other equipment that helps the Soviets to undermine Western oil companies, free world oil producing nations, and industrial security and aids them in their program of economic and political penetration.

I am concerned over the continued sale and transfer to the Soviet bloc of Western technology which the Soviets do not now possess.

In all these areas where the free world is strong we are literally selling our strength at a discount for Russian rubles.

Last year after considerable debate, an amendment to the Export Control Act was adopted of which I was the author. It provided:

> The Congress further declares that it is the policy of the United States to use its economic resources and advantages in trade with Communist-dominated nations to further national security and foreign policy objectives of the United States.
>
> Such rules and regulations shall provide for denial of any request or application for authority to export articles, materials, or supplies, including technical data, from the United States, its territories and possessions, to any nation or combination of nations threatening the national security of the United States, if the President shall determine that such export makes a significant contribution to the military or economic potential of such nation or nations which would prove detrimental to the national security and welfare of the United States.

This is now the law of the land and United States officials are obligated to abide by this language and this intent in carrying out the provisions of the Export Control Act.

In our dealings with other free world countries through the foreign aid program, we are equally lax in consideration of the cold war economic competition which we are facing. We provide aid to countries that sell strategic goods to the Communist bloc and in some instances our aid has even helped other countries build up powerful military forces with Soviet training and equipment.

Last year the Congress adopted an amendment to the foreign aid bill which I offered, providing as follows:

> It is further the sense of Congress that in the administration of these funds great attention and consideration should be given to those countries which share the view of the United States on the world crisis and which concentrate their own resources on economic development rather than on Communist-supported military or propaganda efforts directed against the United States or against other countries receiving assistance under this act.

This, also, is now the law of the land and should be the basis for consideration and decisions made to implement the foreign aid program.

In short, it is my deepest conviction, over years of study and attention to this issue of trade with the Soviet bloc that the greatest power of the free world is economic and that we are both neglecting and abusing that power. While the Communists thrust their aid like a weapon into the heart of the free world, some of our allies tend too often to barter freedom for a few pounds and shillings of profit.

In the particular case of Cuba, I believe that only a firm and determined policy will lead to Soviet withdrawal. The steps I have recommended are severe—admittedly so—but they are infinitely preferable to military force. We must use our economic might. We cannot hope to oust the Soviets with our right hand, as it were, tied behind our back. My recommendations at no point call for military action against Cuba.

The longer we delay effective action, the more difficult it will be to blunt the Communist drive in this hemisphere. Certainly risks are involved in an effort to engineer a Soviet retreat. Certainly the Kremlin would prefer to move forward than backward. But there are even greater risks if we do nothing.

The most difficult aspect of the programs I have outlined, I am well aware, will be to obtain the necessary understanding and cooperation of other free world countries. It will be possible only when we ourselves determine to face the dangers squarely and to discuss them in their full extent. Continued efforts to minimize the threat, even consciously to distract attention from it with plans, however meritorious, for the next decade, instead of now, will make it impossible to generate the united action and determination necessary for success.

We have in our power the methods and the means to conduct an effective policy toward Cuba.

If we use our economic strength, today, against the Communists, to promote a Soviet withdrawal from Cuba, we will be in a far stronger position tomorrow to make our economic strength work for Latin America through the Alliance for Progress and similar measures. If we do not use our strength efficiently against the Soviets today, we may find, as we are even now finding in South Vietnam, for instance, that it will be infinitely more costly and more difficult to achieve our objectives in the long run.

ADJOURNMENT TO 9 A.M. MONDAY, APRIL 8, 1963

Mr. KEATING. Mr. President, pursuant to the order heretofore entered, I move that the Senate now stand in adjournment until 9 o'clock next Monday morning.

The motion was agreed to; and (at 4 o'clock and 34 minutes p.m.), under the previous order, the Senate adjourned until Monday, April 8, 1963, at 9 a.m.

NOMINATIONS

Executive nominations received by the Senate April 4, 1963:

U.S. DISTRICT JUDGE

John M. Cannella, of New York, to be U.S. district judge for the southern district of New York, vice Irving R. Kaufman, elevated.

Charles B. Fulton, of Florida, to be U.S. district judge for the southern district of Florida. (A new position.)

UNITED NATIONS

Edwin M. Martin, of Ohio, Assistant Secretary of State for Inter-American Affairs, to be the Representative of the United

States of America to the 10th session of the Economic Commission for Latin America of the Economic and Social Council of the United Nations.

Walter M. Kotschnig, of Maryland, to be the Representative of the United States of America to the 18th plenary session of the Economic Commission for Europe of the Economic and Social Council of the United Nations.

DIPLOMATIC AND FOREIGN SERVICE

Bryan R. Frisbie, of California, for reappointment in the Foreign Service as a Foreign Service officer of class 3, a consul, and a secretary in the diplomatic service of the United States of America, in accordance with the provisions of section 520(a) of the Foreign Service Act of 1946, as amended.

Guy Chandler Mallett, Jr., of Florida, for appointment as a Foreign Service officer of class 3, a consul, and a secretary in the diplomatic service of the United States of America.

William F. Miller, of Massachusetts, for appointment as a Foreign Service officer of class 4, a consul, and a secretary in the diplomatic service of the United States of America.

The following-named Foreign Service officers for promotion from class 8 to class 7:

Andrew F. Antippas, of Massachusetts.
David E. Biltchik, of New York.
Kenneth E. Block, of Maryland.
Paul H. Boeker, of Ohio.
Stephen W. Bosworth, of Michigan.
Kenneth L. Brown, of California.
Richard Irving Burnham, of New York.
Francis R. Campbell, of Minnesota.
James R. Cobbledick, of Connecticut.
Gerald de Santillana, of California.
Jerrold Mark Dion, of Washington.
Richard A. Dugstad, of Virginia.
William F. Eaton, of Maryland.
Frederick D. Elfers, of New York.
David A. Engel, of New Jersey.
David J. Fischer, of Minnesota.
Donald Keith Guthrie, of New Mexico.
Benjamin Hill Hardy III, of Virginia.
Jean J. Hediger, of New Jersey.
Miss Audelia V. High, of Illinois.
Robert W. Holliday, of Texas.
Kenneth C. Keller, of Idaho.
Edmund H. Kelly, of Ohio.
Richard F. King, of Louisiana.
C. William Lafe, of Pennsylvania.
William L. Lee, of California.
Hugh C. Lobit, of Texas.
Mark McCormack, of Pennsylvania.
Harry M. Montgomery, Jr., of New Jersey.
Bert C. Moore, of Ohio.
Glenn A. Munro, of Maryland.
Benjamin R. Parks, of Pennsylvania.
Charlton M. Pettus, of Missouri.
Allen Van Potts, of Utah.
Jerrold C. Rodesch, of Wisconsin.
Walter F. Schepp, Jr., of New York.
Merle W. Shoemaker, of Pennsylvania.
N. Shaw Smith, of Virginia.
Charles T. Sylvester, of Rhode Island.
Daniel Taher, of New Jersey.
Raymond J. Wach, of Ohio.
Haven N. Webb, of Tennessee.
John D. Whiting, of Wisconsin.
Thomas Edward Williams, of Kansas.
Richard L. Wilson, of Iowa.
Miss Hanna W. H. Woods, of Arkansas.
Ronald E. Woods, of Michigan.

The following-named persons for appointment as Foreign Service officers of class 7, vice consuls of career, and secretaries in the diplomatic service of the United States of America:

Norman L. Achilles, of Pennsylvania.
Evan R. Berlack, of New York.
Stephen M. Block, of Connecticut.
Miss Ann P. Campbell, of Connecticut.
Richard C. Devine, of New York.
Robert Duncan Emmons, of California.
Robert P. Goold, of the District of Columbia.
John P. Jurecky, of Illinois.
Richard L. McCormack, of Florida.
Cameron H. Sanders, Jr., of New York.
Miss Mary J. Sommer, of Connecticut.
Miss Lenore E. Westfahl, of Wisconsin.

The following-named persons for appointment as Foreign Service officers of class 8, vice consuls of career, and secretaries in the diplomatic service of the United States of America:

Richard C. Brown, of New Mexico.
James R. Bullington, of Tennessee.
Francis S. Hall, of New York.
James M. Hawley, III, of West Virginia.
Robert E. Lamb, of Georgia.
David F. Lambertson, of Kansas.
Melvyn Levitsky, of Iowa.
Edward W. Lollis, II, of Indiana.
Stephen Harwood Miller, of Pennsylvania.
Donald E. Mudd, of the District of Columbia.
Nicholas M. Murphy, of New York.
Louis V. Riggio, of New York.
Philip McPherson Rudisill, of Georgia.
Thomas A. Schlenker, of California.
John F. Simmons, Jr., of the District of Columbia.
Rufus Grant Smith, of New Jersey.
Dennis L. Thompson, of Idaho.
Thomas J. Wajda, of Ohio.

The following-named Foreign Service Reserve officers to be consuls of the United States of America:

Warren H. Brown, of New York.
Archie Davies, of Florida.
William B. Davis, of Michigan.
Francis T. Donovan, of Pennsylvania.
George Gurow, of Illinois.
H. Henry Heintzelman, of Maryland.
John F. Hogan, Jr., of Maine.
Rene Andrew Lutz, of Maryland.
James A. McGinley, III, of Florida.
John A. Mason, Jr., of Pennsylvania.
E. Bruce Miller, of Pennsylvania.
George W. Porter, of Louisiana.
Albert F. Reynolds, of Virginia.
Robert B. Sandin, of Virginia.
James A. Scott, of Maryland.
John W. Shirley, of Maryland.
Calvin M. Smyth, of Virginia.
Ernst A. Van Es, of South Carolina.
Francis E. Ward, of Rhode Island.
David E. West, of Virginia.

The following-named Foreign Service Reserve officers to be consuls and secretaries in the diplomatic service of the United States of America:

Ned P. Holman, of Oklahoma.
Robert L. Smith, of Virginia.
Alexander J. Zeffer, of California.

The following-named Foreign Service Reserve officers to be vice consuls of the United States of America:

Dino J. Caterini, of Ohio.
Ernest J. Chiocca, of Virginia.
Jeff Corydon, III, of Maryland.
James R. Fees, of Washington.
Robert E. Knopes, of Maryland.
Theodore Kobrin, of Connecticut.
Bruce R. Koch, of Pennsylvania.
Jacques A. Prindiville, of Massachusetts.
Ismael Rivera, of the District of Columbia.
Wendell J. Roye, of New York.

The following-named Foreign Service Reserve officers to be secretaries in the diplomatic service of the United States of America:

Francis L. Albert, Jr., of the District of Columbia.
John C. Bonnet, of Virginia.
Charles G. Cogan, of Massachusetts.
James V. Joyce, of Virginia.
William B. King, of the District of Columbia.
Robert H. Lupton, of New York.
Charles A. Mann, of North Carolina.
Clare E. Petty, of Maryland.
Peter Ringland, of Maryland.
Harold Shapiro, of California.
Charles D. Stewart, of Michigan.
Serge Taube, of Virginia.
Joseph Stanley Toner, of Virginia.
Thomas A. Twetten, of Iowa.
Raymond Villemarette, of Louisiana.

CONFIRMATIONS

Executive nominations confirmed by the Senate April 4, 1963:

DEPARTMENT OF STATE

W. Averell Harriman, of New York, to be Under Secretary of State for Political Affairs.

BOARD OF PAROLE

James A. Carr, Jr., of Massachusetts, to be a member of the Board of Parole for the term expiring September 30, 1968.

Homer Lester Benson, of Indiana, to be a member of the Board of Parole for the term expiring September 30, 1968.

HOUSE OF REPRESENTATIVES

THURSDAY, APRIL 4, 1963

The House met at 12 o'clock noon, and was called to order by the Speaker pro tempore, Mr. ALBERT.

The SPEAKER pro tempore laid before the House the following communication from the Speaker:

APRIL 4, 1963.

I hereby designate the Honorable CARL ALBERT to act as Speaker pro tempore today.

JOHN W. MCCORMACK,
Speaker of the House of Representatives.

PRAYER

Dr. Arthur M. Romig, D.D., Presbytery executive, Presbytery of Washington City, Washington, D.C., offered the following prayer:

God of grace, God of glory, whom we know as Father, Thy name we adore; Thy purposes we would fulfill. Look down in mercy upon this company assembled. With knowledge of our weakness we seek Thy strength; in knowledge of our limitations we beseech Thine infinite power.

Lead us from mere prudence into venturesome faith; stretch our vision from the narrow horizons of human prejudice to the larger view of divine righteousness; and grant us the ability and courage to translate our sensitivity to human need into laws and acts that would make real in the lives of the people of this great Nation the divine purpose of Thy great goodness.

Hear our prayer and grant us Thy peace, dear Father. Amen.

THE JOURNAL

The Journal of the proceedings of yesterday was read and approved.

MESSAGES FROM THE PRESIDENT

Sundry messages in writing from the President of the United States were communicated to the House by Mr. Miller, one of his secretaries, who also informed the House that on the following dates the President approved and signed bills of the House of the following titles:

On March 28, 1963:

H.R. 2438. An act to extend the induction provisions of the Universal Military Training and Service Act, and for other purposes.