My present inclination, having made the statement that I have made, is that I have finished for tonight and shall let this matter go over until I raise the matter of personal privilege tomorrow at 12 o'clock noon. I shall then discuss the completely inexcusable, improper conduct of the Senator from Maryland [Mr. BREWSTER].

Mr. LONG of Louisiana. May I say to Senator that on one occasion this same thing occurred on the ruling of a Vice President and the Senator from Oregon defended my rights. I think he is right about it.

Mr. MORSE. I do not think there is any question about that. Forgetting about the individuals involved, and thinking about the procedure of the Senate, any time the arbitrary discretion of one Senator presiding over the Senate has the effect of setting aside the rules of the Senate, then the Senate ceases to be a parliamentary body and becomes a vehicle for the capricious conduct of whoever is put in the chair. I shall discuss the matter further tomorrow.

(At 7 o'clock and 29 minutes p.m., the informal session ended.)

NOMINATIONS

Executive nominations received by the Senate July 15 (legislative day of July 14), 1965:

ENVIRONMENTAL SCIENCE SERVICES ADMINISTRATION

The following-named persons to the positions indicated:

Robert M. White, of Connecticut, to be Administrator, Environmental Science Services Administration. (New position.)

H. Arnold Karo, of Nebraska, to be Deputy Administrator, Environmental Sciences Services Administration, and to have the rank, pay, and allowances of a vice admiral while holding such offices. (New position.)

IN THE NAVY

Having designated, under the provisions of title 10, United States Code, section 5231, Rear Adm. Waldemar F. A. Wendt, U.S. Navy, for commands and other duties determined by the President to be within the contemplation of said section, I nominate him for appointment to the grade of vice admiral while so serving.

Joseph F. Clare, midshipman (Naval Academy) to be a permanent ensign in the Civil Engineer Corps of the Navy, in lieu of ensign in the line of the Navy, as previously nominated and confirmed subject to the qualifications therefor as provided by law.

The following-named graduates from Navy enlisted scientific education program to be permanent ensigns in the line of the Navy, subject to the qualifications therefor as provided by law:

Charlie H. Allen
John E. Arbogast
Henry R. Feeser
Michael N. Hayes

Floyd A. Groves (Navy enlisted scientific education program) to be a permanent ensign in the Supply Corps of the Navy, subject to the qualifications therefor as provided by law.

Benjamin E. Thurston (Navy enlisted scientific education program) to be a permanent ensign in the Civil Engineer Corps of the Navy, in lieu of ensign in the line of the Navy, as previously nominated and confirmed, subject to the qualifications therefor as provided by law.

Joseph F. Vargo (Navy enlisted scientific education program) to be a permanent ensign in the Supply Corps of the Navy in lieu of ensign in the line as previously nominated and confirmed, subject to the qualifications therefor as provided by law.

The following named (Naval Reserve officers) to be permanent lieutenants (junior grade) and temporary lieutenants in the Medical Corps of the Navy, subject to the qualifications therefor as provided by law:

Stanley L. Bartley
Harry J. Candela
William A. Cook
William R. Crawford
Robert D. Holmstrom
Thomas W. Knipstein
Neil D. Kravetz
Carter W. Mathews
James F. Stager
Richard P. Strader
Robert H. Waldie

The following named (Naval Reserve officers) to be permanent lieutenants in the Dental Corps of the Navy, subject to the qualifications therefor as provided by law:

Carlton R. Cowen
John E. Matson

Russell L. Skyberg (civilian college graduate) to be a permanent lieutenant (junior grade) and a temporary lieutenant in the Dental Corps of the Navy, subject to the qualifications therefor as provided by law.

The following named (Naval Reserve officers) to be permanent lieutenants (junior grade) and temporary lieutenants in the Dental Corps of the Navy, subject to the qualifications therefor as provided by law:

Robert C. Cook
William E. Imlach
George F. Niesar
Sanford S. Rothstein
Charles R. Vath

The following-named line officers of the Navy for transfer to and appointment in the Civil Engineer Corps of the Navy in the permanent grade of lieutenant (junior grade) and in the temporary grade of lieutenant:

James J. Cameron
Paul C. Hazucha
Henry J. Rinnert

IN THE MARINE CORPS

The following-named officers of the Marine Corps for temporary appointment to the grade of first lieutenant, subject to qualification therefor as provided by law:

Charles T. Allen, III
Willard C. Britt
John F. Brosnan, Jr.
Carol W. Brown
Henry I. Cates
Ronald J. Coulter
Joseph T. Giacinto, Jr.
William A. Henderson
Stephen M. Ireland
Thomas F. Janidlo
Bertie D. Lynch
Stanley R. Tomlinson, Jr.

The following-named officer of the Marine Corps for permanent appointment to the grade of first lieutenant, subject to qualification therefor as provided by law:

Thomas S. Hubbell

CONFIRMATIONS

Executive nominations confirmed by the Senate July 15 (legislative day of July 14), 1965:

DEPARTMENT OF JUSTICE

Harold C. Doyle, of South Dakota, to be U.S. attorney for the district of South Dakota for the term of 4 years.

Charles L. Goodson, of Georgia, to be U.S. attorney for the northern district of Georgia for the term of 4 years.

Herman T. F. Lum, of Hawaii, to be U.S. attorney for the district of Hawaii for the term of 4 years.

Claude Vernon Spratley, Jr., of Virginia, to be U.S. attorney for the eastern district of Virginia for the term of 4 years.

D. Clive Short, of Nebraska, to be U.S. marshal for the district of Nebraska for the term of 4 years.

James E. Byrne, Jr., of New York, to be U.S. marshal for the northern district of New York for the term of 4 years.

Floyd Stevens, of Michigan, to be U.S. marshal for the western district of Michigan for the term of 4 years.

Harry C. George, of Illinois, to be U.S. marshal for the eastern district of Illinois for the term of 4 years.

James H. Dillon, of Wisconsin, to be U.S. marshal for the eastern district of Wisconsin for the term of 4 years.

Adam J. Walsh, of Maine, to be U.S. marshal for the district of Maine for the term of 4 years.

Hugh Salter, of North Carolina, to be U.S. marshal for the eastern district of North Carolina for the term of 4 years.

Charles N. Bordwine, of Virginia, to be U.S. marshal for the western district of Virginia for the term of 4 years.

INTERNATIONAL ATOMIC ENERGY AGENCY

Verne B. Lewis, of Maryland, to be the deputy representative of the United States of America to the International Atomic Energy Agency.

HOUSE OF REPRESENTATIVES

THURSDAY, JULY 15, 1965

The House met at 12 o'clock noon.

The Chaplain, Rev. Bernard Braskamp, D.D., used this verse of Scripture: Psalm 5: *O Lord, in the morning I will direct my prayer unto Thee and look up.*

God, our Father, we beseech Thee to supply us with those insights and resources with which our faith ought to provide us in these crucial and critical days.

There are many duties and responsibilities that challenge us in these desperate days of world history.

We sometimes wonder whether really our faith makes any difference in our attitudes and behavior, our character, and conduct.

Show us how to live helpfully and hopefully in sustaining our President, our Speaker, and our leaders, and in solving the complex problems which life brings upon us.

May we discharge each day's work faithfully and with wisdom and skill, taking an intelligent interest in world affairs and in being partners with all who are conscientiously performing their tasks.

We thank Thee for Thy servant who now dwells in eternal blessedness.

Hear us in Christ's name. Amen.

THE JOURNAL

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Arrington, one of its clerks, announced that the Senate had passed without amendment bills of the House of the following titles:

H.R. 225. An act to amend chapter 1 of title 38, United States Code, and incorporate therein specific statutory authority for the Presidential memorial certificate program;

H.R. 4526. An act to extend the provisions of title XII of the Merchant Marine Act, 1936, relating to war risk insurance, for an additional 5 years, ending September 7, 1970; and

H.R. 5242. An act to amend paragraph (10) of section 5 of the Interstate Commerce Act so as to change the basis for determining whether a proposed unification or acquisition of control comes within the exemption provided for by such paragraph.

The message also announced that the Senate disagrees to the amendment of the House to the bill (S. 24) entitled "An act to expand, extend, and accelerate the saline water conversion program conducted by the Secretary of the Interior, and for other purposes," requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. JACKSON, Mr. ANDERSON, Mr. BIBLE, Mr. KUCHEL, and Mr. ALLOTT to be the conferees on the part of the Senate.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 21) entitled "An act to provide for the optimum development of the Nation's natural resources through the coordinated planning of water and related land resources, through the establishment of a water resources council and river basin commissions, and by providing financial assistance to the States in order to increase State participation in such planning."

PEOPLE OF THE STATE OF ILLINOIS VERSUS CALVIN BRIM ET AL.

Mr. MURPHY of Illinois. Mr. Speaker, I rise to a question of the privilege of the House.

The SPEAKER. The gentleman will state it.

Mr. MURPHY of Illinois. Mr. Speaker, I have been subpenaed to appear before the Circuit Court of Cook County, Ill., to testify at Chicago, Ill., on the 19th day of July 1965, at 9:30 a.m., in the case of the people of the State of Illinois against Calvin Brim, et al.

Under the precedents of the House, I am unable to comply with this subpena without the consent of the House, the privileges of the House being involved. I, therefore, submit the matter for the consideration of this body.

I send to the desk the subpena.

The SPEAKER. The Clerk will read the subpena.

The Clerk read as follows:

SUBPENA FROM THE CIRCUIT COURT OF COOK COUNTY, ILL.

(*The People of the State of Illinois* v. *Calvin Brim et al*, No. 65–1216)

The people of the State of Illinois to all peace officers in the State, greeting:

We command that you summon Mr. WILLIAM MURPHY, 6617 South Harvard Street (not at home), to appear to testify before the Honorable Edward E. Plusdrak on July 19, 1965, room 504, circuit court, 26th Street and California Avenue, Chicago, Ill., at 9:30 a.m.

Your failure to appear in response to this subpena will subject you to punishment for contempt of this court.

Witness:

June 28, 1965.

JOSEPH J. MCDONOUGH,
Clerk of Court.

Mr. ALBERT. Mr. Speaker, I offer a resolution (H. Res. 475) and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Whereas Representative WILLIAM T. MURPHY, a Member of this House, has been served with a subpena to appear as a witness before the Circuit Court of Cook County, Illinois, to testify at Chicago, Illinois, on the nineteenth day of July 1965, in the case of the *People of the State of Illinois* against *Calvin Brim, et al.* (case numbered 65–1216); and

Whereas by the privileges of this House no Member is authorized to appear and testify, but by order of the House: Therefore be it

Resolved, That Representative WILLIAM T. MURPHY is authorized to appear in response to the subpena of the Circuit Court of Cook County, Illinois; and be it further

Resolved, That as a respectful answer to the subpena a copy of these resolutions be submitted to the said court.

The resolution was agreed to.

A motion to reconsider was laid on the table.

SUBCOMMITTEE ON IMMIGRATION AND NATIONALITY OF THE COMMITTEE ON THE JUDICIARY

Mr. FEIGHAN. Mr. Speaker, I ask unanimous consent that the Subcommittee on Immigration and Nationality of the Committee on the Judiciary may be permitted to sit in executive session during general debate today.

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

Mr. HALL. Mr. Speaker, I object.

CALL OF THE HOUSE

Mr. ROUDEBUSH. Mr. Speaker, I make the point of order a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

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

A call of the House was ordered.

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

[Roll No. 190]

Adair	Duncan, Oreg.	Mize
Ashbrook	Ford, William D.	Moore
Ashley	Fraser	Morgan
Bonner	Griffin	Morse
Bow	Halleck	Morton
Brock	Harvey, Ind.	Poff
Brown, Ohio	Hébert	Pool
Chamberlain	Huot	Powell
Corman	Keogh	Roncalio
Craley	Leggett	Saylor
Dague	Lindsay	Teague, Tex.
Dawson	McEwen	Toll
Diggs	Mailliard	
Downing		

The SPEAKER. On this rollcall 393 Members have answered to their names, a quorum.

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

REREFERRAL OF H.R. 1296

Mr. EVERETT. Mr. Speaker, on January 4, 1965, H.R. 1296 was referred through error to the Committee on Armed Services. We have cleared this with the chairman of that committee, and as a member of the Committee on Public Works, I ask unanmious consent that this bill be rereferred to the Committee on Public Works.

The SPEAKER. The gentleman from Tennessee asks unanimous consent to rerefer a bill from the Committee on Armed Services to the Committee on Public Works.

Is there objection to the request of the gentleman from Tennessee?

There was no objection.

TO AMEND THE PUBLIC HEALTH SERVICE ACT

Mr. HARRIS. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 2984) to amend the Public Health Service Act provisions for construction of health research facilities by extending the expiration date thereof and providing increased support for the program, to authorize additional Assistant Secretaries in the Department of Health, Education, and Welfare, and for other purposes, with a Senate amendment thereto, disagree to the Senate amendment, and request a conference with the Senate.

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

The Chair hears none, and appoints the following conferees: Messrs. HARRIS, O'BRIEN, ROGERS of Florida, SATTERFIELD, MACKAY, GILLIGAN, SPRINGER, NELSEN, and CARTER.

TO AUTHORIZE ASSISTANCE IN MEETING THE INITIAL COST OF PROFESSIONAL AND TECHNICAL PERSONNEL FOR COMPREHENSIVE COMMUNITY HEALTH CENTERS

Mr. HARRIS. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 2985) to authorize assistance in meeting the initial cost of professional and technical personnel for comprehensive community mental health centers, with Senate amendments thereto, disagree to the Senate amendments and request a conference with the Senate.

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

The Chair hears none, and appoints the following conferees: Messrs. HARRIS, O'BRIEN, ROGERS of Florida, SATTERFIELD, MACKAY, GILLIGAN, SPRINGER, NELSEN, and CARTER.

SUBCOMMITTEE ON LABOR OF THE COMMITTEE ON EDUCATION AND LABOR

Mr. ROOSEVELT. Mr. Speaker, I ask unanimous consent that the Subcommittee on Labor of the Committee on Education and Labor be allowed to sit during general debate this afternoon.

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

There was no objection.

NATIONAL CAPITAL TRANSPORTATION ACT OF 1965

Mr. SISK. Mr. Speaker, by direction of the Committee on Rules I call up House Resolution 434 and ask for its immediate consideration.

The Clerk read as follows:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 4822) to authorize the prosecution of a transit development program for the National Capital region, and to further the objectives of the Act of July 14, 1960. After general debate, which shall be confined to the bill and shall continue not to exceed three hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on the District of Columbia, the bill shall be read for amendment under the five-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. SISK. Mr. Speaker, I yield 30 minutes to the gentleman from California [Mr. SMITH], and pending that I yield myself such time as I may consume.

Mr. Speaker, House Resolution 434 provides an open rule with 3 hours of general debate for consideration of H.R. 4822, a bill to authorize the prosecution of a transit development program for the National Capital region, and to further the objectives of the act of July 14, 1960.

It is considered that the National Capital urgently needs a rail rapid transit system and that it is essential to the health, vitality, and appearance of our Capital City.

In the 88th Congress, legislation authorizing a rapid rail transit system was reported by the District of Columbia Committee and, on direction of the House, the legislation was returned to the committee for further review and consideration. A careful restudy has been made of the needs for such a system and of the provisions of enabling legislation. The need for such a transportation system was determined to be increasingly urgent. The responsibility of the Federal Government and the necessity of its participation in establishing such system are clear.

When the transit program was considered by the House during the last Congress, it was the feeling that specific provisions of the earlier bill—particularly those relating to financing and operation of the system and to the protection of transit labor—required revision. In conformity with the wishes of the House, substantial revisions have been made.

Specifically, the present bill would authorize the National Capital Transportation Agency—hereinafter referred to as the "Agency", or "NCTA"—to design, engineer, construct, equip, and to take such other actions authorized in the bill necessary to provide for the establishment of, a system of rail rapid transit lines and related facilities for the mass transportation of persons within the District of Columbia and between the District and points in Montgomery County, Md., and Arlington County, Va.

The proposed system would be limited largely to the District of Columbia. However, there would be one extension into Arlington County, Va., to serve the heavy Federal employment concentration at the Pentagon, and a short extension in Montgomery County, Md., in order to reach a suitable terminal location. The total system would be 24.9 miles long, with double track throughout, and would include 29 stations. Approximately one-half would be in subway, 7.5 miles would utilize a portion of existing railroad rights-of-way, and the balance would occupy other exclusive rights-of-way.

The estimated capital cost of constructing this system is $431 million, exclusive of interest requirements.

The system would be designed and constructed by private engineering firms under contract with the Federal Government.

The bill requires that the system shall be operated by private transit companies, railroads, or other private parties under contracts with the Agency. The Federal Government would retain control over essential matters such as fares and safety standards but would not be involved in day-to-day transit operations.

The bill accords labor in the National Capital region the same protective provisions given transit workers in other cities under the Urban Mass Transportation Act of 1964. Operating personnel would be employees of the private operator and not Federal employees.

The bill contains provisions preserving the rights of the bus companies presently serving the region. Further, the companies will continue to be regulated by the local transit commission which has a statutory obligation to assure a reasonable rate of return.

Mr. Speaker, I urge the adoption of House Resolution 434.

Mr. SMITH of California. Mr. Speaker, I yield myself such time as I may use.

Mr. Speaker, as stated by the distinguished gentleman from California, House Resolution 434, will provide an open rule with 3 hours of debate for the consideration of H.R. 4822, a bill to authorize a transit development program for the National Capital region.

The distinguished ranking minority member of the Committee on Rules, the gentleman from Ohio [Mr. BROWN], who is my leader, has asked me to bring to the attention of the House the fact that he is opposed to the bill without certain amendments to it. He feels this is not an expense that should be carried by various States and the people of the State of Ohio but should be handled by the area here. With that in mind, I did wish to bring this to the attention of the House at this time.

I know of no objection to the rule and, as stated by the gentleman from California [Mr. SISK], this is a matter that is privileged and could be brought up on any Monday under the rules but for the convenience of the House in order to have ample time to debate it here during a weekday, a rule was requested and granted. As I stated, Mr. Speaker, I know of no objection to the rule itself, and do not have any requests for time.

Mr. SISK. Mr. Speaker, I move the previous question.

The SPEAKER. The question is on agreeing to the resolution.

The resolution was agreed to.

A motion to reconsider was laid on the table.

Mr. WHITENER. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 4822) to authorize the prosecution of a transit development program for the National Capital region, and to further the objectives of the act of July 14, 1960.

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill, H.R. 4822, with Mr. HOLIFIELD in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the rule, the gentleman from North Carolina [Mr. WHITENER] will be recognized for 1½ hours and the gentleman from Minnesota [Mr. NELSEN] will be recognized for 1½ hours.

The Chair recognizes the gentleman from North Carolina [Mr. WHITENER].

Mr. WHITENER. Mr. Chairman, I yield myself 10 minutes.

Mr. Chairman and Members of the Committee, the bill, H.R. 4822, represents a great many months of work on the part of many people, particularly the members of the Committee on the District of Columbia, in the interest of the development of a rapid transit program for the National Capital region.

The bill which we have before us at this time is substantially different from the bill we considered in the 88th Congress. We believe that it meets the principal objections which were expressed in the debate on the previous bill.

I would say, as a member of the Committee on the District of Columbia, that one of the most frustrating things I have experienced as a Member of Congress has been the problem as we legislate for the District in getting District citizens together on propositions which are before the Congress.

In this instance, however, it has been most gratifying to see such a unanimity of opinion on the part of the citizenship of this area. More than 400 official and private organizations filed statements supporting this legislation. As far as I know, only one business organization has raised a discordant note in connection with the legislation, and I am not here to criticize them because they have a right to do so.

As Members of the Congress legislating in the public interest, I believe we must look at the broad picture and the great public need for the facility which this legislation proposes to give to the Capital region.

We have the support of the outstanding business people of this community, of the voluntary and official organizations, and of the individual citizenship of the community. I know we have the support of most Members of Congress who have the difficult task of commuting daily in the traffic situation in the District of Columbia.

I have been somewhat astounded in the course of the consideration of this legislation to see that I have been, by direction and indirection, branded as a party to a socialistic scheme on the one hand and as one who, on the other hand, is an anti-private-enterprise man. I am sure that this must have surprised some of my colleagues, as it has me. I am sure most Members were surprised to see in the paper the other day that along with me in this socialistic and anti-private-enterprise endeavor were such men as the president of the Southern Railway Co., the chairmen of the boards and presidents of the banks in the community, and most of the business organizations. They say with me that this is a good legislative proposal and, in effect, that it will not do violence to our concept of free and private enterprise.

When I talked to some of our colleagues I heard them say, "We are spending too much money here in the District of Columbia." They say that we should not do this, that for some reason it is just wrong to do it.

Now, my friends, only this week we have seen an example of what the District of Columbia means to America. Over this town today there are an estimated 150,000 members of a great organization. They came here not from the National Capital region but from every small community in the Nation and some from foreign countries, to participate in a week of activities.

I know that any of us who walk from here to the Senate Chamber during at about this time of the day each day sees the thousands and millions of people passing through this building each year, and becomes aware of the fact that these are not people from the National Capital region but are people from our own communities in the several States.

We do have a peculiar responsibility here in the District of Columbia. It is easy to say that we are not going to meet our responsibility on the ground that we are doing too much for the District of Columbia. But let us look at the picture as it is. Let us see whether that sort of reasoning is accurate.

You want to vote an economy vote. I want to vote an economy vote. Whether you plan to vote now to build a subway system, I do not believe that any of you think one will not ever be built. If we do not approve this legislation, we merely defer the building of it until a later day. Having done that, all of the predictions we receive from business experts would indicate that in the future the cost of the construction of it will not be any less than it is today but most likely will be higher. Therefore, if we pass up this opportunity, someone in the Congress will at some later date be spending twice as much per mile for this subway system.

There is another feature of the proposal that convinces me that to vote for it is an economy vote and that to vote for it is not putting an undue burden on the backs of the people in your own congressional district but is, instead, relieving the people of a burden now on their backs. Why do I say that? We know that the people of the District of Columbia have to be moved from place to place. They are going to be moved by automobile or they are going to be moved by a rapid transit system, by buses or some other vehicular device. If we do not have a rapid transit system, we are going to have to have a great many more highways and freeways than will be necessary if we have this system.

Let me hasten to say to you I am not opposed to building adequate highways and freeways. Here in the District you have a limited area within which you can build highways and freeways. If we continue to take up more of the limited amount of taxable real estate we have, and if we continue to dislocate thousands of people with every mile of freeway we build, we soon will reach a point at which there is no productive land or opportunity for the people to find places of residence.

Let us see what we do if we must build 3 additional miles of highways or freeways for each mile of subway we are talking about here. The evidence and the undisputed evidence before our committee is that it costs on the average of $21 million per mile for freeway in the District of Columbia. The evidence also shows it costs approximately $21 million per mile to build a mile of rapid transit, including the providing of that track with the rolling stock necessary to operate it. So you come out with the same average cost per mile as between the freeways and the rapid transit system.

The CHAIRMAN. The gentleman has consumed 10 minutes.

Mr. WHITENER. Mr. Chairman, I yield myself 10 additional minutes.

Now, again I point out I am not antihighway. When you are building your freeway, though, you are taking property off the tax books and dislocating people and are having a constant and recurring expense of maintenance to an extent you do not have with a rapid transit system.

Let us go a little bit further now with it if we are thinking of our taxpayers back home. Every mile of freeway we build under the Interstate System program—and much of it is done here in the District of Columbia—your taxpayer at home is paying 90 percent of the cost of that freeway, whereas under this bill you are only paying out of the General Treasury a little over 25 percent of the cost. So, if you want to use this argument of pouring money from your district into the Nation's Capital, then, if you vote against this proposal, it seems to me that you are voting to put an additional burden on the backs of your people rather than relieving them, as you can do with this bill.

This legislation is well understood, I hope, by all of you. There have been many confusing and many unsupported contentions made and these have come over your desk. Let me briefly say that this bill would provide for the construction of a system primarily within the District of Columbia, as shown on this map. It proposes a total of 24.9 miles of transit system, with double track throughout the system and with 29 stations. Approximately one-half of it, or 13.1 miles would be in subway; 7½ miles would be on an existing railroad right-of-way, and the balance would occupy other exclusive rights-of-way.

It is estimated by engineers, who are the leaders in the field, that the cost of this system would be $431 million. This would involve, under the bill, a Federal contribution of $100 million, a District of Columbia government contribution of $50 million and $281 million to be derived from the sale of revenue bonds. These bonds would be retired by revenues produced by the transit system itself.

You may hear some say that this is not a practical suggestion. I want to be as candid as I may with you and say that I am not an engineer. I have no peculiar technical knowledge that any other Member of Congress does not have, but I am not going to stand here and tell you that men who are leaders in the field, people of unimpeachable reputation in this field, are deliberately misleading the Congress. And so I have to accept the estimates of these outstanding engineers and firms who have been employed to make these studies and these predictions.

This transit system is needed and needed badly today. It will be needed more in the future. If you have looked at the report and have read the statistics that are the projections of the future you will be even more impressed with the future need of this type of system.

Washington today is the fastest growing metropolitan area in the Nation. Today there are more than 2 million people living and working in what we call a National Capital region. By 1980 the population is expected to reach 3½ million, an increase of more than 50 percent and it is further predicted that, by the year 2000, there will be 5 million people in this area.

Mr. JONAS. Mr. Chairman, will my colleague yield to me?

Mr. WHITENER. I yield to the gentleman, briefly.

Mr. JONAS. Mr. Chairman, I want to commend my colleague from North Carolina for his fine statement and for the hard work he has performed in the preparation of this bill. He is making a strong argument in favor of it. I did not vote for the bill that was before the House last year, and, frankly, I have not decided whether to vote for this one. My reservations about it do not go to the question of whether a subway or rapid transit system is needed, or that the population of this metropolitan area is not sufficient to support it. My only reservation is the allocation of cost between the taxpayers of the country and the taxpayers of the District of Columbia.

If my colleague from North Carolina plans to discuss that formula later on, I shall not ask him to do so now. But, for one, I would like to know the basis upon which twice the amount that will be invested initially in this system by the people in the District of Columbia will be charged to the taxpayers of the Nation.

I do not blame the business people, the merchants and the other business people in the District of Columbia, for supporting this bill or for desiring a subway system. I am only concerned with how much of the cost should be borne by the taxpayers who do not reside in the District of Columbia and who will not derive any direct benefit from the system.

Mr. WHITENER. I thank the gentleman for his comments.

I would point out to the gentleman that I am sure he remembers under the previous bill to which he has referred the District Government would have participated in a much less significant way than is true under this bill. At that time we had proposed a $120 million Federal grant and a $21.7 million grant from the District of Columbia.

Now, this formula that we have worked out has been worked out in a very cooperative way. In meetings in North Carolina last fall with representatives of the Bureau of the Budget, who were representing the President, representatives of the National Capital Transportation Agency, and representatives of the government of the District of Columbia, at that meeting and in subsequent discussions, it was resolved to proceed on this basis.

The District government representatives said they thought it was fair to them, the Bureau of the Budget said that they thought it was fair and, so, we came to these figures.

I realize—and I am not being critical of the gentleman from North Carolina [Mr. JONAS] when I say this—that whatever formula we arrive at will not be agreeable to everyone. However, we have done the best we can. We have certainly improved the bill from the gentleman's point of view in that this bill does require a greater local participation than the bill in the last Congress.

Now, Mr. Chairman, let me say to the gentleman, though, and getting back to this other proposition of the participation of the Federal Government, I mentioned earlier that the Interstate Highway System's freeways that we build here require a 90-percent participation of the general Federal Treasury and that the ABC roads require a contribution of 50 percent. So it seems to me that this may be a bargain for the people throughout the country if we are to build roads and freeways in lieu of rapid transit.

Mr. JONAS. Mr. Chairman, will the gentleman yield further?

Mr. WHITENER. Yes, I shall be glad to yield further to the gentleman.

Mr. JONAS. Of course, that situation applies to all States. But we are not building subways in all the other cities in the United States.

Mr. WHITENER. Well, I do not know. Of course, we are not in all cities, but I have here before me an article out of Railway Age of July 5, 1965, which states that the Housing and Home Finance Agency had just made a grant to the city of Cleveland, Ohio, for $6,995,000 and it further states if the comprehensive Cleveland seven-county transportation land-use study is completed within 3 years, the Government will allocate another $2,250,000 for the project.

So it seems to me that the Federal Government is participating, I might say to the gentleman, and we will have to pay for it in these other cities.

Mr. JONAS. I did not intend my question to be critical. I was really seeking light on this subject, and I have an open mind on the subject. I just wanted to know if I could find out the basis on which the formula was agreed to.

With respect to the Cleveland situation, I am quite familiar with that program, financed by the Housing and Home Finance Agency. We do have projects in other cities of the United States. But this is not coming under that authority, and is a separate and outright grant.

I do not know of any precedent for it. There may be some, but I have not heard of any other city in the United States in which the Federal Government is assuming such a heavy portion of the cost, including 100 percent guarantee of the bonds that are to be issued.

Mr. WHITENER. I thank the gentleman.

Mr. FEIGHAN. Mr. Chairman, will the gentleman yield?

Mr. WHITENER. I yield to the gentleman from Ohio.

Mr. FEIGHAN. I want to commend the distinguished gentleman from North Carolina for his very clear, concise, and forceful presentation which reflects the careful study he has given to the problem.

I would like to ask if funds that are proposed to be issued will be guaranteed by the Government?

Mr. WHITENER. Yes, they will; otherwise I think that the interest rate on bonds would be so high as to make it prohibitive.

Mr. KING of Utah. Mr. Chairman, will the gentleman yield?

Mr. WHITENER. I yield to the gentleman from Utah?

Mr. KING of Utah. There are in the Nation about 8 or 10 metropolitan areas as large as that of the District or larger, some of them substantially larger. The question, of course, comes up immediately: Are we establishing a precedent here to the effect every metropolitan area as large as or larger than the District of Columbia may lay claim to Federal assistance to the tune of $100 million or more?

My question is this: Is this a precedent, or are there distinctions that could be validly drawn between this situation and that in the other metropolitan areas?

Mr. WHITENER. Let me say to the gentleman from Utah that all of us from time to time use certain arguments. I have been on both sides.

In these District of Columbia arguments many of us say at times we should look at the District of Columbia as we do the other cities of the country. Yet when another piece of legislation comes up some of us say this is different; this is the Nation's Capital. It is the Nation's Capital; it is everybody's Capital.

Those of us who believe that recognize that we have a peculiar responsibility. Some of my friends in the House support home rule for the District of Columbia. Some of us do not. I say to those who do not—I have been one of them—that if we who do not believe in home rule continue to deny the basic necessities of this community, we have cut the props out from under our argument that the Congress should legislate exclusively for the District.

I probably should not have made that statement but I say we do have a responsibility.

If we believe that the Congress should continue to govern the District of Columbia, then I say we have an obligation to recognize that, and we must provide the facilities which a united community such as we have in this case could provide for itself if it had local control. Because, as I have said earlier, in all of the hearings we have had, the only opposition to this program was from the president of the D.C. Transit System, Inc. He made a very careful statement saying that he was not opposed to the concept of rapid transit, but he wanted us to do certain things for him if we passed the bill.

Mr. HORTON. Mr. Chairman, will the gentleman yield?

Mr. WHITENER. I yield to the gentleman.

Mr. HORTON. I would like to commend the gentleman as chairman of this subcommittee for the extensive time that has been spent by this subcommittee on this problem. According to my calculations there were something like 21 days of hearings that were held on this and other proposals which started back in 1963.

The House should be reminded that there was a more elaborate plan that was proposed initially and subsequently the so-called bobtailed system which came to us for a vote last year, which had some problems in it, and was turned down by the House at that time.

Subsequent to that, hearings were held again this year on this proposal. I think the membership should know that through the dedication of the chairman of the subcommittee and other members of this subcommittee, who have been very faithful in their attendance, there has been much time spent on studying this problem and trying to give the answers to the Members of the House on this problem.

Mr. Chairman, we have before us today a bill of vital importance, not only to the city of Washington and its suburbs but to all the metropolitan areas of the United States. H.R. 4822 is a proposal which has meaning for our entire Nation.

The Washington metropolitan area is now the fastest growing urban region in the United States. In 1960, its population approximated 2 million. Projecting present growth rates, it is estimated that this figure will reach 3.5 million by 1980, and 5 million by the year 2000. These statistics, standing alone, are staggering, but they reach even greater proportions when one considers the millions of tourists who journey to the Nation's Capital each year.

This tremendous growth has brought with it serious transportation problems. One needs only to observe a single day's rush-hour traffic to be made aware of the immense proportions of the vehicular tieup at those times. We must act now before this situation becomes even more critical.

We Americans rightly take great pride in our National Capital. Majestic buildings, wide thoroughfares, stately parks, and noble monuments and memorials to the great men of American history—all these can become lost in the desecration of the city's core through the flood of automobiles. Do we want to see massive parking garages and lots rivaling our Government buildings? Already one can see the day of chaotic traffic jams which prevent the free flow of workers to their jobs or homes, and which prevent the tourist from enjoying the benefit of visiting the many areas of interest in this city.

I believe we have now a chance to make a firm commitment to the future by the enactment of this bill, the National Capital Transportation Act of 1965.

I want to commend my colleague, Congressman Whitener, for the excellent leadership and foresight he demonstrated during the consideration of this proposal in committee. I was privileged to serve with him in this undertaking and was constantly impressed with his dedication to the betterment and progress of the Nation's Capital.

I believe that this bill squarely meets present and future needs for good urban transit. The bill provides for the construction of a limited rapid rail transit system which will serve the most critical areas of traffic congestion. The system proposed is a basic one, and rightly so, since one does not know the future pattern of regional development.

Highways alone cannot solve this problem. Not only would unlimited road building detract from the esthetic value of this city, but as a practical consideration, it cannot meet the local transportation requirements of Washington. Bus, automobile, and an effective rapid rail system in a coordinated program is the only solution.

With enactment of this legislation, we will significantly help to solve the Capital's growth problems, and also set an example to be followed by other urban centers in the solution of their similar problems.

If we are to keep faith with our responsibility in preserving the dignity of our Nation's Capital and if we are to improve the lives of those who live and work here, we must pass H.R. 4822 now. I therefore urge my colleagues to vote favorably on this legislation.

I would like to ask the chairman [Mr. WHITENER] for a comment with regard to an area which I was very much concerned about. He will recall at the hearings this year when the director of the National Capital Transit System was testifying and in the initial questions that I asked, I was concerned about the problem of crime in the subway, being somewhat familiar with the operation in New York City and the problems they have there with regard to this. I asked some questions about the means that the proposal would provide to protect people using this system. I think it would be appropriate if the gentleman from North Carolina would say a word or two about the provisions of this program to protect the users of this proposed system against crime being committed in the subway system.

Mr. WHITENER. Let me say in reply to the gentleman that I appreciate his remarks. I would not be as attentive to fact as I should be, if I failed to state that the gentleman from New York [Mr. HORTON] has been a very interested and very valuable worker in the rapid transit vineyard as we have dealt with it now in two Congresses. I certainly appreciate what the gentleman has said. I am also appreciative of his interest in the crime situation in the District of Columbia because in that area the gentleman has worked very diligently as have some of the others of us. I interject at this point that if the other body would pass my omnibus crime bill which came out of our subcommittee, I think it would be a noteworthy step in meeting the crime situation.

As I see the situation here, with the type of proposed transit stations, there would be nothing there to encourage criminals. It would be well lighted. The environment would not be conducive to crime.

We do have crime on transportation facilities. I know that the present operator of the bus system in the District of Columbia has been asking the police department to provide a police officer for every bus that he operates at night. Well, of course, if that is necessary on the buses, I would be silly to say that we will not have some crime maybe in the subways. But I think the likelihood of it on the subways is less than it is on the buses.

I think this is not a proper consideration for us as far as law enforcement is concerned because if I build a large apartment building in the District of Columbia, I may increase the potential situs for crime but yet the District government has to furnish police protection. This is a new facility. We furnish police protection for the buses through the general protection that the police department furnishes in the District of Columbia, and we should for the subways.

Mr. GROSS. Mr. Chairman, will the gentleman yield on the subject of crime and associated matters?

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

Mr. GROSS. I was of the opinion, too, that the YMCA would be a well conducted place in Washington, D.C., but the evidence is that in the past strange things have happened there.

I really rose to ask the gentleman—because I live in that section of Virginia—what the Pentagon city situation will be? Who is going to provide the parking lot over there to serve that leg of the subway?

Mr. WHITENER. If the gentleman will look at the report, he will find it is contemplated that at the termini there will be parking facilities. This is part of the estimated cost.

Mr. GROSS. Are the taxpayers of the country going to be saddled with a lot of expense of providing parking lots to serve the subway in Virginia?

Mr. WHITENER. Of course, the gentleman knows that after the $150 million is paid out of the District and Federal Treasuries, the fares paid into the fare boxes will pay the balance. The folks who use the system will be paying for it.

Mr. GROSS. Will they pay for that the way they are paying off the stadium bonds?

Mr. WHITENER. I believe they will do much better than that.

Mr. GROSS. I am glad the gentleman so believes, but I am completely unconvinced that will be the case.

Mr. WHITENER. Mr. Chairman, if I may conclude my remarks, I do so by saying I am most appreciative of the dedicated assistance we have had from the ranking minority Member of the Committee of the District of Columbia [Mr. NELSEN] and the members of our subcommittee, as well as the members of the full committee. They and the Members of the committee on my side have worked with management people, with labor, with representatives of the Government and the White House, down to the National Capital Transportation Agency, and have tried to do a good job. We hope that you will concur with us today and that you will pass the bill without amendments other than committee amendments.

Mr. BOLAND. Mr. Chairman, will the gentleman yield?

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

Mr. BOLAND. I wish to commend the gentleman for his persuasive and thorough statement in relation to this problem. I know there are few votes in North Carolina, or in Gastonia, when the gentleman champions a cause like this. As has been true in the past, the gentleman rises to the more noble position of doing what should be done for the Nation's Capital. He deserves the plaudits of the Congress and the plaudits of the people who live here, and indeed the plaudits of the people of America.

I share the gentleman's position, when he says that since this is a problem which exists in the Nation's Capital it is the responsibility of all 50 States of the Nation. There is a difference. There is a vast distinction between doing what we are doing here with respect to a transit system in the Nation's Capital and all other transit systems in the 50 States of the Nation.

I congratulate the gentleman and his committee for bringing this bill, a good bill, to the floor today.

Mr. WHITENER. I thank the gentleman very much.

Mr. NELSEN. Mr. Chairman, I yield 10 minutes to the gentleman from Indiana [Mr. ROUDEBUSH].

Mr. ROUDEBUSH. Mr. Chairman, I would like the Members of this body to know that I very strongly oppose H.R. 4822, the bill that would provide a rapid transit system for the National Capital region.

There are many reasons I am opposed to this legislation, and I feel that the bill should not receive favorable consideration by this body.

I think it is fair, too, while we discuss this legislation, to make it perfectly clear that it is the intent that a motion to recommit it to the House District Committee will be made. Further, I intend to support such a recommittal motion.

I am certainly aware of the traffic situation in the District of Columbia. I reside here, and operate a motor vehicle here. With the great growth of Government in recent years, and a resulting influx of new employees, a tremendous burden has been placed on existing streets and thoroughfares.

I do not oppose a system of mass transportation for the District of Columbia, for I feel that it is needed here just as it is needed in many of the major cities of this land.

I am sure all of you have had occasion to drive in large cities in the areas you represent, and have probably noted that traffic congestion is a national—yes, perhaps a worldwide—problem. I do not believe there is a major city in the United States—or the entire world—that has streets adequate to cope with the number of vehicles in use.

My opposition to the legislation that we consider today was made many times both in the subcommittee and full committee. When a vote was taken to bring it to the floor of the House, I opposed such action.

I do not feel that the subway system as now proposed will solve the traffic situation in the District of Columbia, and expert testimony received in committee would bear out this statement. The system provides for 14 subway stops in downtown areas, which are supposed to replace more than 600 present stops made by surface vehicles.

When this same legislation was considered in the last Congress, the House recommitted it to the committee by an overwhelming vote. The Washington Metropolitan Area Transit Commission testified during the preceding Congress in vigorous opposition to this transit plan. The WMATC was created by interstate compact between the States of Virginia and Maryland and the District of Columbia, and its purpose was to regulate and improve transit conditions in the Washington Metropolitan Area. The expert opinion of that agency is contained in the minority viewpoints signed by the gentleman from Wisconsin [Mr. O'KONSKI] and me. They appear on page 65, and I recommend that you read this comment.

Although this bill last year was considered on District Day, during the present Congress a rule was obtained and this large authorization bill is considered here today under a regular business session. Here I want to commend the proponents of this legislation, since this bill is too great in scope to be considered as a routine District matter.

The legislation provides an authorization—or perhaps I should say an obligation on the part of the Federal Government—of $433 million. But I think the record would plainly show that $433 million is just the first request for the construction of this abbreviated version of a mass transit system for the District of Columbia. The Federal Government would immediately be authorized to spend $100 million on this system, plus an advance of $50 million to the District for its share of the total $433 million. The difference between this $150 million and the $433 million would be raised by the sale of bonds guaranteed by the Federal Government.

To make it perfectly clear, if this legislation receives favorable consideration by this body, the Federal Government is underwriting the entire total of $483 million for construction of this system.

There has been much discussion about this figure of $483 million being adequate to provide the cost of the 25-mile subway system. The proponents of this bill quote engineering studies in proof of this estimate of cost. I am not an engineer, but I feel that this figure is woefully short of the true cost of this system. It has been pointed out that the subway between the new Rayburn Building and the Capitol cost $26,000 per foot. Yet the proponents of this bill indicate that a subway can be built for the city of Washington, D.C., at about one-tenth that cost. And we should remember that no right-of-way had to be purchased between the Rayburn Building and the Capitol.

I have no idea what the true cost of this system would be, and I doubt very much if anyone else does.

In the District Committee, we find this great and growing city plagued by many problems. We are told of the need for more roads, which undoubtedly is true—new schools, more teachers, more policemen—and all of these are valid needs. I have dedicated my service on the House District Committee to the betterment of these facilities, and I do feel these needs far outweigh the tremendous contributions required for the subway system.

The other day I picked up a copy of one of the New York newspapers and found they have a total of 800 policemen assigned to the subway system alone.

We have a crime situation here in the District, and I am sure if it follows the usual pattern of other cities the subway system will accentuate this problem.

The cost to the District government for the employment of more policemen to maintain order on a subway system will be staggering, and it has not been taken into consideration by the proponents of this bill.

As I continue with my reasons for opposition, I would like to state that the construction costs and the cost of labor to operate the system are completely out of date. At best, they are at least 3 years old, and the operators of the current surface transportation have received increases in pay over that time. It is my understanding that the average wage increase is about 80 cents an hour over what it was 3 years ago.

The committee spent many hours on this legislation, and I commend those who favor it as well as those who oppose it. However, I think it is fair that this body know that there is not a single subway system in the United States which operates at a profit. Some of these subway systems are located in cities larger than the District of Columbia, and with just as much traffic congestion. It was reported just 2 weeks ago that the New York system showed a record deficit of $62 million, and Mr. Joseph O'Grady, the Transit Authority Chairman, placed the blame—and I quote him—"on a declining trend in rapid transit riding, the continuation of an upward trend on surface riding."

Mr. O'Grady, in making his report, continued by pointing out that operating expenses were $16 million more than was budgeted, that salaries and wages increased $13 million over the past year.

Another point I made several times in committee, as the hearings will show, is that by the very design of this system, it will serve principally suburban residents of the District. Due to the geographical makeup of the District of Columbia, a great deal of the population of suburbia is in the adjoining States of Virginia and Maryland.

The subway system, which will end up being paid for by the Government, will serve District residents, but the greater service will be to those States of Maryland and Virginia, who are not committed to spend even one cent in providing this system. This preponderance of Federal employees pays income tax to these States. They contribute in property tax, vehicle licenses, and other forms of revenue. To favor this bill would, to me, be grossly unfair, since I feel that these States have a responsibility.

Finally, may I say to those of you who believe in the free enterprise system, please do not proceed under the assumption that you are here providing a system of transportation operated by private enterprise. I must repeat, the whole system is to be built, equipped, and financed by the Federal Government. While it is true that the bill provides the system be operated by private enterprise, the company would invest little except its time and technical know-how.

In conclusion, I will say this is not a good bill. I do not think it is ready for consideration by the House. I feel very strongly that it should be recommitted to the committee, and before an integrated system serving two States and the District be approved, certainly the necessary finances should be forthcoming from both Virginia and Maryland to pay their fair share of the cost.

I hope this bill will be recommitted by the same overwhelming majority a similar bill was recommitted in the preceding Congress. Also, that it serve as definite notice to members of the transit agency that this House will not approve a system of this size without current studies and contributions by the adjoining States for its construction and operation. And in the event this bill passes, the Members of this body should be prepared to subsidize this system in large amounts during the period of its operation.

The CHAIRMAN. The time of the gentleman from Indiana [Mr. ROUDEBUSH] has expired.

Mr. WHITENER. Mr. Chairman, I yield the gentleman 2 additional minutes.

Mr. ROUDEBUSH. I thank the gentleman from North Carolina.

Mr. WHITENER. Mr. Chairman, will the gentleman yield to me?

Mr. ROUDEBUSH. I am happy to yield to the gentleman.

Mr. WHITENER. Mr. Chairman, I know of no fairer minded Member of the House than the gentleman from Indiana.

Mr. ROUDEBUSH. I thank the gentleman, and congratulate my chairman on his fairness.

Mr. WHITENER. More dedicated to his work. But I was quite surprised when I got a Thermofax copy of a letter dated July 10, 1965, signed by the gentleman from Indiana which is headed, "What's happening, Baby?" I find a statement on page 2 that the cost of building the 300-foot subway between the Rayburn Building and the Capitol was $7,700,000. And, saying that it cost $26,000 a foot to build the subway between this Capitol and the Rayburn Building and, therefore, it was ridiculous that we could build this Washington subway as cheaply as we contended we could do it.

Mr. Chairman, this question came up in the hearings when a man by the name of O. Roy Chalk made the same statement to the committee several days after it had been made by a Member of Congress.

We brought out in the hearings the fact that according to the Appropriations Committee hearing, the total cost of the project was $7.7 million and that this included $3.7 million for underpinning the House wing of the Capitol. It also included additional amounts for subway cars and elevators as well as escalators within the Capitol and that of the total cost, approximately $2.1 million was attributable to the subway itself, including the terminal under the House wing.

The CHAIRMAN. The time of the gentleman from Indiana has again expired.

Mr. WHITENER. Mr. Chairman, I yield the gentleman 2 additional minutes.

The CHAIRMAN. The gentleman from Indiana is recognized for 2 additional minutes.

Mr. WHITENER. If the gentleman will yield further, this included the terminal under the House wing and a part of the terminal of the Rayburn Building.

This sum, when divided by the actual project, yields an average per-foot cost not of $26,000 a foot but of approximately $3,500 a foot.

So, that is why I was surprised, knowing how fair-minded my friend from Indiana is, that he would sign a letter which was so out of keeping with what we found upon research to be the facts.

In the letter the gentleman said a 300-foot subway from the Rayburn Building to the Capitol when, in fact it is a 600-foot subway.

Mr. ROUDEBUSH. If the gentleman will allow me to use a little of the time which he has so generously yielded to me—and I thank the gentleman for his expressions on behalf of my fairness—I might point out that the gentleman does not take into consideration the moving of conduit lines, utility installations, and sewers and the gentleman must remember the cost of the elevators as well as the cost of the rolling stock on the subway system. So, you have many, many costs that are very comparable as to the subway between the Capitol and the Rayburn Building, and the bob-tailed system.

Mr. WHITENER. If the gentleman will yield further, the gentleman does not really say he believes it cost $26,000 a foot to get from the Rayburn Building to the Capitol and that the subway is 300 feet long instead of 600 feet long?

Mr. ROUDEBUSH. I have never been through that subway but a few times. I have never ridden in the cars. I still have my office in the Longworth Building. I am not familiar with the Capitol subway nor have I actually measured the thing. I used figures that were given to me by the proper sources of Government.

Mr. WHITENER. When I read this, I thought perhaps I should paraphrase the opening line, and ask the gentleman "What's happening, Baby?"

Mr. ROUDEBUSH. You know, the gentleman last year during the same colloquy remarked that he opposed mass transportation and certainly the gentleman also was recorded that way. The gentleman from Indiana told the gentleman from North Carolina that he was just "agin" it. To that I must retort today, "Sir, you are just 'fer' it."

Mr. WHITENER. Mr. Chairman, I yield 10 minutes to the distinguished gentleman from New York [Mr. MULTER].

Mr. MULTER. Mr. Chairman, I, too, want to add a word of commendation to that of my many colleagues for the fine work and the devoted attention given to this problem by the distinguished gentleman from North Carolina, the chairman of the subcommittee [Mr. WHITENER], as well as those of our colleagues who worked so hard with the gentleman on the subcommittee and the full committee.

Mr. Chairman, I hope that when it comes time to offer amendments to this bill, pride of authorship will not prevent a proper and full consideration of those amendments and that no one will feel that because the Congress may decide that some of these amendments are good we are finding fault with the devoted work that has been done by the chairman of this committee who has worked so hard on it.

At the same time, Mr. Chairman, I believe all must concede that in a bill of this proportion no one person has all the answers, and if we can come up with some better answers and improve this bill, that is what should be done.

I think at the very outset I must also thank the chairman and the members of the subcommittee for their tolerance of the views of those who oppose the bill or parts of the bill. I want you to know they gave me one full morning to present my views to them. It would take much longer than the time available for the whole debate to reargue those matters, and I hope those who are interested will read my testimony as it appears in the printed record beginning at page 249 of the hearings.

I am very happy that the distinguished chairman of the subcommittee who is handling the bill on the floor has told you this is a national problem. It is not a District of Columbia problem. It is a problem involving the city of Washington, as the Nation's Capital. It is the duty of the entire Nation to do this job if it is to be done.

One of the amendments I will offer I call "Let us face up to it." I ask you, please, to face up to it. It is the only way we can cure this mass transportation problem in the District of Columbia, whether by a subway system or otherwise. The only way it can be done is by the U.S. Government or the Federal Treasury paying the cost of it. It cannot be done otherwise. Let us not camouflage it by saying the District of Columbia will give $50 million of the entire sum toward the cost, because there is no such sum available to the District of Columbia unless it comes out of the U.S. Treasury.

So, let us face up to it. If this is going to be done, let us do it directly with U.S. Treasury money, whether it is $431 million or $483 million, including the interest on the first issue of bonds, or $2 billion. If you decide you want a subway system in the District of Columbia let us decide that the U.S. Treasury is going to pay for it, and provide in this bill how it is going to be done.

The method provided in this bill, in addition to having $50 million contributed by the District of Columbia, which must come out of the U.S. Treasury, and the other $100 million as the initial contribution to come out of the U.S. Treasury, is to float bonds and sell bonds to the public. The bonds should be paid out of the fare box, is what we are told. You are told these bonds will not be salable unless guaranteed by the U.S. Government. To sweeten it they write in a provision that the bonds will be guaranteed both by the District government and the U.S. Government, but again the District government will not be able to meet its commitment unless the U.S. Treasury will feed the money to the District of Columbia. This is doubletalking, double bookkeeping. If it is to be done, do it directly.

I tell you the cheapest way to finance this, if it is going to be financed by borrowing, is let the U.S. Government do the borrowing on bonds that are sold to the public at the lowest possible interest rate you can get on those bonds when you issue them, and let them be paid by the U.S. Treasury. If the U.S. Treasury can recoup any of it out of the fare box, fine, so much the better. I do not think it will be recouped. But instead of doing this double bookkeeping on the sale of bonds at a high interest rate with a guarantee of the U.S. Government, let us sell the U.S. obligations in the first place at the lowest rate possible, and lend the proceeds to the National Capital Transportation Agency that will build and operate this system, and let it agree to repay it as we do with other agencies, plus one-eighth of 1 percent over and above the interest rate the Government pays for that money.

That is the way you face up to it and this is the way you meet the issue, if you are going to be fair with yourself and fair with your constituents and fair with the District of Columbia.

The District of Columbia today cannot meet its budget. It comes in here every year and begs us to make up the deficit. Now let us not kid ourselves that we can avoid a deficit by saying we will meet it later. Let us meet it now if we want the system. Let us make up our mind that we are going to pay for it. And if we must use borrowing, let us do the borrowing in the cheapest way available to the Government and, that is, by a direct Government bond issue to be sold to the public at the lowest rate available and lend that money at one-eighth of 1 percent over that cost to the District of Columbia.

Again I say if we get any of it back, we are so much the better off.

There are several other amendments that will be offered when we will be considering the bill under the 5-minute rule. I would like to tell you very briefly about them.

I resent, with the chairman and very properly resent, those who point a finger at him and say this is a socialistic approach. The committee has written into the report language which would seem to indicate that we want private enterprise to build this subway and to operate it. But I say we must write into the bill the precise language that we do want private enterprise to build this subway system and we do want private enterprise to operate it, and I will offer amendments on that subject when we read the bill for amendment.

There is one other matter that has been completely overlooked and I will offer an amendment on that and I hope it will be accepted by the committee, and that is to provide that anyone, man, woman, or child, business firm or corporation, that is damaged or injured by reason of the building of this subway will have a cause of action and have a right to sue the District of Columbia and be paid for whatever damages they may be able to prove in a court of law as a result of the building of this subway.

There is a provision in this for condemnation but I am not now talking about the condemnation provision. I am talking about the maiming of persons and the death of persons that can be caused and the damage that may be caused to property by reason of and during the course of the building of this subway.

Let me tell you. That can run into millions of dollars in the building of a system the size of this one. I base that statement on the experience we have had in the city of New York where we also have built a rather large subway system.

Mr. VANIK. Mr. Chairman, will the gentleman yield at this point?

Mr. MULTER. I yield to the gentleman.

Mr. VANIK. I would like to ask the gentleman if he can tell me whether it is contemplated that the public will pay for the moving of all of the utility lines involved in connection with the construction of the subway. This also is a very costly and tremendous item. Many of these utility lines and service lines are obsolete and have to be replaced anyway. My question is whether or not this will be done at the public expense or will the moving of such utility lines be a burden upon the utility companies that serve the area?

Mr. MULTER. Let me say first that this is a cost which is estimated as part of a percentage figure set up for contingencies in the cost figures that were submitted. I suggest to you that the cost will run many millions of dollars over and above what is estimated here in the cost figures that were submitted to our committee, with this additional caution—the law is not at all well settled as to whether or not a utility company must move its facilities at its own expense or at Government expense. There are cases holding both ways. Some cases hold that if the facilities are being moved because of private enterprise, then the government that is the cause of such movement of the facilities, must pay for it.

There are other cases that hold if this is being done for a public purpose—and if this is to be a public transportation system then it is a public purpose—then the utility must pay for the cost of moving these facilities.

Mr. VANIK. I would gather then that the cost of moving the public utilities is not a cost contemplated in the bill as submitted by the committee.

Mr. MULTER. A part of that cost has been estimated but as I say it is underestimated. If they follow the rule that we must pay a utility for moving facilities because of this enterprise, I still say the amount of the cost that has been given to us is underestimated by many millions of dollars.

Mr. VANIK. I thank the gentleman.

Mr. MULTER. One last amendment that I will offer will cover the matter of the cost of crime prevention and control in the District of Columbia.

In that connection we were told a little earlier about the police force assigned to the subway system in New York City—I believe the figure used was 800 men. As of March 17, 1965, there were actually 1,119 men assigned to a separate transit police force for the city of New York's subway system, and at that time there was a clamor to increase it by anywhere from 25 to 200 percent. These are in addition to the 27,000 persons on the police force of the city of New York for general police protection.

I will offer an amendment on that score which will provide simply that the cost of providing police protection for this subway system, when built, will be part of the cost of operation of the District of Columbia. In other words, it would not be charged to the cost of operating the subway system. If it is, we can be sure that my prognostication will surely come true, that there will never be a dollar coming out of the fare box over and above the expense of the operation of this system.

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

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

Mr. GROSS. Since the taxpayers of the Federal Government—your taxpayers and mine—are going to build this subway, why not put taxpayer supported marines or soldiers aboard to ride "shotgun" on the subway cars?

Mr. MULTER. I believe the gentleman knows the answer to that. This is a Government in which we want a civilian and not a military police force. We want the Armed Forces kept as Armed Forces for the protection and security of the country. We do not want an Armed Forces that may become an arm of a police state. That would be the first step toward a goal which I am sure the gentleman opposes. The civilian police department must be kept separate and apart and distinct from our Armed Forces.

Mr. NELSEN. Mr. Chairman, I yield 10 minutes to the gentleman from Ohio [Mr. HARSHA].

Mr. HARSHA. Mr. Chairman, we are about to consider a bill which is supposed to solve the major traffic problems of the District of Columbia, the rail rapid transit for the National Capital region.

Mr. Chairman, I am keenly aware that this metropolitan area does have many serious transportation problems, but I cannot in good conscience concur with the contention that the rapid transit proposed in the present bill is either economically or practically feasible. I am not yet convinced that a traffic concept dating back to the beginning of the century, a plan already outmoded in many of our major cities, can offer a solution to our modern transportation needs unless there are major changes not apparent in the present plans.

I am, also, Mr. Chairman, and most gravely concerned about the financial structure outlined in the bill, and the Federal participation which would establish an entirely new principle of Federal financing for the District of Columbia, on a project the estimates for which I question the accuracy with respect to cost, completion, equipment and operational budget. We should consider this principle very carefully in the light of the history of Federal financing for the District of Columbia and the precedent which this plan would create. And we must also consider that it puts the residents of this area on an entirely different footing from the rest of the country in whose cities subways have been and are being built, and paid for by their own citizens. Nowhere in this bill is there any provision for the local citizens to incur any obligation to pay for their own subway, either for its construction or for its operation.

In this bill there is a direct grant by the Federal Government; there is a loan by the Federal Government to the District of Columbia—to make it appear that the District is contributing to the financing; and then there is an underwriting and guarantee of the remainder of the cost by the Federal Government.

All of this is without any obligation on the part of the District of Columbia to pay 1 cent of additional taxes toward any part of the cost.

Another feature which should concern us, Mr. Chairman, is that the bill does not provide for the operation of the rapid transit sytem by what has been historically known as the free enterprise method. It merely adds an extra charge and the cost for an overseer to run the system provided by the Federal Government. There is no element of risk involved and no investment needed by the operator. In fact, he cannot even set the fares to be charged under this system. This is just another business being operated and owned by the Federal Government in competition with private enterprise.

I would also call your attention, Mr. Chairman, to the fact that if this bill were accepted, we will be requested very shortly to provide funds for the planned expansions into Maryland and Virginia and that we will have this precedent of Federal financing by this subsidizing of the citizens of the District. Now, why should the taxpayers in your district and in my district finance the residents here when in every other community and city the subways have been local projects and the subways and transportation systems have been paid for locally? Why should we add to the tax burden of our own people for a facility that is strictly local to Washington and the surrounding areas?

I want to be fair in this matter, Mr. Chairman. If the Federal Government should contribute to the financing of this city, it should contribute what has been its historic share to the supplementation of the District's budget over the years. That has been in the neighborhood of 12 to 13 percent.

Mr. Chairman, in conclusion, I would like to call this fact to your attention: the cost estimates upon which this legislation is based, in my opinion, are far from realistic. An example is that they do not contain any estimates for the cost of replacing sewer lines, water lines, or existing utility lines. Certainly this is a cost that will have to be met.

I want to call attention to the experience we have had in Washington on Federal construction. Let us take one example—namely, Dulles Airport—which was originally estimated to cost some $14 million, and to date the Federal Government has spent $120 million on this project. Yet not one aircraft hangar has been constructed there.

Look as the District of Columbia Stadium. Bonds were sold in the amount of approximately $20 million. At the time this project was constructed the estimates made—and I assume the people providing the estimates were as reliable then as the people providing these estimates now—the estimates were that the revenues from the District of Columbia Stadium would retire the bonds, but that has been far from the truth. As of now the District Commissioners contribute over $800,000 a year out of their general operating funds to help to pay for and to make up the difference that the stadium fails to bring in through receipts from the turnstiles and other receipts.

Mr. Chairman, there was a little dissertation here about the cost of the subway system from the Rayburn Building to the Capitol. The figure given by our good friend from North Carolina [Mr. WHITENER], I believe, was about $3,500 per foot. This figure, I am sure the gentleman will agree with me, is exclusive of any right-of-way cost. I would like to ask the distinguished chairman of the subcommittee if that is not correct.

Mr. WHITENER. Mr. Chairman, will the gentleman yield?

Mr. HARSHA. I am glad to yield to the gentleman from North Carolina.

Mr. WHITENER. I am delighted that the gentleman again points out the error of the contention that has been made on this subject. According to the report of the hearings by the Legislative Branch Subcommittee of the House Committee on Appropriations, the total cost of the facility was $7.7 million, which included $3.7 million for underpinning the House wing of the Capitol Building.

It included additional amounts for subway cars and elevators and escalator work within the Capitol. Of the total cost, aproximately $2.1 million is attributable to the subway itself, including the terminal under the House wing and part of the terminal in the Rayburn Building. This sum, when divided by the actual project length, yields an average per-foot cost, not of $26,000 per foot, but of approximately $3,500.

Mr. HARSHA. That is exclusive of the right-of-way; is it not? There is no amount for right-of-way figured?

Mr. WHITENER. That is correct. It is contemplated that the cost of the right-of-way in this transit system will be very negligible because a great portion of it would be on existing rights-of-way. The benefits to the property owners will exceed any damage on the greater part of the more expensive area in which the subway will run. Of course, the gentleman knows, under the law of eminent domain, the jury must weigh benefits to the landowner against any damages and sometimes it comes out with more benefits than damages. I would say to the gentleman that I do not believe the president of the Hecht Co., the president of Julius Garfinckel & Co., and all these other great business leaders would want a subway running under their property or in their area if they thought that it was going to do any great damage to them. I do not think the president of the Potomac Electric Power Co. would be signing a letter urging us to vote for it if he thought that there was any problem about his utility lines.

Mr. HARSHA. I do not suppose he thinks there is any problem because he is convinced, as I am, that the Federal Government is going to wind up paying for all of this and they are not going to pay for any of it. I can understand why they would be for it.

The CHAIRMAN. The time of the gentleman from Ohio [Mr. HARSHA] has expired.

Mr. WHITENER. Mr. Chairman, I yield the gentleman 2 additional minutes.

Will the gentleman yield further?

Mr. HARSHA. I yield.

Mr. WHITENER. I do not know whether the gentleman from Ohio supported the national mass transport legislation.

Mr. HARSHA. I did not.

Mr. WHITENER. I did not, either. But I remember when my colleague from North Carolina asked me about the formula, I was unable to put my hand on the information. But if the gentleman will look at page 132 of the committee hearings, he will find that Mr. Staats, the Assistant Director of the Budget, said this about the formula we are using here:

> We are applying the same formula for metropolitan areas in the national legislation that we are proposing here in this legislation; namely, a Federal grant to cover two-thirds of the net project costs that cannot be made up out of the operating revenues of the system. So to that extent, I think we are following the national pattern in this legislation.

I point that out to emphasize, as I should have earlier, had I been able to lay my hands on this information, that the bill we have before us now is not one which gives to the District of Columbia some great bonanza that is not available to other urban centers which are building rapid transit systems under the National Act.

Mr. HARSHA. Surely the gentleman does not argue that this bill does not provide benefits to the District of Columbia that are not provided under the mass transit bill for other cities in the United States?

Mr. WHITENER. I say that the formula we refer to is the Federal contribution as opposed to local contributions and then as compared to the contemplated yield in the fare box. What I was saying is that in these other cities they can get a grant of two-thirds of the initial cost leading up to the point of getting a return from the fare box. And, that there is no difference, really, in substance, in the situation here.

Mr. HARSHA. Under the mass transit bill that was passed by this Congress, or the last Congress, there is not a city in the United States that can get a $150 million contribution.

Mr. WHITENER. If the gentleman will yield further, all I know is that Elmer Staats, an expert on budgetary matters, said this. This is what he said. It is not what I said.

Mr. HARSHA. Well, it is a 3-year program and only $325 million was provided in the bill for the entire Nation. No one city could possibly get $150 million under that legislation so we obviously are giving the District highly preferential treatment.

Mr. NELSEN. Mr. Chairman, I yield 20 minutes to the gentleman from Wisconsin [Mr. O'KONSKI].

Mr. O'KONSKI. Mr. Chairman and Members of the Committee, I find myself somewhat in the position of the Swedish citizen of Swedish descent in northern Wisconsin who when applying for citizenship before the judge, the judge asked him several questions. The first question he asked him was, "Where is Washington?" The Swede answered, "Well, judge, as far as I know, Washington has been dead a long, long time ago." The judge said then, "Well, I mean where is the Capital of the United States?" The Swedish gentleman said, "Well, judge, I do not know. I think that the Congress of the United States has given away all the capital." Then the judge finally says, "Well, will you support the Constitution of the United States?" He said, "Well, sir, I surely would like to but I have got a wife and 12 children of my own to support and I do not think I can do that."

Mr. Chairman, I am somewhat in the same positon. I have a wife and 400,000 constituents to support. That is why I am so vitally and deeply interested in this particular bill.

Now, Mr. Chairman, whether or not the Nation's Capital needs a subway is seriously open to question. Whether or not it will solve the problems that are facing the Nation's Capital is seriously open to question. And, do not make any mistake about it, that is the true story.

Mr. Chairman, the thing about which I am concerned is who is going to pay for this thing. That is the only thing that I am concerned with. Do not be deluded by this thing at all. This is just the beginning, this $483 million that you are asked now to authorize and to later appropriate and to borrow. This is just the first bite and the first lick. It is just a start. That is all there is to it. Anyone who tells you otherwise is telling you a falsehood.

Mr. Chairman, the Washington Star had an editorial supporting it, of course. The Washington Post had an editorial supporting it, of course, "the initial phase of this system should be passed by the Congress at this time." The Washington Post used the words, "the first lick," "the first phase and the first lick."

Mr. Chairman, when you undertake this, you are undertaking something that is eventually going to involve the Federal Government in nothing less than a $3 billion authorization and expenditure by the District of Columbia and the taxpayers of the United States. Anyone who says anything to the contrary is misleading the people of America.

Mr. Chairman, I am not going to give to the members of the Committee my own thoughts on it. I am going to give you the thoughts of experts.

Mr. Chairman, the Congress of the United States, just as we authorized in 1960 this National Capital Transportation Agency, we also authorized the WMATC, the areawide transit regulatory body.

They are more of an authority on this transportation problem than the agency that is supporting this subway program.

What conclusion did the WMATC come to? And every Member of Congress before he reads this bill owes it to himself, to his constituents and to his conscience to read this report and to read this statement. Here is what they say: "Once the downpayment is made the point of no return will have passed and no other result can be reached."

Those are not my words. Those are the words of the WMATC making the statement that this is just a downpayment. Once you get your foot in the door you are at the point of no return. Every Member of this body owes it to his conscience to read this report. These authorities should know what they are talking about.

Let me tell you something else about what a bonanza this is going to be. I got a letter from one of the officials of the Riggs National Bank, loaded with billions, the United States Steel Co., Aluminum Co., Southern Railway. There is enough money involved in those who signed that ad in the Washington Star and in the Washington Post to choke a horse, or to pay for a thousand subways in the Nation's Capital and every city in the United States.

Let me tell you something else. Not one of them, and the way they are loaded with money, would pay a penny for bonds unless guaranteed by the Federal Government. That is the confidence that they have in what they themselves advocate.

You say it is going to pay for itself? The WMATC, a body that we as Members of Congress authorized and gave responsibility to, know what they are talking about. Listen to their conclusions:

> From a patronage standpoint, it would not be used; from an investment point of view, it would be disastrous.

That is what these people who are experts on transportation in our Nation's Capital concluded; namely, on a patronage basis it would not be used, and from a financial standpoint, an investment standpoint, it would be positively disastrous.

Yet we have this proposal before us. This has been sold to Members of Congress on the basis it is going to pay for itself. In the case of the stadium, nobody knew what they were talking about. We were informed it was not going to cost the taxpayers a dime, not one red penny. A few days ago we passed a District of Columbia appropriation bill, and in it we had $861,000 to pay off the deficits that had occurred because of the inability of the District of Columbia to pay on the stadium. There was an excuse for that. Nobody knew what they were talking about, and we took the people at their word. But here you have people who are experts on transportation, the Washington Metropolitan Area Transit Commission, a body organized and created by the Congress of the United States, to discharge and meet that responsibility. They tell you that this bobtail version would not be used, and from the investors' standpoint it would be disastrous. They tell you this is a foot in the door. Once you get it in there you reach a point of no return.

I could go on, if time permitted, and read you other statements that are just as shocking.

Take a look at the picture of the proposed subway station over there. I have seen it. It is a nice, clean place for murder. Take a look at the transportation system over there, as I did.

I had a boy in my office who interviewed 100 people on Capitol Hill in the Rayburn Building.

He showed them the picture of this proposed subway system. After they saw what it was and where it came from and where it led to and how far they would have to walk between points—not a single employee who was interviewed said they would use the subway system to get to the Nation's Capital—not a single one—after they found out what it was.

You have a system of transportation now. It is inadequate—as every city's transportation system is inadequate. You have 640 different stops to which the buses can take you and here these people come along with a dream and they say they are going to accomplish the same thing with approximately 16 kiss-and-tell stations—holes that you crawl into. And I guess an equal number—I guess 18 holes that you crawl out of. The most expert transportation authorities will tell you that if a traveler—if people who travel to work have to walk more than 1,500 feet either to go to a hole and crawl into it or to get to the hole and crawl out of it at the other end, they are not going to use the subway.

Take the people of Virginia who are supposed to be destined to help. In order to use it, they have to get into their car and they have to drive over to Pentagon city. Some of them, when they drive there, will be driving farther than they do when they drive to the Nation's Capital. Actually, they are going to have to drive way over to Pentagon city and go in a hole over there and crawl in the hole, go on the subway under the Potomac and arrive at the Nation's Capital, then crawl out of the hole and then take a taxi or a bus to get to their place of work. Yet, they will actually tell you that these people in the District of Columbia area are that foolish that they are going to do it, and you and I know that they are not going to do it. These people who testified know it and that is why they said that from a patronage standpoint, it would not be used. From an investor's standpoint, it would be disastrous.

There are so many things I would like to tell you. Why should the people of Wisconsin, Minnesota, Illinois, Iowa, and Ohio vote today to put themselves on record as burdening and saddling the people of their States under this present program with the entire cost of the grants and the guarantee of the bonds, which is what this bill calls for—and as the able gentleman from New York told you, this 33⅓ percent that the District said they are going to put up by way of a grant and the 33⅓ percent which is to go to guarantee the bonds—that is all poppycock because the District of Columbia does not have a dime in the Treasury. They are just going to come and ask us for more money and that means that the Federal Government is going to foot the bill entirely. That is the way it is going to be. Now let me give you an illustration. In Wisconsin a family owning a home and a car—a family with two children making $5,000-a-year has a tax burden in Wisconsin of $596. The tax burden for a similar family in the Nation's capital is $283.

In other words, a family with an income of $5,000 in my district, a family of four, owning a home and a car and making $5,000-a-year income are already paying twice as much in taxes as the citizens in the District of Columbia. Yet here they come with a bill and say that my citizens and people who are making $5,000-a-year should pay for a subway for the people in the Nation's Capital. Now how silly can you get?

Let us take a family with an income of $7,500-a-year in Wisconsin. A family of four with a home and car pays $773. That is their tax burden. In the Nation's Capital it is $381 or less than half. Yet they want to saddle the people of Wisconsin with the payment for a subway.

Let us take a family with an income of $10,000. The tax burden in Wisconsin for a family of four, making $10,000 a year, and owning a home, is $1,096, while in the Nation's Capital it is only $531. Yet they want those people to pay for a subway for the folks here.

Let us take a family with an income of $15,000. In Wisconsin the tax burden is $1,866. In the Nation's Capital it is only $835, not even half as much, yet they are saying, "Yes, let us build the people of the District of Columbia a subway and let the taxpayers at home pay for it."

It might be said, "That is Milwaukee." Let us consider some other place. I heard the gentleman from Massachusetts ask a question. Let us consider the situation in Boston.

In Boston, a family of five pays $506, in taxes, compared to $283 for the family in the District of Columbia, at the lower income.

In Boston, Mass., a family with an income of $7,500 pays $618, while the family in the District of Columbia pays only $381.

In Massachusetts, the family with a $10,000 income pays $855, compared to $531 here.

In Massachusetts, the family with the $15,000 income pays $1,310, compared to $835 here.

Let us consider the situation in Chicago. I see my good and handsome friend over there, from the Serena Restaurant.

Mr. KLUCZYNSKI. I thank the gentleman for his kind remarks.

Mr. O'KONSKI. Let us start with a family of four in Chicago. With an income of $5,000, they would pay $476, compared to $283 in the Nation's Capital.

There are some other folks here. I see my good friend the gentleman from Minnesota [Mr. NELSEN]. Let me tell him that the tax burden in the State of Minnesota is equal to that of the State of Wisconsin. It is $1,800 for a family of four, compared to $835 here, for a family with an income of $15,000.

Mr. NELSEN. Mr. Chairman, will the gentleman yield?

Mr. O'KONSKI. I yield to the gentleman, since I mentioned his name.

Mr. NELSEN. Would the gentleman explain why the rate of taxes in the District of Columbia is not as high as he thinks they should be. Is it not true that the Congress has control? Only yesterday the committee passed a bill to permit an increase in income taxes and to permit an increase the gasoline tax. The control over the maximum tax level is in our hands. If the tax is too low, we have failed in our responsibility to grant them the needed machinery with which to raise the money the gentleman is talking about.

Mr. O'KONSKI. That is surely correct.

I believe it takes a lot of nerve for the District of Columbia to ask us to support a subway system for the District.

Ladies and gentlemen, let me tell you that the Nation's Capital not only is the Nation's Capital, but also is a taxpayers' paradise. It is a tax dodger's paradise of the world. Let me give some illustrations of what I mean.

The cigarette tax is 2 cents a pack in the District of Columbia. In Maryland, I believe it is 7 cents a pack. No wonder there is such a traffic jam. Everybody from Maryland is coming over to the Nation's Capital to buy cigarettes.

If we want to alleviate the traffic congestion, let us stop making the Nation's Capital a tax dodger's paradise.

The gasoline tax in Maryland is 7 cents a gallon. In Virginia, it is 7 cents a gallon. In the District of Columbia it is 6 cents a gallon. Yes, we would bring it up, but the bill has not yet passed.

Let us consider property taxes. I own a home in Wisconsin, for which the market value is approximately $25,000. That is all I could get for it. My taxes on that home last year were $840. I also own a home five blocks from the Capitol, for which I paid $43,500. My tax bill on that home was $530, a little more than half as much, yet they want me to ask my people to pay for a subway for the folks here.

Let us consider the beer taxes. My goodness, it is only $1 a barrel in the Nation's Capital. It is something like $7 a barrel in Virginia. That is another reason for the traffic jam, with all the folks from Virginia coming over here to buy their beer.

This is a taxpayer's haven. This taxpayer's haven is now asking the taxpayers in our home districts to build them a subway.

I have here a little newsletter which the business people get out, from the board of trade.

They talk about what a great thing they have here in the Nation's Capital—the highest per capita income of any city in the world—the highest per capita income of any city in the world. They have the lowest unemployment rate of any city in the world. Talk about the prosperity in the Nation's Capital and about their ability to afford to pay for a subway. There is your board of trade. In my district, in half of the counties in my district, I have unemployment as high as 18 percent—18 percent. Yet you have a bill here asking the unemployed people in my district to help to build a subway for the Nation's Capital where the income per capita is the highest of any place in the world, and where we have the highest liquor-consuming city in the world with the lowest taxpaying base in the world and the lowest unemployment rate in the world. The nerve of those people coming in here and asking you to saddle your folks back home, to burden your people back home, with this $483 million, which is just the first bite of a transportation system here in the Nation's Capital.

The CHAIRMAN. The time of the gentleman has again expired.

Mr. NELSEN. Mr. Chairman, I yield the gentleman 1 additional minute.

Mr. SISK. Mr. Chairman, will the gentleman yield?

Mr. O'KONSKI. Yes. I yield to the gentleman from California.

Mr. SISK. I appreciate the gentleman yielding. Who is to blame for the fact that we have this traffic jam caused by people rushing over here to buy cigarettes and liquor? Whose fault is it that the tax has not been increased?

Mr. O'KONSKI. I think very largely it is the fault—or some of it is—of Congress, but some of it also goes to the door of all these millionaires who signed that ad in the Washington Post and the Washington Star, the president of Riggs Bank and all of those other people. They love this and they say it is wonderful for the city and it brings in big business. They even want the subway to bring in more business so that they can get cheaper beer and cigarettes.

Mr. SISK. The facts are it is so cheap from the standpoint of tax because Congress, all of us, from the 50 States, have not given them permission to increase the tax rate. Is that not true? We have not given them permission to increase the tax on cigarettes. They have asked for it. We have not given them permission to increase their liquor taxes. They have asked for it. You say the District is asking for something, and I question the consistency of the gentleman's argument. I know he is very sincere in his position, and I appreciate that.

Mr. O'KONSKI. I know that. There is not a man in the House that I admire more than the gentleman from California [Mr. SISK], but I will not let him knock out the props of my argument of who is responsible for the condition that exists in the Nation's Capital. This is all immaterial. The fact is that the condition exists. It is here and now and nobody can deny it.

The CHAIRMAN. The time of the gentleman has again expired.

Mr. NELSEN. Mr. Chairman, I yield 15 minutes to the gentleman from Virginia [Mr. BROYHILL].

Mr. BROYHILL of Virginia. Mr. Chairman, I certainly wish that the millenium which has just been described by the gentleman from Wisconsin did exist here in the Nation's Capital. Unfortunately, however, he is indeed mistaken. It does not exist. There are many problems here with which we are confronted and it is the responsibility of the Congress of the United States to assist in and to take the leadership in solving these problems. If there is indeed a tax haven here in the District of Columbia, then, certainly, as pointed out by the gentleman from Minnesota and the gentleman from California, it is the responsibility of the Congress of the United States to do something about eliminating this tax haven.

We are here today attempting to solve a most difficult problem. And the solution is going to be a costly one—you bet it is. It is going to cost at least $431 million—$483 million including interest during the period of construction. And that much expenditure to solve this type of problem in any one city, National Capital or not, is going to be somewhat controversial, and our colleagues are going to be reluctant to consider it favorably. Certainly they are going to be hesitant. So we should discuss this matter thoroughly and in great detail. But the problem is here. We cannot ignore the fact that the problem exists. We cannot stick our heads in the sand and expect it to go away. We have got to make every effort to solve the problem because, as has been stated so many times before today, this is the Nation's Capital, and we have got to face up to it.

There are two simple questions to which I think the answers are obvious. First, what is this problem we are talking about? I think we can agree that there is a problem and what that problem happens to be. We should make that determination so that there can be no question of what we are talking about. We are talking about the moving of people and goods—public transportation. Actually it is one of the greatest problems, not only in this particular area but in every metropolitan area in the country. It is just as great as that of crime, or schools, or welfare. Not that the solution to it is more necessary or more desirable, but it is just as difficult to try to solve because we have got here the problem of boundary lines, we have got here the problem of coordination between various political subdivisions, and the problem of trying to arrive at a solution. We have got the problem of a rapid growth of population. And, as has been said, this is one of the most rapidly growing areas in the country. We have got the problem of the habits of people. People are demanding more luxury, more convenience. We are undergoing a trend of the people getting away from any form of public transportation. That makes for more congestion, more traffic on the streets and highways. That is the problem we are trying to solve here.

The other question is, what is the solution? Well, maybe I am oversimplifying a suggested solution somewhat, but I think it means better transportation, more convenient, more efficient, more comfortable. Now, failure to do that, failure to at least attempt to provide better transportation, is obviously going to result in strangulation, not only of this community, but of every community in the Nation, and certainly in traffic chaos. So, if we agree, and I think most of us do agree as to what is the problem, and if we agree that the solution is somewhere along the line or in the direction of what I have suggested, then what should we do about it? Who is responsible? How do we proceed in trying to arrive at a solution? It does not make any difference what plans or programs we come up with or who makes the suggestion; it must have the approval of the Congress before we can make any move whatsoever, before we can turn over one shovelful of dirt.

This is the Federal city. The Congress has exclusive legislative jurisdiction over this city, whether we like it or not. We are the city council; we are the State legislature. We are the Federal Legislature. So unless we act here now, there is no place else to go to arrive at any solution or to get action on the solution of the traffic and the transportation problem here in our Nation's Capital.

Congress has acknowledged that it has that responsibility. Congress has acknowledged that the problem exists and that something should be done about it. We started as far back as 1954 and authorized the creation of a study commission. In 1955 we appropriated $500,000 to conduct an extensive study and survey of these problems and what possibly could be done about them. We acknowledged that we had a responsibility. We acknowledged that the problem existed. Then later on in 1957 or in 1958 we created a Joint Senate-House Committee to study further metropolitan area problems. again recognizing that the problems existed and that Congress had a responsibility to do something about helping in the solution of these problems.

And then, in 1960 we came forth with legislation creating the National Capital Transportation Agency and directed that Agency to come back with a report as to what actually needed to be done in order to put a transportation system, an improved transportation system, into being here in the Nation's Capital. In fact, it was recommended at that time by the executive branch of the Government, that we give them the authority to go ahead and construct the system at that time. But the joint committee felt that we should have a study and survey made by the Agency and a report back from the Agency first, telling us what such a system would cost. That is a partial summary of what has happened in the past, which brings us up to this point.

Mr. Chairman, we are merely proceeding here now in acting on the recommendations of the Transportation Agency. We are to approve or disapprove the work the Congress has already directed and authorized this Agency to do.

Mr. Chairman, we did have a report in 1962 from this Agency which recommended a system somewhat more extensive than the one we are considering here today, and it is true that the Congress turned down a modified version of that plan. But the Congress turned it down for other reasons, because there was a conflict that had been created between supporters of the highway system and supporters of a mass transit system.

Mr. Chairman, a great deal of argument and confusion was generated as a result of that.

Then, of course, there was the old argument of free enterprise versus public ownership. Then, there was a question about organized labor, whether they were going to be properly protected in the creation of a new transportation system.

As a result thereof, the Agency came forth with a recommendation of an $800 million-plus, rapid rail system which many of us felt was too big and therefore we cut it in half and came here with a piecemeal approach.

Mr. Chairman, in view of all the chaos and confusion which was generated up to that point, the Congress did see fit to turn this proposal down. But it did not ignore the fact that the problem would still continue to exist and that something had to be done about it.

Mr. Chairman, in my opinion these objections that were raised about a year and a half or 2 years ago have now been overcome. We cannot eliminate the cost. It is going to cost money to have any sort of mass transit system or to improve the transportation system in Washington, D.C.

Mr. Chairman, the formula which has now been devised provides for two-thirds Federal participation and one-third local participation. That is the same formula that Congress has established for mass transit systems in other metropolitan areas in the country.

Mr. Chairman, a great deal has been said about the bond issue, the $281 million or $333 million, that the taxpayers of Wisconsin and Iowa and other places are going to have to pay. It would be perfectly all right with me to amend the legislation to provide that the people of the District of Columbia would have to pay the entire cost. If that is the way it should be done, OK. But how can we do it here? We cannot separate the District government from the Federal Government. We control all the finances of the Nation's Capital. They cannot go out and issue revenue bonds on the credit of the District of Columbia, such as your city can do, and such as many other cities in my State can do. So, if we have that type of legislative problem here, such as the city council or the State legislature of another community would act upon, then we have got to have the credit of the Federal Government involved. There is no other way to do it.

Mr. Chairman, I am perfectly willing to entertain any ideas or suggestions for an alternative. But the opponents of this legislation do not come up with a constructive alternative. They merely criticize the proposal; they challenge the data that has been presented to us here.

Mr. Chairman, we authorized this study. We requested this proposal which we are considering here today. It is easy to say that the agency is incompetent and that it does not know what it is doing and that the system will cost many times more than the agency says it is going to cost. But what authentic source do the opponents have to go by to prove that it is going to cost more than the agency's estimate? They have no evidence to justify such a charge.

Mr. Chairman, this agency can make an error, but we have spent thousands of dollars of Federal money authorizing them to make this study, to hear these engineers and to make this report to us.

What we are considering here today is the only alternative that can possibly be considered at this time. The opponents have offered no other constructive way of solving this serious transportation problem that we have here.

There are alternatives. For instance, I suggested the consideration of a monorail. I do not want to press it in the consideration of this bill because it may delay the consideration of this matter. I think a monorail system would be less costly. The agency said monorail is not sufficiently advanced. I think they are wrong. However, it would be a difficult thing to sell to the Nation's Capital.

I think the agency presumed that we were asking for a subway system, and that that would be the accepted type of transportation for many years, as it has proved to be in other sections of the country. We had recommendations from the Fine Arts Commission and other Federal agencies that have something to say about the type of system to be constructed. I think the transportation agency felt that a rapid rail system and subway system was what the Congress really wanted to consider as a solution to this problem. I hope that the monorail system will eventually be used in the expansion of this system throughout the rest of the metropolitan area. This is just the first bite or the first step. We will have to extend the system into the suburbs, and those living in the suburbs are going to participate in the results of such system. They are going to be called upon, they expect, to pay their share of the cost. But we have to take this first step in the Nation's Capital, the central core of this metropolitan area. The Congress has to authorize and approve this first step. If the Congress does not do it, there is no place else to go for a solution. I also repeat, we recognize that the problem does exist, and we have a responsibility to do something about solving it. Now we find out that the problems are a little greater and more costly, but I do not think we should run to cover and renege on this responsibility of the Congress.

Mr. HARSHA. Mr. Chairman, will the gentleman yield?

Mr. BROYHILL of Virginia. I yield to the gentleman from Ohio.

Mr. HARSHA. The gentleman says there is no concrete evidence of increased cost. The gentleman well knows that the figures for the construction and operation of this system are based on estimates 3 years old, and that during this 3-year period there has been a one-third increase in the wages of operators. Certainly that is concrete evidence of increased costs that have not been taken into consideration in these estimates.

Mr. BROYHILL of Virginia. I do not know whether that is correct or not. I know we have had competent engineers engaged to make these surveys. If the gentleman says these factors were not taken into consideration, I cannot admit that is a correct assumption. I know that rash charges have been made that this proposed system would cost $2 or $3 billion, that other projects which the Federal Government has initiated have cost more money; but we are proceeding honestly and sincerely in the belief that what we have here in the way of estimated costs are reliable.

Mr. HARSHA. Is the gentleman aware of the fact that the Rayburn Building and Dulles Airport cost more than the estimated cost originally?

Mr. BROYHILL of Virginia. I am aware of that.

Mr. HARSHA. The gentleman maintains this project will not cost more than the actual cost of other facilities in the District of Columbia?

Mr. BROYHILL of Virginia. I acknowledge that is a possibility, but does that mean that from here on in we should never authorize the construction of another Federal project? I do not think there is anything in that.

Mr. WHITENER. Mr. Chairman, will the gentleman yield?

Mr. BROYHILL of Virginia. I yield to the gentleman from North Carolina.

Mr. WHITENER. With reference to the question which I understand the gentleman from Ohio inquired about, I am advised by the agency that this charge that the operating expenses are understated disregards the fact, which was before the committee, that these operating cost estimates were prepared by Coverdale and Colpitts of New York, a firm of recognized transportation experts. The charge that 3-year-old wage rates were used by the agency is not correct:

The labor cost estimates are based on May 3, 1964, wage levels, the rates in effect when the estimate was prepared. In addition, these estimates include a 10-percent contingency factor which covers much more than just labor costs. They have been reviewed by a number of experienced rail transit operators. They are sound and conservative. If anything they are overstated.

The CHAIRMAN. The time of the gentleman has expired.

Mr. WHITENER. Mr. Chairman, I yield 10 minutes to the gentleman from Maryland [Mr. SICKLES].

Mr. SICKLES. Mr. Chairman and ladies and gentlemen of the House, I rise in support of the legislation before us this afternoon. I must say I assume that some of my remarks may be repetitive but I will try to keep from doing that.

I have developed a rather strong personal interest in this subject matter over the years starting as far back as 1955 when I first was placed by the Governor of Maryland on an interstate commission to study the passenger-carrying facilities in the Metropolitan Washington area and became personally involved in the negotiations on the first interstate compact, which has been referred to here today, establishing the Washington Metropolitan Area Transit Commission. I also am currently the Chairman of the Commission which has just concluded negotiations for an interstate compact to provide a compact organization for the ultimate operation of a system which is developed for the area, if this be the will of the Congress as well as of the other jurisdictions involved. It has already been adopted in Maryland. You will recall the 1960 act which set up the National Capital Transportation Agency as the temporary agency which would come up with a plan and come back to the Congress, as they are doing today, provided for the negotiation of the compact.

Mr. BERRY. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will count. [After counting.] Seventy Members are present, not a quorum. The Clerk will call the roll.

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

[Roll No. 191]

Adair	Duncan, Oreg.	Morton
Ashbrook	Fraser	Olson, Minn.
Bolton	Griffin	Poff
Bonner	Hanna	Pool
Bow	Harvey, Ind.	Powell
Brown, Ohio	Hébert	Reinecke
Buchanan	Holland	Resnick
Callaway	Keogh	Saylor
Chamberlain	Lindsay	Smith, N.Y.
Craley	Mailliard	Steed
Dague	Mize	Teague, Tex.
Dawson	Morgan	Toll
Downing	Morse	Young

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. HOLIFIELD, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill H.R. 4822, and finding itself without a quorum, he directed the roll to be called when 393 Members responded to their names, a quorum, and he submitted herewith the names of the absentees to be spread upon the Journal.

The Committee resumed its sitting.

The CHAIRMAN. When the quorum call began the gentleman from Maryland had been recognized for 10 minutes and had consumed 2 minutes.

Mr. SICKLES. Mr. Chairman, I have been admonished to be very brief, for many reasons, so I will try to condense my remarks so as to consume just as short a period of time as possible.

The point I want to make is this. I think the impression may have been created that the residents of the District of Columbia are coming sort of hat in hand and perhaps in poor grace in order to end up with a subway system at somebody else's expense. I think that is taking the entire subject matter before us today completely out of context.

In 1960 this Congress passed an act in which was established the NCTA, recognizing the Federal interest in the area, to develop a program which would provide $100 million of Federal moneys and $50 million of District of Columbia funds. It is true that the District of Columbia is going to have to borrow this money, but, as it does with all of its other bonds, it is going to have to pay this money back.

It has also been indicated or perhaps inferred that this entire program is going to cost the Government first $431 million and if we include the interest—

something like $483 million. This ignores the fact that the clear mandate of the 1960 act was that to the extent possible the fares would pay for the operation and construction of this system.

Fortunately, for the calculations today, the riders in metropolitan Washington would pay a rather substantial fare, unlike the city of New York. In the city of New York, which has been used as an example as to why we are going to lose money in respect to these systems, a political judgment has been made. The judgment has been made that the cost of the system and its operation will be underwritten by the city at large and therefore the fare is kept at 15 cents. No such political judgment has been made here or is contemplated. We are going to continue to have a system that should pay for itself out of the fare box.

I might add one thing and that is the question of private enterprise. The problem as I see it is this: In its barest essence we are talking about who is going to buy the rolling stock, whether a Government agency, the one providing for the construction of the system is going to buy the rolling stock or not. That is all we are talking about.

It just seems to me to make sense that the Government agency will be able to buy the rolling stock cheaper than any private operator is going to be able to do. So when you listen to subsequent arguments with respect to public enterprise versus private enterprise—that is all we are talking about—whether an operator is going to be able to buy the equipment itself or whether it is going to be built for the operator and the operator will merely be given a contract to run the system.

Between 1960 and 1980, it has been predicted the population of the Washington metropolitan area will rise from 2 to 3.5 million.

Between 1960 and 1980, it has been estimated that the number of automobiles in the National Capital area will more than double.

That by 1980, it is expected there will be 1 million vehicles operating daily on the streets of the Nation's Capital.

In terms of our transportation problem these are discomforting statistics. Those of us who commute to work at the present time know that the present problem of traffic congestion is onerous. Clearly, if we are going to make any progress in dealing with the traffic problem and the rush-hour wait, decisive action must be taken. Such action is provided for in H.R. 4822, which establishes the downtown component of a regional rapid transit system. A component that will carry 135 million revenue passengers in 1980.

While the legislation before us today does not authorize construction of the regional system that will ultimately be required, it represents an important first step. Although it is calculated to be a system that will be self-supporting after the original capital grants authorized in H.R. 4822, the system must be extended at a later point in time to serve our fast-growing Maryland and Virginia suburbs. To do less would be economic idiocy. Fortunately the downtown system proposed in H.R. 4822 has been developed in such a way that it can be very readily extended into Maryland and Virginia to serve fast-growing areas such as the Greenbelt-College Park area; Belair-Bowie and the Oxon Hill-Marlow Heights area in Prince Georges County.

Since the Federal Government has an important stake in the entire National Capital region, I am confident that future Congresses will cooperate with the local jurisdictions in financing extensions of the system.

A number of studies and reports over the last decade have documented the need for the creation of a regional mass transit system. Highway expansion alone cannot deal with our traffic problem. We must give the individual citizen a choice between highway or bus travel and a rapid rail system that will convey him from his home to where he works or where he shops. H.R. 4822 rests on a very simple and logical premise—Washington desperately needs an interconnecting subway and aboveground rail system to relieve private automobile and private bus lines from a portion of the difficult transportation task they are now forced to bear alone.

Besides being an area resident and a local Congressman, I have a long-standing official interest in a regional mass transit system. At the present time, I am Chairman of the Joint Transportation Commission, which is composed of representatives of the States of Maryland, Virginia, and the District of Columbia. The Commission was originally established in 1954 to study the adequacy of passenger carrier facilities and service in the Washington-metropolitan area.

The Commission through the mechanism of a joint steering committee, participated in the mass transportation survey conducted by the National Capital Planning Commission and the National Capital Regional Planning Council from 1955–59.

The report, resulting from that survey, suggested a three-pronged attack on the transportation problems in the Washington-metropolitan area. It recommended, first, creation of a regional agency to regulate the private transit companies; second, establishment of an interim Federal agency to carry out detailed planning of a mass transit system and begin construction; and, third, negotiation of an interstate compact establishing a regional transit agency to take over the task of constructing and operating the transit system.

In order to carry out step No. 1, the Joint Transportation Commission successfully negotiated the Washington-Metropolitan Area Transit Regulation Compact, which has been enacted by the States of Maryland, Virginia, and by the District of Columbia, and consented to by the Congress in Public Law 86–794. The Washington-Metropolitan Area Transit Commission, created by that compact, has been exercising the regulatory function over private transit companies within the National Capitol region since March 22, 1961.

In order to implement step No. 2, the Joint Transportation Commission cooperated with the Federal Government and the Congress in drawing up the National Capital Transportation Act of 1960. This act, recommended by President Eisenhower, established the National Capital Transportation Agency (NCTA) to perform the interim job of doing the detailed planning for proposed rapid rail system and to begin construction. Legislation proposed by this Agency authorizing construction of a system is now before us. Title III of the National Capital Transportation Act of 1960 gave congressional endorsement to the regional compact proposal by specifically authorizing Maryland, Virginia, and the District of Columbia to negotiate a compact, and by permitting the appointment by the President of a Federal representative to participate in the compact negotiations.

To carry out step No. 3, since early 1962, our Commission has been negotiating an interstate compact creating an agency to eventually provide and administer subway and rail facilities in the Washington metropolitan area. On February 26 of this year, the Commission made public a proposed compact which amends the Washington metropolitan area transit regulation compact creating a regional mass transit agency for the Washington metropolitan area.

The basic reason for a compact goes to the very heart of our political beliefs. Once you establish, as has been clearly established, the need for a mass transit system in the Washington metropolitan area, the question remains as to who will control the system. The cardinal premise of the compact is that the provision of transit services is primarily a function of local government and that in providing these services, local government must be politically responsible and publicly responsive to the local electorate. If a compact agency is not created with control of the transportation function primarily in local hands, the alternative would be a federally controlled agency. This proposal would contain much less protection of local interests.

Regarding this point, I personally was very pleased when President Johnson, in his letter forwarding the proposed NCTA subway construction legislation to Congress, expressed the hope that a "compact organization can be brought into being at an early date." His sentiments were echoed by Mr. Elmer Staats, Deputy Director of the Bureau of the Budget, who in testimony before a subcommittee of the House District Committee, endorsing the NCTA legislation, said he hoped that during the initial construction period "work can continue on a transit compact which both the Congress and the administration believe to be the best organizational solution to the mass transit problems of the region."

It is most encouraging to have this Federal support for the concept of responsible local government.

The compact does not provide a definitive financing plan. It is expected, however, that the compact agency would be given the same degree of financial support by the Federal Government that would be given to an alternative form of organization.

The proposed compact was approved in the 1965 session of the Maryland General Assembly.

The compact will be presented to the Virginia General Assembly at its 1966 session. If Virginia acts favorably on the compact, it will be presented to Congress for the necessary consent legislation in the late spring of 1966.

The compact and NCTA legislation now before us are complementary bills. A joint steering committee was formed last year composed of members of the Joint Transportation Commission and the National Capital Transportation Agency with the primary task of coordinating efforts to bring about creation of an interstate compact agency for administering rapid transit facilities upon passage of legislation by the Congress authorizing such facilities for the Washington metropolitan area. The NCTA bill before Congress reflects many of the suggestions made by the joint Transportation Commission through the mechanism of the joint steering committee to which I have referred. Action by Congress on the NCTA bill permits an early start on construction of the subway system. Prior action by the Maryland General Assembly on House bill 770 has demonstrated that we in Maryland are ready to do our part in establishing an organization to provide for the orderly extension of the downtown system to serve the growing suburban counties of Montgomery and Prince Georges.

Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. The gentleman from Maryland yields back 4 minutes.

Mr. NELSEN. Mr. Chairman, I yield 1 minute to the gentleman from Indiana [Mr. BRAY].

Mr. BRAY. Mr. Chairman, I rise in opposition to this bill.

My opposition is not to the creation of a rapid transit system for the District of Columbia. If the proponents of this legislation will come up with a proposal which provides for a subway system paid for by the people here who will use it and who will benefit from it, it will not be opposed by me.

I do object to this proposal which calls for the expenditure of hundreds of millions of dollars gleaned from taxpayers all over the country to construct a system for the exclusive benefit of persons in this area.

I would call to your attention that the tax rate paid by the residents of the District of Columbia is about $2.50 per hundred dollars of assessed value. The tax rate in Indiana towns and cities generally ranges from about $6 to $10 per hundred dollars assessed value.

The per capita income in the District of Columbia is about $3,500 per year. In Indiana it is about $2,500 per year.

Consequently, it is difficult for me to see why the people in Indiana should be taxed to help pay for a transit system for the people in the Nation's Capital. On the statistics given above, it would seem that the people in the District are better able to pay for this system than the people of Indiana and many other States. If the system is needed and wanted, then let them find the ways to pay for it among themselves.

Mr. NELSEN. Mr. Chairman, I yield 5 minutes to the gentleman from Maryland [Mr. MATHIAS].

Mr. MATHIAS. Mr. Chairman, today I follow our colleague, the Representative-at-Large from Maryland, and our colleague from the 10th District of Virginia, who both have advocated support for this bill and urged that it be approved and passed today.

On occasion the three of us have spoken here on matters which affect the metropolitan area of the Nation's Capital and we have been accused of self-serving declarations. I can understand how that attitude might be held by some, but I should like to lay it on the line here and now as to why this bill should be passed. I am speaking not as one who is promoting a selfish interest in the District area, but as someone who does have some experience and knowledge as to what is at stake here for all the people of the United States.

In the first place, the question has been asked me repeatedly today, "Why should the House approve a local transit bill?" I remind Members that the reason we must deal with it today is that there is no other municipal authority to deal with it. We are sitting in effect, as a city council of the city of Washington this afternoon, and we must deal with municipal transportation because the Constitution of the United States imposes upon the Congress the exclusive legislative authority to deal with the National Capital. As proposed by this bill, the rapid rail transit system is limited to the District of Columbia. I would here quote the present proposal as outlined in the report, including the physical plan and the actual routes:

THE PRESENT PROPOSAL

Some 16 months have passed since the action of the House returning the transit legislation to your committee. During that period, representatives of your committee and the administration have worked closely together to modify the suggestions leading to the recommittal of the earlier bill on December 9, 1963.

The physical plan for the system now proposed is little altered, reflecting the belief of your committee and of the administration in the soundness of the system proposed by your committee in 1963. However, with respect to such matters as financing, labor protective provisions, and operation of the system, the present legislation differs in significant respects from that considered earlier by the House.

PHYSICAL PLAN

The principal differences between the rail rapid transit system authorized by the present bill and that recommended earlier by your committee are as follows:

1. The alinement of the Pentagon route connecting downtown Washington with Rosslyn, the Pentagon, and Pentagon City in Virginia has been changed. Under the previous plan, this route ran beneath the Potomac River a short distance upriver from Arlington Memorial Bridge, and provided two branches on the Virginia side, one upriver to Rosslyn and the other south to the Pentagon and beyond. Under the present plan the river crossing has been moved upstream and Rosslyn, the Pentagon, and Pentagon City would all be served by the single line. This would permit more frequent scheduling of service and better utilization of trains.

2. The previous plan called for a route southeast of the Capitol to Anacostia. The present program would eliminate this route and substitute a line east of the Capitol to Benning Road and Kenilworth Avenue NE. The presently proposed route would serve more of the built-up area of the District than that previously proposed, and would provide services to the District of Columbia Stadium, the District of Columbia Armory, and the District of Columbia General Hospital.

The Benning Road NE. area also provides a more suitable location for train maintenance shops and car storage.

3. The previous proposal called for the establishment of improved commuter railroad service along 15 miles of the Pennsylvania Railroad line to Bowie, Md. The present program eliminates this. Such a line is not essential to a basic District of Columbia system. It is felt that with the establishment of a terminal near Benning Road and Kenilworth Avenue NE., including bus transfer and parking facilities, express bus service via the Kenilworth and Annapolis Expressways will reach more destinations in the same area.

4. The previously proposed Columbia Heights route terminated near 18th Street and Columbia Road NW. In order to serve more of that heavily populated section of the District, the present plan extends that route to the vicinity of Georgia and New Hampshire Avenues NW.

ACTUAL ROUTES

The proposed rail system would actually consist of the following:

1. A downtown subway line between Lafayette Park on the west and Judiciary Square on the east, largely beneath G Street with major stations at 12th and G Streets NW., 8th and G Streets NW., and Judiciary Square. This section would be common to all of the radial routes of the system.

2. A Pentagon route running west from G Street and Lafayette Park in the alinement of H Street NW., then beneath the Potomac River to Rosslyn, Va., and from there south to the Pentagon and to a terminal within or near the so-called Pentagon City development area in Arlington County.

3. A Connecticut Avenue route running northwest from Lafayette Park beneath Connecticut Avenue to a point near Van Ness Street NW.

4. A Columbia Heights route branching from the Connecticut Avenue route at Columbia Road NW., and running to the vicinity of Georgia and New Hampshire Avenues NW.

5. A B. & O. route running east from G Street and Judiciary Square beneath Union Station and on the right-of-way of the Baltimore & Ohio Railroad, to Woodside in Montgomery County, Md.

6. A Benning route running from Judiciary Square to the U.S. Capitol and thence to the District of Columbia Stadium and a terminal and maintenance base in the vicinity of Benning Road and Kenilworth Avenue NE.

The outlying stations would include bus-transfer facilities and parking spaces for approximately 12,000 automobiles.

The system is described in detail in the aforementioned reports of the Agency.

The establishment of the system authorized by the bill would be subject to the provisions of the National Capital Transportation Act of 1960 (40 U.S.C. 651, et seq.) and would be carried out substantially in accordance with the schedules and plans contained in the Agency's aforementioned reports.

Secondly, the Federal Government should be dealing with this problem, and the House should approve this bill, because the Federal Government by its operations here is contributing to the traffic problems of the metropolitan area. We are daily extending the geographical scope of the National Capital area. We are daily expanding the density of population in the area. All of this is directly related to the activities of the Federal Government and properly so.

But when we engage in these activities, when we undertake to enlarge and to expand the National Capital area, we must accept the consequences, and this involves providing adequate transportation. The recognition of the need for growth and the potential for growth was reflected in the testimony of General Duke, the Engineer Commissioner of the District, which I quote:

COMPACT

We anticipate that the District of Columbia will subsequently participate directly in mass transit development by means of an interstate compact between the States of Maryland, Virginia, and the District of Columbia. Such a compact affords the opportunity for the joint preparation of a future financing program to be equitably shared by the signatories. The Joint Transportation Commission negotiating a compact in accordance with the consent of Congress in title III of the National Capital Transportation Act of 1960 has proceeded to the stage of final review with the express objective of ratification by the end of 1966, and I might add at this point, Mr. Chairman, that this Joint Transportation Commission is announcing Friday morning at a press conference the completion of negotiation of this compact with the anticipation that it will be introduced in the Maryland Legislature before next Tuesday.

This whole compact, if these plans materialize, this compact then would take advantage of the establishment of the corresponding organizations in Maryland and Virginia to lay the basic framework for the operation of the rail transit system that we are discussing here today.

It does not specifically address itself to the future financing proposals, because those have not as yet been presented before the Congress, but it sets up the framework which could accept future financing proposals without a basic modification of the compact itself.

Third. I urge upon the Members that this National Capital of ours is going to stagnate and the center city will be strangled if we do not have a rapid rail transit here and have it soon. I call attention to the language of the committee report which describes the urgency of the problem in these terms, which I quote:

URGENCY OF THE PROBLEM

The seriousness of the transportation problem besetting the National Capital region has been long apparent and undisputed. The hearings and reports of the Joint Committee on Washington Metropolitan Problems, the reports and hearings of your committee on the subject, and particularly the exhaustive studies of the 1959 transportation survey and the National Capital Transportation Agency, demonstrate beyond any doubt that the region faces a transportation crisis. The stark realities of the situation are that Washington's streets and highways are burdened with ever-increasing volumes of traffic, creating mounting congestion that has grave consequences for the District and the suburbs alike. Such congestion limits mobility. It detracts from the efficiency of Federal operations in Washington and results in costly losses in time and money in traveling between home and work.

The fact is that Washington is the fastest growing metropolitan area in the Nation. Today there are somewhat more than 2 million people living and working in the region. By 1980 the population is expected to reach 3.5 million, an increase of more than 50 percent, and 5 million people are anticipated by the year 2000. Also, 1 million more automobiles are expected by 1980. The National Capital Transportation Agency and the highway departments of the region foresee a 40-percent increase in the number of person trips to and through Washington's downtown area in the morning peak hour between 1955 and 1980. If all of these movements are made by automobile—as is likely to be the case if there is no improvement in public transportation—the number of cars in the central area will virtually double by 1980. The prospect of such an increase over the present street congestion is appalling.

There is universal agreement that it is impossible to meet the region's growing transportation demands by means of highways alone. Recognizing this, the plans of the highway departments of the region are predicated on the development of an improved system of public mass transportation, one that will be attractive to the public. The departments recognize that the people of the National Capital region must be provided a real choice between using public transportation, or using their private automobiles, for trips between their homes and their places of employment.

Such a choice does not exist today in any meaningful sense. Due to downtown congestion, traffic intersections, and the number of stops that must be made to pick up and discharge passengers, the existing bus service is far slower than the private automobile. As a result, public transportation patronage has shown no meaningful increase in Washington for several years despite a steady growth in the population, and in spite of efforts to make bus service more attractive. Today, approximately 40 percent of morning peak hour trips to downtown Washington are made by public transportation. In contrast, in cities such as New York, Chicago, Philadelphia, and Boston, where there are comprehensive rail rapid transit, commuter railroad, and bus systems, between 70 and 90 percent of peak hour trips are made by public transportation. The conclusion is inescapable that if Washington is to achieve a higher percentage of public transit patronage—as it must do if the traffic pressures on the street and highway system are to be relieved—nothing short of a high-capacity, high-performance, rail rapid transit system operating in subways and on other exclusive rights-of-way can do the job.

Some of the people who have spoken this afternoon, I know, have been concerned about highways, and some have been concerned about bus systems. We all should be concerned about highways and about bus systems. We are going to need more highways and better highways in the National Capital area. I am honest in saying that passing the rapid transit bill is not going to eliminate the need for better highways. By the same token, I believe we will need more and better bus service and wider bus service. Passing this bill is not going to eliminate that need, either.

Considering the growth of the National Capital area, as now projected and as it can be positively predicted, with a growth as large and as rapid as we know it will be, we will need highways and buses and rail transportation. The committee report adequately describes the basic purpose of the bill and it should be quoted here:

PURPOSE OF THE BILL

The purpose of this bill, approved by an 18 to 3 vote of your committee, is to authorize the prosecution of a transit development program for the National Capital region, in furtherance of the objectives of the National Capital Transportation Act of 1960 (Public Law 86–669, 86th Cong., approved July 14, 1960, 74 Stat. 537). It is the considered judgment of the administration and of your committee that the National Capital urgency needs a rail rapid transit system and that it is essential to the health, vitality, and appearance of our Capital City that the Congress now authorize such a system.

In the 88th Congress, legislation authorizing a rapid rail transit system was favorably reported by your committee to the House. On direction of the House, this legislation was returned to your committee for further review and consideration. Thereafter, a careful restudy was made of needs for such a system and of the provisions of enabling legislation. The need for such a transportation system was determined to be increasingly urgent. The responsibility of the Federal Government and the necessity of its participation in establishing such a system are clear. No serious objections of merit were disclosed during the review of the proposed rail rapid transit plan.

The restudy of the proposed plan and the terms of the enabling legislation has produced some changes and improvements. When the transit program was considered by the House during the 88th Congress, it was the feeling of the Members at that time that specific provisions of the earlier bill—particularly those relating to financing and operation of the system and to the protection of transit labor—required revision. In conformity with the wishes of the House, substantial revisions have been made with respect to these and other matters by the administration and by your committee. These are explained in this report.

Specifically, the present bill would authorize the National Capital Transportation Agency (hereinafter the "Agency," or "NCTA") to design, engineer, construct, equip, and to take such other actions authorized in the bill necessary to provide for the establishment of, a system of rail rapid transit lines and related facilities for the mass transportation of persons within the District of Columbia and between the District and points in Montgomery County, Md., and Arlington County, Va.

The rail rapid transit lines and related facilities authorized by the bill are described in reports of the Agency entitled "Rail Rapid Transit for the Nation's Capital, January 1965" (app. A) and "Engineering Plans and Cost Estimates, Engineering Supplement Transit Development Program 1965."

The proposed rapid rail system would be limited largely to the District of Columbia. However, there would be one extension into Arlington County, Va., to serve the heavy Federal employment concentration at the Pentagon, and a short extension into Montgomery County, Md., in order to reach a suitable terminal location. The total system would be 24.9 miles long, with double-track throughout, and would include 29 stations. Approximately one-half (13.1 miles) would be in subway, 7.5 miles would utilize a portion of existing railroad rights-of-way, and the balance would occupy other exclusive rights-of-way.

The estimated capital cost of constructing this system is $431 million, exclusive of interest requirements, and would be financed as follows:

	Million
Federal contribution	$100
District of Columbia contribution	50
Public sale of revenue bonds	281

The system would be designed and constructed by private engineering firms under contract with the Federal Government.

The bill requires that the system shall be operated by private transit companies, railroads, or other private parties under contract with the Agency. The Federal Government would retain control over essential matters such as fares and safety standards but would not be involved in day-to-day transit operations.

The bill accords labor in the National Capital region the same protective provisions given transit workers in other cities under the Urban Mass Transportation Act of 1964. Operating personnel would be employees of the private operator and not Federal employees.

The bill contains provisions preserving the rights of the bus companies presently serving the region. Furthermore, the companies will continue to be regulated by the local transit commission which has a statutory obligation to assure a reasonable rate of return.

We have responsibility here which is not a local responsibility but a national responsibility. It is one we can discharge only by passing this bill this afternoon.

I stand before you not as a Member speaking for the interests of a single district which happens to be adjacent to the Nation's Capital, but as a Member of the House interested in the national interest in the Federal City. I urge Members to support this bill and pass it overwhelmingly this afternoon.

Mr. WHITENER. Mr. Chairman, I yield 2 minutes to the gentleman from Illinois [Mr. KLUCZYNSKI].

Mr. KLUCZYNSKI. Mr. Chairman, I want to commend my good friend and colleague, the gentleman from North Carolina, BASIL WHITENER, for bringing this bill to the floor today. Mr. WHITENER has worked long and hard, with the members of his committee, to improve public transportation in the Nation's Capital and his bill deserves our support.

We have an excellent transit system in Chicago and the plain fact of the matter is that the city could not survive without it. The same problem exists in Washington and experience tells us there is only one solution—the construction at the earliest possible moment of a rail rapid transit system.

One of the most important things to have happened with respect to this program since we last considered it was the appointment of Mr. Walter J. McCarter as Administrator of the National Capital Transportation Agency. He is recognized as the leader of the rapid transit industry; no one in the field enjoys a better reputation.

Mr. McCarter was general manager of the Chicago Transit Authority for many years and I was privileged to witness firsthand his many achievements in that role.

He was largely responsible for the development of the Congress Street Expressway, the first multilane freeway to coordinate motor and rail traffic.

He modernized the city's bus fleet and its rapid transit system.

His achievements are too long to number.

After retiring as general manager of the Chicago Transit Authority he went to the Virgin Islands for a well-earned rest. But the President then asked him to come to Washington to head this program. He agreed to do so. We have the best man in the business heading this program. He is ready to go to work on the development of a rail system in Washington and has come here at great personal inconvenience because he believes in the program, and wants to see our National Capital have the finest rail rapid transit system in the world. I say let us give him the tools to work with by passing the present bill.

Mr. NELSEN. Mr. Chairman, I yield such time as he may desire to the gentleman from Virginia [Mr. BROYHILL].

Mr. BROYHILL of Virginia. Mr. Chairman, I should like to elaborate on some of the remarks I made earlier during this debate.

Mr. Chairman, I believe the bill we have before us, H.R. 4822, to authorize construction of a rapid transit system in Washington, to be of utmost importance to the future of our National Capital. Indeed, during the 13 years that I have served in the Congress as a member of the District of Columbia Committee I have participated in the preparation and passage of much legislation affecting the National Capital but I can think of no legislation that could approach in importance to the whole region the bill we are considering today.

At the very outset, I want to make it clear that this bill has the support of the majority of the Republican as well as of the Democratic members of our committee. Furthermore, it was the Eisenhower administration that first proposed rapid transit for Washington. There is, in short, no partisan issue here.

Rather, the issue is whether we desire a National Capital in which all Americans can take a growing measure of pride. If so, we must solve the transportation problem that today threatens the vitality and beauty of the city. Our committee has been working on this transportation problem for over a decade and we have concluded that only through construction of a rapid transit system can that solution be found.

H.R. 4822 would authorize such action thereby introducing to the Capital a whole new concept of public transportation service. The new rapid transit system would provide speedy underground service throughout the downtown area and between the downtown area and the suburbs via connection with the services provided by the present bus operators.

With this system in being, public transportation travel time between northern Virginia and the central area of Washington will be reduced by as much as 30 minutes. And a trip from the Capitol to the Mayflower Hotel area will take only 6 minutes compared with the 25 minutes or more it takes to make that trip in the rush hour today.

That we need this dramatic improvement in public transportation seems to me beyond debate. The congestion that brings traffic to a halt in the downtown area every morning and evening, and even in the middle of the day, grows every year. Estimates are that by 1980, unless we have a rapid transit system, surface traffic will grow by 40 percent making today's intolerable situation seem mild by comparison.

The District of Columbia Highway Department, which is doing all in its power to speed construction of the Interstate Highway System, has stated time after time that only if these highway improvements are accompanied by construction of a rapid transit system can we make a dent in congestion. Other North American cities, such as San Francisco, Cleveland, Philadelphia, Montreal, and Toronto, are busily at work constructing new rapid transit systems or extending existing ones. And throughout the Western World, and even in Russia, other countries are building new rapid transit systems for their capital cities or improving existing systems. Such construction is going forward today in Moscow, London, Paris, Rome, and Berlin. I think it is high time that we begin to construct a rapid transit system for our own Capital.

Mr. Chairman, the present bill is the product of literally years of effort. Our committee began the effort 13 years ago by authorizing a transportation study for the region. That study took several years to prepare and resulted in a 1959 recommendation favoring a rail rapid transit system. Along with many of my colleagues, I felt that the plan accompanying the 1959 recommendation was not sufficiently detailed to merit legislation authorizing construction. And so, in 1960 I introduced the bill that established the National Capital Transportation Agency to prepare a detailed plan. The Agency did so during a period of over 2 years, making use of the talents of some of the Nation's leading engineering firms.

Late in 1963 our committee brought to the floor a bill to authorize construction of a smaller version of the system recommended by the Agency, requiring half the investment of the larger system. That bill was returned to the committee by vote of the House.

In the past year and a half every effort has been made to solve the problems that led the House to return the earlier bill to committee. As a consequence, major changes have been made in the present legislation.

First. We have included in the bill provisions affording labor the same protections given labor in the Urban Mass Transportation Act of 1964. While many of us did not favor those provisions, they are now law and it is only fair that we afford transit labor in Washington the same protections enjoyed by transit labor throughout the country.

Second. We have provided that the system shall be operated by private enterprise, not by the Federal Government. This will insure that private initiative plays its role in the picture and will avoid the problem of involving the Federal Government in the day-to-day management of a rapid transit system.

Third. We have thoroughly revised the proposed financing formula so as to reduce sharply the amount of Federal financial participation in the system and to increase local financial participation by a like amount.

In short, our committee has made every effort to bring to the floor a bill that will be satisfactory to the overwhelming majority of the Members.

There are several other facets of the bill that I think deserve special emphasis.

I am absolutely convinced that ample protection has been provided the existing private bus operators. Such protection has been a matter of particular interest to me because the A.B. & W. Bus Co., which provides service between northern Virginia and Washington, has a substantial investment in equipment and property and has been providing exceedingly fine public service for many, many years.

We have included in the bill a provision making it crystal clear that the authority of the Washington Metropolitan Area Transit Commission—which has a statutory obligation to insure an adequate return for the bus companies—is not diminished one iota by the bill. Other provisions of the bill are designed to provide further protection to the companies. Finally, there is no questioning the fact that the success of the rapid transit system is absolutely dependent upon the health of the bus companies which will continue to be a key element in the region's public transportation system.

I also want to emphasize the fact that every effort has been made to place the burden of paying for the system on the riders rather than on the Federal or local governments. In the National Capital Transportation Act we required the National Capital Transportation Agency to devise a system that would place as much burden as possible upon the riders and as little as possible on Government. Naturally, this system will require a substantial element of Federal and local financial support. But the point should be made again and again that more than 70 percent of the cost of this system is going to be paid for by the people of this region who use the system.

In conclusion, I believe construction of this system to be absolutely essential. I think that my colleagues on the District of Columbia Committee who have labored for years with me to produce this bill deserve commendation. And I hope that all of the Members will join with me in supporting this vital legislation.

Mr. NELSEN. Mr. Chairman, I yield 1 minute to the gentleman from Florida [Mr. CRAMER], for the purpose of asking a question.

Mr. CRAMER. Mr. Chairman, if I can have the attention of the gentleman from Illinois [Mr. KLUCZYNSKI], the distinguished gentleman who just addressed the House, who, of course, is the chairman of the Subcommittee on Roads of the Committee on Public Works, on which I have the privilege to sit.

Last session the question was raised when this measure was brought before us as to whether this would slow down or jeopardize the construction of the inner loop freeway. Of course, I am not opposing this legislation, but the record should be clear, and I ask the gentleman, Are you satisfied that this will be the case and that there will be no slowdown or prevention of the construction of the inner loop freeway as a result of the passage of this bill?

Mr. KLUCZYNSKI. Mr. Chairman, I am sure that this rapid transit system and all mass transportation systems will help our road program. They will all grow together the same as the waterways, the railroads, and our road system.

Mr. CRAMER. I wanted to make sure that it is a matter of record, because there is concern about it. The assurances are given that this will not be the effect of this legislation. Will the gentleman agree with me on that?

Mr. KLUCZYNSKI. I do.

Mr. NELSEN. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, the long history of increasing traffic congestion in the Nation's Capital makes it crystal clear that the time has come for us to establish a new and modern system of transportation. That new system must be rail rapid transit.

The idea of a rail rapid transit system for Washington is hardly a brand new one unique to this administration. The idea has now been proposed by three Presidents. It was first proposed by President Eisenhower, then by President Kennedy, and is now a part of the program of the Johnson administration.

The Congress has responded first by authorizing the preparation of a preliminary study in the early 1950's and then in 1960 by establishing the National Capital Transportation Agency to prepare a detailed plan, including preliminary engineering studies, for a rail rapid transit system.

Throughout this period the concept of a rail rapid transit system has had the vigorous support of members of both parties. And your committee reported the present bill by an overwhelming 18-to-3 vote with the majority of the members of both parties supporting the bill.

This is and has been a bipartisan program with but one purpose—to improve the transportation system in our Nation's Capital. We have no choice but to do so for it is clear that traffic congestion is stifling the city and must be cured if we in the Congress are to carry out our responsibility of preserving and enhancing the beauty and dignity of our National Capital.

To me the need for the system is self-evident. The National Capital region is the fastest growing in the United States. It had a population of 2 million in 1960 and it is forecast that by 1980 it will have 3.5 million, a growth of 75 percent. There are 800,000 motor vehicles in the region today and an additional 1 million are expected by 1980. The highway departments, the National Capital Planning Commission and virtually everyone else who has studied the problem has concluded that all of those factors will combine to produce a steady increase in traffic congestion unless a rail system is built and built right away. I for one feel that the time to begin is already overdue.

Of course, arguments have been raised against the bill but none that seem to me meritorious.

Some have expressed concern about the size of the required investment. I have always opposed bills that I thought entailed excessive Federal spending but I see nothing excessive about the Federal spending involved in the present bill.

The Federal Government is being asked to invest only $100 million for a $430 million rapid transit system. The District of Columbia will contribute $50 million and the rest—almost $300 million plus whatever interest has to be paid—will be met by the issuance of revenue bonds to be retired from fares paid by those who use the system and not by the taxpayer.

Thus the financing is patterned on the two-thirds, one-third formula of the Urban Mass Transportation Act of 1964 with the additional requirement that approximately 66 percent of the required investment must come out of the fare box.

Finally, we are requiring that the $150 million of Federal and District of Columbia grants be repaid ultimately. In the committee's report it is stated that:

> It is your committee's intent that following the retirement of the bonds issued to finance the construction of the transit system, provision should be made to repay pro rata these contributions of capital by the Federal and District of Columbia Governments out of the revenues of the system.

Thus, the cost of the system to the Federal Government has been kept as low as is possible and every effort has been made to place the heaviest part of the burden on the riders of the system. Frankly, I do not see how we could ask for more.

It has also been alleged that the estimates of the cost of the system are very much understated. Those who make this allegation cannot point to a single engineering study that conflicts with the study on which the costs estimates we have relied on are based. And there are no such conflicting studies.

Nor can there be any suggestion that the cost estimates were not done by competent professionals or that they are out of line with the experience of other cities.

Outstanding independent engineering consulting firms were employed in the preparation of the estimates. They include De Leuw, Cather & Co., Kaiser Engineers, and Louis T. Klauder & Associates, each of which was chosen for its national reputation and experience in the transit field. In addition, Dame & Moore, an outstanding firm in its field, was employed to conduct extensive soil boring tests in order to determine subsurface conditions in and around the downtown area of Washington.

Furthermore, the evidence submitted during the committee hearings made it clear that the estimates upon which the committee has relied are entirely in accord with the experience of other cities.

In sum, I am satisfied that the estimates were made by people of high professional competence, that they are supported by experience and that we can rely on them.

It has also been charged that the traffic and revenue estimates are overstated. Here again, those making this charge are not able to point to any studies that conflict with those the committee has relied on. These studies too were prepared with the assistance of outstanding firms and accord with experience. And it seems to me that the result is reasonable. For the studies on which the committee has relied assume that even with this new rapid transit system a smaller percentage of people will use rapid transit in Washington than use it today in other cities. That seems to me to be a very conservative prediction; certainly I can see no basis for charging that it is overly optimistic.

Nor am I impressed with the argument that since the New York system does nothing more than meet operating costs and generates no earnings for capital improvements the committee is being too optimistic in believing that the Washington system can generate enough revenues to meet two-thirds of its capital costs.

Let us not forget that New York has a politically established and maintained fare of 15 cents. Experts in this field are all in agreement that if the New York fare were 25 cents all operating costs and the entire $100 million of annual capital charges would be met.

In Washington the present busfare is 25 cents and we have a zone fare system that produces an even higher fare for longer trips. Thus, the average fare paid by bus passengers for trips to and from Washington is at least double the New York fare.

The plain fact of the matter is that the evidence shows that a rapid transit system can meet a substantial portion of its capital requirements if a reasonable fare is charged. Thus, the Chicago Transit Authority charges a 25-cent fare and since 1946 the system has generated sufficient revenues to meet operating expenses plus $200 million of capital requirements. And it is interesting to note that Washington's average fare per mile is even higher than Chicago's.

Finally, the opponents of this bill have made many arguments about free enterprise. I, myself, am a strong advocate of free enterprise but there are certain facts we must recognize. Free enterprise could never have built our roads and streets, our subways, our bridges, or developed our waterways. In all of these things we have needed a combination of Government and private activity.

That combination exists in the present bill. While the system will be owned by the Federal Government, private engineering firms will do most of the engineering design work, private construction firms will do all of the construction work, private enterprise will be responsible for the marketing of almost $300 million of revenue bonds, and private enterprise will operate the system.

We are all aware that much of the talk about private enterprise stems from the District of Columbia Transit System which opposes the present bill. That organization should be the last to make such an argument. It holds a monopoly franchise granted by the Federal Government. It has received substantial subsidies in the form of relief from gasoline and other taxes. It paid $13.5 million for the local bus facilities and an amendment offered to your committee providing for the acquisition of those facilities would have required the Government to pay anywhere from $30 to $60 million for them. And, finally, the committee has included in the present bill amendments designed to protect the company.

The company has benefited richly from Government assistance and will continue to do so. It should be the last to argue against the Government now taking a step that will afford the benefits of rail rapid transit to Washington.

I submit that the arguments against this bill are not well taken. The system is needed. The financing formula is fair and equitable. Every feasible step has been taken to protect private interests.

Furthermore, the program will be placed in the most competent hands. I am encouraged by the recent appointment of Mr. Walter J. McCarter, former general manager of the Chicago Transit Authority, to become the Administrator of the National Capital Transportation Agency. As general manager of CTA Mr. McCarter modernized the Chicago system and in cooperation with highway authorities developed the famous Congress Street expressway, now known as the Eisenhower expressway. This expressway combines rail, bus and private motor vehicle facilities and is truly a model for the Nation. Nine months ago, after 17 years as general manager of the Chicago system, Mr. McCarter retired. However, when the President called on him, Mr. McCarter stated that he was willing to leave retirement recognizing the importance of the present project to his Nation's Capital. I think the most valuable assurance we have that this system will be well built, built economically and will provide the best services, is that a man of Mr. McCarter's stature heads this program.

In conclusion, Mr. Speaker, I feel that the present bill is of utmost importance to our National Capital. That city is an important part of our national image and we cannot afford to have it decay because of traffic congestion. Our job is to build an even greater city befitting the leader of the free world and the present bill must be passed if we are to do so.

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

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

Mr. GROSS. The gentleman said, I believe, that the fare of the subway system in New York is 15 cents.

Mr. NELSEN. Yes.

Mr. GROSS. That the proposed fare for this District of Columbia subway would be 25 cents?

Mr. NELSEN. Yes.

Mr. GROSS. What would cause the gentleman to believe that people would more readily use this system with a 25-cent fare, as compared with 15 cents in New York? I understand the New York subway is a losing proposition.

Mr. NELSEN. The gentleman is assuming that people in New York would not ride if the fare is higher. I would suggest to the gentleman this is not even an actuarial figure. Twenty-five cents would be a reasonable and fair figure. I do believe that folks would and should pay a 25-cent fare. Politics has always interfered with any increase in the city of New York, and the costs have been taken out of the depreciation of real property instead of out of the fare box.

Mr. GROSS. Why advocate a fare of 25 cents in Washington, D.C., when apparently they cannot go above 15 cents in New York City?

Mr. NELSEN. The present fare in the District is presently 25 cents and we have no reason to assume that they would be unwilling to continue to pay at this level.

Mr. GROSS. The gentleman does not really believe, and I am sure he will not go on record here today staking his reputation on the statement that this system will pay for itself even with a 25-cent fare?

Mr. NELSEN. It can if it is not interfered with by some politicians who will probably be in here asking that the fare be reduced to 15 cents as has been the case in New York.

Mr. GROSS. The gentleman has not answered the question. All the sponsors of this bill paint a rosy picture of how this proposal will pay its way but none will back it up with any real assurance.

Mr. WHITENER. Mr. Chairman, will the gentleman yield?

Mr. NELSEN. I yield to the gentleman.

Mr. WHITENER. May I say in answer to the questions of the gentlemen from Iowa that those people now using the public transportation facilities in the District of Columbia are paying a minimum fare of 25 cents. This fare proposed for the rapid transit system would be a minimum of 25 cents and going up to 40 cents. As I understand, it would not be out of line with the existing fares that they are paying now.

I think it might be well to point out also that a lot of people who are not using the present public transportation facilities are driving their own cars and paying $1.75 a day to park their cars downtown. So it seems to me reasonable that they would use the rapid transit system.

With reference to the fare box paying out, of course, none of us knows what will actually happen. But we do have the benefit of the experience of the city of Chicago where since 1947 the Chicago Transit Authority has spent more than $200 million, all out of transportation system revenues, for equipment and plant, and they have retired $56 million of revenue bonds. In 1964 the Chicago Transit Authority earned $18,231,717 over and above maintenance and operating expenses, available for debt service and depreciation. So it does not seem unreasonable to predict that this fare box will yield what our experts tell us it will yield.

Mr. DENTON. Mr. Chairman, will the gentleman yield?

Mr. NELSEN. I yield to the gentleman.

Mr. DENTON. I believe the gentleman said it was hoped that the revenues would pay these bonds that the Government is going to issue.

Mr. NELSEN. Yes.

Mr. DENTON. Do you not think there ought to be a survey made to determine how much the income would be and what the expenses would be before the Government is asked to guarantee these obligations?

Mr. NELSEN. There have been many, many surveys made as to the financial structure of this plan. We have had experts, independent agencies, and individuals who have examined the estimates and the costs and have gone into it very carefully. All of these estimates have been prepared and thoroughly reviewed by nationally renowned experts.

Mr. DENTON. On the committee of which I am a member, which is the Appropriations Subcommittee, we had to go into this matter. When the National Capital Transit Commission came before our committee, we brought that question up and so far as I know and so far as I can make out, no survey has been made. They did make a survey when the large system was considered, but when they had the bobtail system, no survey was made. I understand them to say there was no necessity for doing it because the Government was going to sign the bonds and they did not see the necessity for it. It seems to me if the Government is going to sign the bonds, they ought to do just exactly the same as any bonding company would do and we should know what we are doing and not be guessing about it because the Government is going to be in back of these obligations. I am afraid of this thing. If you put this through, you are going to hear about it for a long, long time to come.

Mr. WHITENER. Mr. Chairman, will the gentleman yield?

Mr. NELSEN. I yield to the gentleman.

Mr. WHITENER. I think if the gentleman from Indiana would look at the hearings at pages 52, 54, 55, 56 and also page 51, you will find that the most reputable engineers in the transit business have made these studies and reports.

Mr. DENTON. Those reports were made on the big system before they had the bobtail system. They told our committee that there were no reports made on the bobtail system but the only reports they had were on the big system.

Mr. WHITENER. Mr. Chairman, will the gentleman yield to me further?

Mr. NELSEN. I yield to the gentleman.

Mr. WHITENER. If the gentleman will look at the hearings, one of the last items we have were letters which we received from DeLeuw, Cather & Co., dated March 24, 1965; and one from Kaiser Engineers of Oakland, Calif., dated March 24, 1965; and one from Louis T. Klauder & Associates, Consulting Engineers, dated March 24, 1965, appearing on pages 299, 301 and 302 of the hearings. You will find that these are outstanding engineering and technical organizations, the most outstanding in the country, and in effect they are saying they are putting their professional reputation on the line and that this is sound and it is feasible.

Mr. NELSEN. I should like to point out that I have talked with these same engineers referred to, personally. I am satisfied that every professional attention which could have been given has been given to this bobtailed system.

Mr. SLACK. Mr. Chairman, will the gentleman yield?

Mr. NELSEN. I yield to the gentleman from West Virginia.

Mr. SLACK. I thank the gentleman. In the statement the gentleman referred to the population growth of the District of Columbia. I assume he meant the entire metropolitan area?

Mr. NELSEN. Yes.

Mr. SLACK. With respect to the engineer estimate as to the cost of this system, did the estimate include the cost of the land and the parking aprons for the parking of private automobiles at the exits?

Mr. NELSEN. Everything is included—the rights-of-way and parking facilities intended to be used at the ends of the various routes.

Mr. SLACK. I thank the gentleman.

Mr. QUIE. Mr. Chairman, will the gentleman yield?

Mr. NELSEN. I yield to the gentleman from Minnesota.

Mr. QUIE. I wish to take this opportunity to thank my colleague from Minnesota [Mr. NELSEN] for the work he has done on developing this program. I believe in it. I believe we ought to move ahead with the transit system.

As we look at the two gentlemen who are working for this [Mr. WHITENER and Mr. NELSEN] we realize they are noted for sound and thorough work on legislation. If they say that this is a good idea and a good and sound proposition, I believe that is correct.

In regard to the 25-cent rate, it should be pointed out that one of the reasons why the taxi system had a rough time in the first zone is that Congress always wanted a 50-cent trip downtown. It took a long time to move that up. If we start out with what these gentlemen say is an actuarially sound figure of 25 cents, I believe it will be possible to pay for the transit system.

Mr. WIDNALL. Mr. Chairman, will the gentleman yield?

Mr. NELSEN. I yield to the gentleman from New Jersey.

Mr. WIDNALL. Mr. Chairman, I commend the gentleman for the remarks he has made.

Mr. Chairman, I rise in support of H.R. 4822, the bill to authorize the prosecution of a transit development program for the National Capital region, and to further the objectives of the act of July 14, 1960. I was one of the 70 that supported the previous bill on the same subject December 9, 1963.

As the coauthor of the National Mass Transportation Act, I believe there is as much logic in adopting H.R. 4822 as there was in adopting the national act. The reasons for adoption are the same: the health and survival of our cities depend on balanced transportation systems. We need all types of transportation, and I do not believe that the existence of a subway conflicts with surface type transportation systems. Subway systems in cities across the Nation and in other parts of the world coexist with all types of surface transportation for the benefit of those cities and their citizens.

It is said that a subway system will really only benefit those living in outlying areas of the Nation's Capital, and in its suburbs. From the standpoint of the city's residents, particularly those in low- and moderate-income neighborhoods, the subway system could well avoid the continuing proliferation of superhighways and expressways which are cutting up the Nation's Capital into islands. In the name of progress our highways and freeways within urban areas are constantly displacing people who have ever fewer choices of places to live because of income or minority status.

A balanced transportation system within the Nation's Capital can serve as an example to the Nation as a whole. Nor should we forget that much of the highway traffic and parking needs within the District of Columbia are the result of the Nation's Capital being a prime tourist attraction. Only yesterday, the National Park Service announced that beginning next week all parking spaces on the Mall between the Washington Monument and the U.S. Capitol Building would be put on a 2-hour maximum time limit for the benefit of tourists. The hundreds of Federal employees who have been parking there will have to seek new parking spaces or other transportation facilities.

Certainly it is high time we begin to think of the American taxpayer back home as well as of the visitors to the Nation's Capital. The taxpayers back home deserve the best possible service from their Government in Washington, and that can only come from the Federal employee.

More and more the question of transportation to one's place of work is a significant factor in the choice of employment. If we are to continue to attract and keep skilled and dedicated Federal employees we will have to do more than merely raise their pay. Providing a viable subway system will both meet the need of these Federal employees and, in the long run, save money since it will reduce the need for an increased highway program and for extensive and increased parking facilities at the end of the road.

Mr. Chairman, I urge the adoption of this bill.

Mr. O'KONSKI. Mr. Chairman, will the gentleman yield?

Mr. NELSEN. I yield to my colleague, the gentleman from Wisconsin.

Mr. O'KONSKI. On the matter of the cost estimate, I believe there was some talk about expert testimony. The Congress of the United States has employed an expert, in the nature of the WMATC, an agency organized by the Congress. They say from a patronage standpoint the subway will not be used and from an investment standpoint it will be a disaster. This is an agency of the U.S. Congress which has studied the problem and told us it will not be used.

The gentleman pointed out the loss on streetcar and bus fares. Why does the gentleman not tell the Members of Congress that from 1950 to 1960 the increase in metropolitan and urban centers was the greatest growth in the history. They more than doubled and trebled in population, yet subway transportation has fallen from 17 billion to 9 billion. Why not bring out all the facts?

Mr. NELSEN. I thank the gentleman.

Mr. Chairman, I wish to conclude my remarks by pointing out that we can come up with all kinds of statements. We can jump the total cost from $2 to $3 billion in a week's time, if we wish. We can make statements in a positive manner. We can quote all kinds of erratic facts and figures to confuse the issue.

But the point is that the District of Columbia is going to need a transportation system and it is up to the Members of Congress who have held on to the authority to govern the District to do something about it. With that authority goes the responsibility of meeting he needs of the District.

If the language in this bill and the division of costs are not properly drawn, it is up to us to change it. The fact is that this is our Nation's Capital. It needs a transportation system. There is not an ounce of political benefit in it for me or for Mr. WHITENER, but this is our Nation's Capital. I believe we must do something about the system, and I am supporting this legislation. I know politically it may be unwise to do so, but I still believe in a better transportation system for my Capital.

I oppose, shall I say, a national act and I oppose it because I feel that each city has its proper responsibility. However, as to the District of Columbia, we have held onto the responsibility here and insisted on keeping it. Therefore, we should meet the needs of the District of Columbia.

Mr. Chairman, I yield back any time I may have.

Mr. WHITENER. Mr. Chairman, I yield 2 minutes to the gentleman from Pennsylvania [Mr. CLARK].

Mr. FALLON. Mr. Chairman, will the gentleman yield?

Mr. CLARK. I yield to the gentleman from Maryland.

Mr. FALLON. Mr. Chairman, I rise today in support of the legislation which is before us. In order that the citizens of the metropolitan area of Washington and, for that matter, the entire Nation, may move rapidly from place to place to conduct business, obtain everyday household needs and even for pleasure, we must have a mass transportation system in the metropolitan areas of our country.

As chairman of the committee of the House concerned with the building of our system of highways throughout the country, I would like to emphasize that I look upon mass transportation as a partner with the highway program in fulfilling the travel needs of our people. Mass transportation will have my support only so long as the chief proponents of this system are willing to acknowledge that this form of transportation will never serve as a substitute for an adequate highway system.

"Partners in Progress for the Transportation Future of Our Country" should be the slogan. My sympathies, if this partnership should break down, will always be with the highway system which, to me, is fundamental and is deserving of our first consideration.

In supporting this legislation today, I also wish to make it abundantly clear that at no time will we tolerate a raid against highway taxes to subsidize a mass transportation system. Just as highways must be self-supporting, so mass transportation must obtain its own method of financing independent of the motoring public. If raids are ever made against highway taxes of this Nation for mass transportation, they will meet with my most vigorous opposition.

Today could be a historic beginning of an enlightened, modern, adequate transportation system for our Nation. If it is, it will always enjoy my enthusiastic support, just as I will support the legislation before us today.

Mr. MACGREGOR. Mr. Chairman, will the gentleman yield?

Mr. CLARK. I yield to the gentleman from Minnesota.

Mr. MACGREGOR Mr. Chairman, I rise in support of this legislation.

Mr. MACHEN. Mr. Chairman, will the gentleman yield?

Mr. CLARK. I yield to the gentleman from Maryland.

Mr. MACHEN. Mr. Chairman, I rise in support of H.R. 4822, a bill to authorize construction of a rapid transit system in the District of Columbia.

As the Congressman whose home is closest to the Capital, I have a deep personal interest in the passage of this legislation. As a member of the house of delegates from Prince Georges County for 10 years, I have been long aware of the necessity for some system of rapid travel that would incorporate the suburban area that I represented.

Whether the rural areas like it or not, the city and its byproducts are creeping up to their back doors. And the suburbanites are returning the compliment by motoring back to town for business, shopping, and recreation.

The cyclical process is wholly dependent on an efficient means of distributing the flow when the initial destination is reached.

I believe we are agreed that our highways have all the traffic they can bear.

For years now we have been funneling commuters down concrete chutes in ever-increasing numbers and turning them loose with nothing more than a hunting license for a parking place.

No one should be expected to put in an efficient 8-hour workday when he is subjected to an hour of irritation on both ends—when he drives to work and when he returns.

Yet, thousands daily face this problem.

H.R. 4822 is only a first step. We realize that it is not complete in itself but considering the problems of previous years concerning the rights of individual property owners, businessmen, and labor, this is a logical and necessary first step. Although it is essential that we have a balanced program of highways and rapid transit, we must have a rail system in the city to build upon. The provisions of this bill are entirely consistent with our desire for maximum utility with maximum esthetic safeguards.

This beautiful city of Washington—the world's greatest monument to city planning—is being overcome by fumes and overrun by vehicles. It is almost if not the fastest growing population center in the United States and that is not counting the tourist travel. Consider those hundreds of thousands of American citizens who come to the seat of their Government every year to see its monuments and watch its officers at work—and spend half of their precious vacation time looking for a place to park.

We have sacrificed homes and the hearts of our cities to the motor vehicle. We must regain our sense of balance and restore the automobile to its proper place—as a convenient, but not exclusive, means of transportation.

This bill has a wide base of support, and as elected officials, we will be held responsible by future generations if we fail to act now. I feel we are at the crossroads and as trustees not only for the District of Columbia, but for all of the people of the 50 States, we need this as part of our transportation system; and in closing I call to your attention some of the committee's conclusions.

(See exhibit 1.)

EXHIBIT 1

The downtown portions of the rail rapid transit system that would be authorized by H.R. 4822 would make rapid, high-capacity, convenient, and comfortable transit service a reality between the Capitol, Union Station, and the key business and Government employment centers in downtown Washington. The radial lines of the proposed system would substantially improve public transportation service to and from many of the most heavily populated sections of the District, and, in combination with the bus systems, between the densely settled suburban communities of Maryland and Virginia and downtown.

While the lines and stations of the system would be limited principally to the District, the committee is convinced that by incorporating the bus-transfer and parking facilities contemplated by the bill, its effect will be areawide. It is believed that thousands of commuters will avail themselves of the timesavings and convenience that will become available, thus relieving the pressures on the street and highway systems.

The Congress have long recognized that if a modern subway rail rapid transit system is to be developed in the Nation's Capital, it is squarely up to the Federal Government to take the first step. Your committee is satisfied that the Agency's estimates concerning construction costs, traffic, revenues, and operating expenses of the proposed system have been well prepared and are reasonable. The recommended financial plan represents faithful adherence to the policy enunciated by Congress in the 1960 act. It calls upon the users of the facilities to bear by far the major portion of all costs and places the least possible burden on the Federal Government.

H.R. 4822 authorizes $100 million of Federal appropriations and a $50 million appropriation out of the general revenues of the District of Columbia. These funds are needed to launch construction of the proposed facilities. The transit development program does not call for any additional requests for appropriations. The balance of the cost of the system will be financed by the sale of bonds to be repaid out of the revenues of the system.

In the judgment of your committee, the time for action has arrived. There is no questioning the soundness of the investment. The rail rapid transit lines and related facilities are essential for the preservation of the beauty, dignity, and livability of the National Capital, for the welfare of the people of the District of Columbia, and for the orderly future development of the National Capital region.

Mr. CLARK. Mr. Chairman, as a member of the Public Works Committee and the Roads Subcommittee, I have been especially interested in the rapid transit proposals for the Nation's Capital. The program which President Johnson submitted to the Congress this past February is a vast improvement over prior proposals—it is indeed an excellent program in every respect. Our District of Columbia Committee, which has labored for a decade with the staggering transportation problems of the Nation's Capital, has submitted a committee report which is compelling, and a bill the passage of which is imperative.

In my six terms in Congress, I have not seen any piece of legislation for the Nation's Capital which has commanded such widespread and vigorous support. Nor have I known of any legislation which has more richly deserved our overwhelming approval—without delay and without amendment. The problem is clear to all of us who work and live here—traffic congestion is terrible, and daily getting worse, despite the fact that our highways have improved considerably in the past several years. The answer is also clear—a rail rapid transit system is a must for this area to provide the high-speed balance to our existing and projected highway system.

And that is why all three highway departments—the District, Maryland, and Virginia—support H.R. 4822. Their plans for an efficient highway program in this area depend upon the construction of the rapid rail system in H.R. 4822.

I spoke of the overwhelming endorsement of H.R. 4822. Every local government in the area supports H.R. 4822. More than 400 official and other organizations support it. Businessmen, corporations, banks, public utility companies, and associations support H.R. 4822 and have told us so by letter. and even in full-page newspaper ads during the past week. Organized labor here and throughout the country strongly endorses H.R. 4822. And this rapid transit program has never been a partisan issue. President Eisenhower signed the bill creating the National Capital Transportation Agency and directing it to develop a rapid transit program. The late President Kennedy wanted a subway system for Washington and he proposed one in 1963. Republicans and Democrats alike support this bill and have worked long and hard for its passage.

H.R. 4822 will authorize for the Nation's Capital what every other major capital city in the Western World has long had—a subway system. No city needs it more than Washington. And it is up to us to see that the Capital of all our people gets it.

The Federal interest is obvious. The Federal contribution is reasonable and specifically limited—$100 million for a $431 million system. Less than 25 percent of total cost. And the Federal investment is absolutely sound. We could not make a better one for our Capital. We cannot afford not to make it.

The local interest is also clear, and has been expressed by a virtually unanimous community—citizen, worker, and businessman. The local contribution—$50 million—is substantial for a city of 700,000 with limited financial resources.

And—contrary to the incredible, indeed irresponsible, claims of one purely selfish interest—who presumes to speak for private enterprise in full-page newspaper ads, on the back of his buses and elsewhere—a man who has been treated generously by means of subsidy, tax relief, and otherwise by the Congress—H.R. 4822 preserves private enterprise.

The system will be built by private enterprise under contract with the Federal Government.

The system will be operated by private enterprise under contract with the Government.

Two-thirds of the cost of the system will be financed privately by the issuance of revenue bonds, and those bonds will be retired from the revenues paid in by the users of the system.

Finally, all existing rights of all—not just one—of the private bus companies are specifically preserved by H.R. 4822.

And this bill preserves and protects the rights of labor in exactly the same manner as does the Urban Mass Transportation Act of 1964.

In summary, H.R. 4822 authorizes the subway system Washington must have to assure the efficiency of our Government, retain the vitality of its business community, protect the welfare of the people who live here, and preserve the dignity and beauty of our Nation's Capital, which belongs to all our people and therefore is the responsibility of each one of us.

And in doing all of these things, H.R. 4822 makes of no man a victim, and gives to no man a windfall. For just as the subway system will put our vital transportation system in balance, so does H.R. 4822 put in proper balance public responsibility and private opportunity. Public investment is protected by public ownership. Private initiative is preserved by private management operation under contract. The critical transportation problem and our responsibility dictates that we do no less; the solution and our conscience demands that we do no more.

I urge that we pass H.R. 4822 as reported by our District of Columbia Committee.

Mr. WHITENER. Mr. Chairman, I yield such time as he may require to the distinguished chairman of the Committee on the District of Columbia [Mr. McMILLAN].

Mr. McMILLAN. Mr. Chairman and Members of the House, I wish to use this time for the purpose of thanking the chairman of the subcommittee and the members of his subcommittee for the days, weeks, and months they have spent on this proposed legislation. I realize that there is room for disagreement on both sides of this proposal. I would like to state for a number of years, after we first began considering this proposal in the House District Committee, I had my doubts as to whether we could build a subway system in the District of Columbia. I suggested to the chairman of the subcommittee at that time that he have some of the best engineers in the United States make a careful survey to see if they in any way could come up with information on this subject that was sound, showing that they could build a subway system in the Nation's Capital and give us an estimate that was anywhere near correct what it would cost to build this proposed subway system. They have come up with some estimates now, and I certainly could not swear whether these figures are correct. I do want to thank the members of this committee for the hard work they have done and the long hours they have spent in connection with this proposal. If we are ever going to settle this problem, I presume that today is the best time we will ever have to make a definite and final decision on this proposed legislation.

Mr. ICHORD. Mr. Chairman, will the gentleman yield to me?

Mr. WHITENER. I yield to the gentleman from Missouri.

Mr. ICHORD. Mr. Chairman, I am inclined to support this legislation, but I am wondering why the States of Virginia and Maryland are not making a contribution to the construction of the subway. I would like to ask the gentleman from North Carolina whether those States have exhibited any willingness to make any contribution.

Mr. WHITENER. In hearings on the original bill, we had representatives of the official agencies of government in Virginia and in Maryland saying that they were ready to participate. I have in the file here a letter from Governor Tawes of Maryland in which he expresses support of the legislation. I can say to the gentleman that we have nothing other than an indication of willingness to participate if and when it becomes a Maryland-Virginia system. At present it is not serving those areas except incidentally.

Mr. ICHORD. Does the gentleman have any provision in the bill in regard to their participation in the cost in the event it does become a part of the interstate system?

Mr. WHITENER. No, the bill does not. The bill refers to the potential development of an interstate compact and looks forward to the day when that will occur and when that does occur, then this system will go into the interstate system and all will participate.

Mr. ICHORD. I thank the gentleman.

Mr. WHITENER. Mr. Chairman, I yield 1 minute to the distinguished majority leader, the gentleman from Oklahoma [Mr. ALBERT].

Mr. ALBERT. Mr. Chairman, I thank the gentleman for yielding.

I am in support of this legislation. I commend the committee for bringing it out. I urge its adoption.

I am taking this time really to advise Members, in response to many inquiries concerning the memorial services for Adlai Stevenson at the Washington Cathedral. A section will be reserved for Members of Congress. Members will only have to identify themselves as they present themselves to attend the services.

Mr. ROOSEVELT. Mr. Chairman, will the gentleman yield?

Mr. ALBERT. I yield.

Mr. ROOSEVELT. Does the gentleman have information concerning the time?

Mr. ALBERT. My understanding is that we should be present by not later than 10:45. Members will receive telegrams inviting them and furnishing details.

Mr. ROOSEVELT. Will we be permitted to bring our families?

Mr. ALBERT. My understanding is that the congressional section will be reserved for Members of Congress only.

Mr. WHITENER. Mr. Chairman, I should like to say at this point that I urge everyone to support our legislation without amendment other than the committee amendments.

Mr. ROOSEVELT. Mr. Chairman, the transportation jungle is something I am all too familiar with coming from Los Angeles. I know the frustration of men who have been earnestly trying—for decades—to awaken local and State officials to the need for long-term planning and action now. It is for this reason that I rise in support of H.R. 4822 to authorize a transit development program for our Nation's Capital region.

The gentleman from North Carolina [Mr. WHITENER], the author of this bill; the gentleman from South Carolina [Mr. MCMILLAN], chairman of our fine District of Columbia Committee, and all the members of that committee are to be congratulated for their work on this bill.

H.R. 4822 comes before the Congress against a background of more than a decade of surveys, studies, and recommendations dealing with the increasingly serious transportation problems of the National Capital region. Of the broad gamut of matters coming before the District Committee, none has occupied more time or received more sustained consideration. And of the many issues considered by that committee over the years, few have been more closely examined than that of the urgent need of our National Capital for a rail rapid transit system.

The National Capital region is now the fastest growing metropolitan area in the United States. In 1960, its population was approximately 2 million. It is expected to reach 3.5 million by 1980 and 5 million by the year 2000. In addition, many millions of our citizens from all the States visit the National Capital each year, and many millions more are expected to do so in the future.

This tremendous growth has brought with it increasingly serious transportation problems. Travel within the region—especially during the rush hours—has become more and more difficult. Due to the slow travel time on public transportation systems, more and more people in the area have resorted to private transportation.

There are now some 800,000 vehicles in the National Capital region. It is estimated that there will be 1 million more by 1980.

Realizing the seriousness of this problem, and understanding that it involves not only the welfare of the citizens of the District of Columbia, but also the efficiency of operation of the National Government to promote the national interest in protecting and enhancing the beauty, dignity, and livability of the National Capital, the committee, and the Congress have searched long and carefully for a solution that will best serve both the local welfare and the national interest.

I particularly note the labor provisions of this bill. Proposed legislation in the 88th Congress did not address itself to this problem. However, Congress has since enacted the Urban Mass Transportation Act of 1964, providing assistance to cities in improving their mass transportation systems and providing protection for transit workers affected by such assistance. Consequently, the administration and the committee have concluded that the same protection should be afforded transit labor in Washington. Hence, in addition to requiring that the local transit facilities be operated only by private transportation companies or other private persons, section 3(b)(3) of H.R. 4822 incorporates by reference the labor protective conditions set forth in the Urban Mass Transportation Act of 1964. It should be noted that under the reported bill, the employees involved in the operation of the new transit system would be the employees of a private employer whose labor relations policies will be subject to the existing labor laws applicable to private employers and to their employees.

Mr. Chairman, the seriousness of the transportation problem besetting the National Capital region has been long apparent and undisputed. The hearings and reports of the Joint Committee on Washington Metropolitan Problems, the reports and hearings of the District Committee on the subject, and particularly the exhaustive studies of the 1959 transportation survey and the National Capital Transportation Agency, demonstrate beyond any doubt that the region faces a transportation crisis. The stark realities of the situation are that Washington's streets and highways are burdened with ever-increasing volumes of traffic, creating mounting congestion that has grave consequences for the District and the suburbs alike. Such congestion limits mobility. It detracts from the efficiency of Federal operations in Washington and results in costly losses in time and money in traveling between home and work.

There is universal agreement that it is impossible to meet the region's growing transportation demands by means of highways alone. Recognizing this, the plans of the highway departments of the region are predicated on the development of an improved system of public mass transportation, one that will be attractive to the public. The departments recognize that the people of the National Capital region must be provided a real choice between using public transportation, or using their private automobiles, for trips between their homes and their places of employment.

It is my hope that the major metropolitan areas which face a similar crisis in the transportation planning and programs will take a cue from this legislation—that cities like my own of Los Angeles will exert anew every effort to meet their own transportation problem, and find the means of breaking the traffic strangulation with which they are now faced.

Mr. ASHLEY. Mr. Chairman, I want to extend my congratulations to the gentleman from North Carolina [Mr. WHITENER] and to the members of his committee responsible for what I believe to be one of the most farsighted pieces of legislation acted upon by this body in recent years.

The problem which the bill before us seeks to meet—the movement of an ever-increasing population in our ever-growing urban centers—calls for imagination, foresight and readiness to act boldly. Let's consider the proportions of the problem as it relates to our Nation's Capital. The population here in 1960 was about 2 million and it is expected to jump to 3½ million by 1980 and to reach 5 million by the year 2000. That is permanent population and does not include visitors. Presently there are some 800,000 vehicles in the Washington area and it is estimated that the number will increase by 1 million—for a total of almost 2 million—by 1980.

These projections make it abundantly clear, Mr. Chairman, that we must turn to new solutions if we are to succeed in moving people and goods with efficiency and speed. It is absolutely fundamental that we realize that the traditional means of surface transportation—essentially by automobile and bus—can only do part of the job and that there is a positive limit on the vehicular traffic that can be handled by streets, throughways and expressways. Today two-thirds of the land area in Los Angeles is devoted to the automobile—to roads and expressways, to filling stations and garages and parking lots. Will the situation there be improved when 75 percent of all land within the city is devoted to vehicular traffic?

Obviously not. And certainly this was a basic consideration when President Johnson called for deferral of proposed automobile freeways through Washington and asked for a restudy of those projects. Commenting on the President's action, the New York Times quite rightly pointed out that "these decisions if carried out by Congress, will preserve the beauty of Washington and enhance its economy. If there is anything the Capital does not need, esthetically speaking, it is a great swath of concrete sweeping across its face and attracting even more automobiles into town."

Much has been said about the $431 million price tag on the rapid transit system proposed in the legislation before us. It seems to me that it is just about time that we recognize that any solution to the staggering transportation problem which confronts us is going to be enormously costly. The question is not whether or not we are going to spend the money because obviously we are going to continue as a nation to move from one place to another. The only question is with respect to alternative means of transportation and how best our dollars can be spent.

It is no more realistic to oppose the bill before us because of its cost than it is to oppose the construction of sewage treatment plants because of their cost. The fact of the matter is that this country is going to spend tens of billions of dollars—not just $431 million—on modern systems of transportation for our growing urban areas from New York to California and from Minnesota to Louisiana. The expenditure is going to be made because we cannot afford not to make it.

Mr. Chairman, H.R. 4822 is a significant piece of legislation. It recognizes incredible changes that are taking place in the country and it provides an imaginative, bold response to the Capital's transportation problems which undoubtedly will serve as a model for other cities in the immediate years ahead. I wholeheartedly urge its adoption.

Mr. REUSS. Mr. Chairman, I rise today in support of H.R. 4822, authorizing a transit development program for the National Capital region. This program, as we all know from personal experience, is badly needed.

Washington is the 10th largest city and the fastest growing metropolitan area in the United States today. There currently are more than 2 million people living and working in the area. By 1980 this figure is expected to rise to 3.5 million, and then to 5 million by the year 2000.

SUBWAY WOULD SUPPLEMENT BUS NETWORK

Yet despite the city's current size and expected growth, it is relying for internal public transportation on a bus system—good as it is—which is less attractive to most commuters or shoppers than their own automobiles. In order to relieve traffic congestion and get people out of their cars, we need a rapid transit subway system to supplement the bus network. H.R. 4822 provides that system.

The proposal under consideration today is a good one. It authorizes the National Capital Transportation Agency to build a rapid rail system nearly 25 miles long with 29 separate stops. The system would serve primarily the central city of Washington, but extend on one terminal route into Maryland in the Silver Springs area and on another into Virginia in the Pentagon area. Approximately half of the system—that serving downtown Washington—would be underground.

The project is estimated to cost $431 million, of which 65 percent would be raised through the sale of bonds to be paid back from revenues. The remaining 35 percent would be shared two-thirds by the Federal Government, and one-third by the District of Columbia government. The complete system would be in service by 1972. It would be operated by private companies under contract with NCTA.

GOOD TRANSPORT: OUR CITIES' NO. 1 PROBLEM

The most serious problem facing our cities today is the problem of providing safe, quick, and economic public transportation for their residents and visitors. Cities have not been equipped with the public transportation facilities they need. Rather, they have, as a rule, struggled along with inadequate systems far too long—and Washington is a prime example. Therefore, I am glad that Congress is about to take action to improve the mass transit facilities for the Capital City.

But what about the future?

We know from experience that we are generally Johnnies-come-lately when coping with the problems of our cities. We never seem to catch up to where we should be, and this is true in all aspects of urban development—renewal, water, and air pollution control, water supply as well as public transport. We should attempt to leap ahead, not simply struggle to catch up.

I have proposed legislation that would enable us to leap ahead in the development of urban transportation systems. H.R. 9200, which I introduced on June 17, would provide a 2-year, $20 million program to achieve a technological breakthrough in the development of new modes of urban transportation.

The Mass Transportation Act of 1964, which my bill would amend and supplement, while good legislation and badly needed, is limited in what it can accomplish. The total cost of equipping our cities with good mass transportation facilities has been put by some as high as $10 billion. The 1964 act provides $375 million over a 3-year period for grants to help cities improve existing, or set up new, bus or subway systems. Obviously, the 1964 act is not going to be able to cope with the problem adequately, particularly since it includes no program for basic research into new mass transit systems.

NEW URBAN TRANSPORT SYSTEMS ARE NEEDED

But it would be futile in any case to try to meet the long-range urban transportation needs of our cities under the terms of the 1964 act. What we are going to need eventually—in fact, what we need now—is a system which first, can take its passengers safely, quickly, and economically to their destination without the bother of transferring; second, is powered by a fuel that does not pollute the air; third, fulfills the apparent need of Americans for individual transport; and fourth, will contribute to good city planning.

The Massachusetts Institute of Technology has developed a drawing board version of a system which meets these criteria. It is called the Commucar. Such a system could be refined and developed under the program I am proposing.

Nine other Members have introduced legislation identical to H.R. 9200; the gentleman from Ohio [Mr. ASHLEY], the gentleman from Texas [Mr. CABELL], the gentleman from New York [Mr. FARBSTEIN], the gentleman from New York [Mr. MULTER], the gentleman from New York [Mr. ROSENTHAL], the gentlewoman from Missouri [Mrs. SULLIVAN], the gentleman from Ohio [Mr. VANIK], the gentleman from Georgia [Mr. WELTNER], and the gentleman from Illinois [Mr. YATES].

The CHAIRMAN. All time has expired. The Clerk will read the bill for amendment.

The Clerk read as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SECTION 1. This Act may be cited as the "National Capital Transportation Act of 1965".

STATEMENT OF FINDINGS AND PURPOSES

SEC. 2. To further the objectives of the Act of July 14, 1960, the Congress hereby finds and declares that—

(a) A coordinated system of rail rapid transit, bus transportation service, and highways is essential in the National Capital region (as defined in sec. 103 of the National Capital Transportation Act of 1960 (74 Stat. 537)) for the satisfactory movement of people and goods, the alleviation of present and future traffic congestion, the economic welfare and vitality of all parts of the region, the effective performance of the functions of the United States Government located within the region, the orderly growth and development of the region, the comfort and convenience of the residents and visitors to the region, and the preservation of the beauty and dignity of the Nation's Capital.

(b) Such a coordinated system should be developed cooperatively by the Federal, State, and local governments of the National Capital region as part of a balanced system of transportation utilizing to their best advantage highways and other transit facilities, and the cost of improved mass transit facilities should be financed, as far as possible, by persons using or benefiting from such facilities and their remaining costs should be shared equitably among the Federal, State, and local governments.

(c) Various steps have already been taken to bring such a system into being, including the preparation by the National Capital Transportation Agency (hereinafter referred to as the "Agency") of a Transit Development Program for the National Capital region, and authorization of the negotiation by the Board of Commissioners of the District of Columbia, the State of Maryland and the Commonwealth of Virginia of an interstate compact to establish a regional transportation organization under the terms of title

III of the National Capital Transportation Act of 1960 (74 Stat. 544), and approval by the Congress of the Washington Metropolitan Area Transit Regulation Compact (74 Stat. 1031) 1031 and 76 Stat. 764). Nothing in this Act shall be construed as altering or amending the Washington Metropolitan Transit Regulation Compact.

(d) While the negotiation of an interstate compact to establish a regional transportation organization has not been completed, and plans for the development of improved mass transit facilities throughout the National Capital region are still being developed, the Agency has prepared a satisfactory transit development program for the establishment, principally within the District of Columbia, of a system of rail rapid transit lines and related facilities which are capable of being extended to serve other parts of the region, and the design and construction of such facilities should now proceed as contemplated by the National Capital Transportation Act of 1960.

(e) In developing such improved transportation facilities, it is necessary that the operation of rail rapid transit and bus services be coordinated, that unnecessary duplicating service be eliminated, and that the creation and operation of public rail rapid transit facilities be accomplished with the least possible adverse effect on the private companies transporting persons in the National Capital region, on their employees, and on persons, families and businesses displaced by the construction of such facilities.

FACILITIES AUTHORIZED

SEC. 3. (a) In accordance with section 204 (c) of the National Capital Transportation Act of 1960 (40 U.S.C. 664(c); 74 Stat. 540), the Agency is hereby authorized, subject to the availability of funds, to design, engineer, construct, equip, and take other action as authorized in this Act necessary to provide for the establishment of the system of rail rapid transit lines and related facilities described in the Agency's report entitled "Rail Rapid Transit for the Nation's Capital, January 1965", transmitted to the Congress by the President on February 10, 1965: *Provided*, That the cost of constructing and equipping such lines and facilities, excluding interest costs, shall not exceed $431,000,000.

(b) The work authorized by this section shall be subject to the provisions of the National Capital Transportation Act of 1960, shall be carried out substantially in accordance with the plans and schedules contained in the aforesaid report, and shall be subject to the following:

(1) No portion of any rail rapid transit line or related facility authorized hereunder shall be constructed within the United States Capitol Grounds except upon approval of the Commission for Extension of the United States Capitol.

(2) All construction work performed in, on, under, or over public space in the District of Columbia under the authority of this Act shall, in the interest of public convenience and safety, be performed in accordance with schedules agreed upon, and set forth in one or more written agreements, between the Agency and the Board of Commissioners of the District of Columbia, to the end that such construction work will be coordinated with other construction work in such public space, and consistent with such agreement or agreements, the said Board of Commissioners shall so exercise its jurisdiction and control over such public space as to facilitate the Agency's use and occupation thereof for the purposes of this Act.

(3) The rail rapid transit lines and related facilities authorized by this Act shall not be operated except under contract by private transit companies, private railroads, or other private persons. Such contracts shall be entered into only after formal advertisement and negotiations with all interested and qualified parties, including private mass transportation companies in the National Capital region, and only if the Secretary of Labor certifies that terms and conditions, as prescribed in section 10(c) of the Urban Mass Transportation Act of 1964 (49 U.S.C. 1609(c); 78 Stat. 302, 307), to protect the interests of employees affected by any such contract for the operation of the facilities authorized by this Act, are specified in such contract.

(4) If the contractor selected to operate the facilities authorized by this Act contracts for the construction, alteration, and/or repair of such facilities, the agency which lets the contract to operate the rail rapid transit lines and related facilities shall take such action as may be necessary to insure that all laborers and mechanics employed in the performance of such construction, alteration, and/or repair 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 Secretary of Labor shall have with respect to the labor standards specified herein the authority and functions set forth in Reorganization Plan Numbered 14 of 1950 (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, as amended; 40 U.S.C. 276(c)).

RELOCATION ASSISTANCE

SEC. 4. The Act of October 6, 1964 (78 Stat. 1004) authorizing the Commissioners of the District of Columbia to provide relocation services to individuals, families, business concerns, and nonprofit organizations which may be or have been displaced from real property by actions of the United States or of the District of Columbia, and all regulations made under the authority of such Act are hereby made applicable to individuals, families, business concerns, and nonprofit organizations displaced from real property by actions of the Agency and the Agency shall pay the District of Columbia Relocation Assistance Office for the cost of such relocations: *Provided*, That in the case of any such displacements from real property located in the State of Maryland or the Commonwealth of Virginia the Agency is authorized to make relocation payments directly to the displaced individual, family, business concern, or nonprofit organization, as the case may be, in accordance with the schedule of payments contained in the said Act of October 6, 1964, and such rules and regulations as may be prescribed by the Administrator. In the event real property is acquired for the Agency by another Federal agency or by any State or local agency or authority, the Agency is authorized to reimburse the acquiring agency for relocation payments made by it, up to the amounts specified in the aforesaid Act of October 6, 1964.

APPROPRIATIONS AUTHORIZED

SEC. 5. (a) The cost of designing, engineering, constructing, and equipping the facilities authorized in section 3 hereof shall be financed in part by the Federal and District of Columbia Governments, as follows:

(1) To finance the United States portion there is hereby authorized to be appropriated to the Agency not to exceed $100,000,000, which shall remain available until expended;

(2) To finance the District of Columbia portion there is hereby authorized to be appropriated to the Agency out of the general fund of the District of Columbia not to exceed $50,000,000, which shall remain available until expended;

(b) Subsection (b) of section 1 of this Act entitled "An Act to authorize the Commissioners of the District of Columbia to borrow funds for capital improvements programs and to amend provisions of law relating to Federal Government participation in meeting costs of maintaining the Nation's Capital City", approved June 6, 1958, as amended (72 Stat. 183, 77 Stat. 130), is amended by striking "$175,000,000" and inserting in lieu thereof "$225,000,000"; and by inserting immediately before the period at the end of such subsection the following: ": *And provided further*, That $50,000,000 of the principal amount of loans authorized to be advanced pursuant to this subsection shall be utilized to carry out the purposes of the National Capital Transportation Act of 1965".

ANNUAL REPORT

SEC. 6. The Agency shall submit to the President for transmission to the Congress at the beginning of each regular session of the Congress an annual report of its operations under this title.

ADVISORY BOARD

SEC. 7. Section 202 of the National Capital Transportation Act of 1960, approved July 14, 1960 (74 Stat. 537), is amended by striking "five" from the third line thereof and inserting in lieu thereof "seven"; by striking "three" from the fourth line and inserting in lieu thereof "four"; and by adding at the end of said section the following: *Provided*, That if any member of the Advisory Board shall be an employee of the United States or the District of Columbia he shall serve without additional compensation."

SEPARABILITY

SEC. 8. If any part of this Act is declared unconstitutional the constitutionality of no other part of the Act shall be affected thereby.

Mr. WHITENER (interrupting reading of the bill). Mr. Chairman, I ask unanimous consent that the bill be considered as read and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

The CHAIRMAN. The Clerk will report the first committee amendment.

The Clerk read as follows:

On page 3, line 11, strike out "1031)." and insert in lieu thereof the following: "1031 and 76 Stat. 764). Nothing in this Act shall be construed as altering or amending the Washington Metropolitan Area Transit Regulation Compact."

The committee amendment was agreed to.

The CHAIRMAN. The Clerk will report the next committee amendment.

The Clerk read as follows:

On page 4, line 5, strike out "that unnecessary duplication service be eliminated,".

The committee amendment was agreed to.

The CHAIRMAN. The Clerk will report the next committee amendment.

The Clerk read as follows:

On page 7, line 7, insert (c) as follows:

"(c) Nothing in this Act shall be construed to affect any right to damages which any common carrier engaged in the private transportation of persons in the National Capital region may have by virtue of Public Law 757 of the 84th Congress (70 Stat. 598) or Public Law 669 of the 86th Congress (74 Stat. 537).

"(d) The protection accorded the private bus companies under the provisions of the National Capital Transportation Act of 1960 (74 Stat. 537), and particularly under section 205(a)(2) thereof, shall not be impaired by this Act."

The committee amendment was agreed to.

The CHAIRMAN. The Clerk will report the next committee amendment.

The Clerk read as follows:

On page 9, line 6, strike out "this" and substitute in lieu thereof "the."

The committee amendment was agreed to.

The CHAIRMAN. The Clerk will report the last committee amendment.

The Clerk reads as follows:

On page 9, line 13, strike out $225,00,-000" and substitute in lieu thereof $225,000,-000."

The committee amendment was agreed to.

Mr. WHITENER. Mr. Chairman, I wonder if we could obtain a unanimous-consent agreement to limit debate on all amendments to, say, 20 minutes?

Mr. DOWDY. Does the gentleman mean 20 minutes on each amendment?

Mr. WHITENER. Yes.

Mr. DOWDY. I would be constrained to object, Mr. Chairman.

Mr. WHITENER. Mr. Chairman, I withdraw my request.

The CHAIRMAN. Are there amendments?

AMENDMENT OFFERED BY MR. HARSHA

Mr. HARSHA. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. HARSHA: On page 2, strike out lines 13 through 22 and insert in lieu thereof the following:

"(b) Such a coordinated system should be developed by the Federal, State, and local governments of the National Capital region as part of a balanced system of transportation utilizing to the best advantage highways and other transit facilities.

"(c) Certain of the costs of such a coordinated system should be shared equitably among the Federal, State, and local governments.

"(d) All costs of such a coordinated system for which appropriations are not directly authorized by section 5 of this Act must be financed by the persons using such facilities."

Reletter paragraphs (c), (d), and (e) as (e), (f), and (g), respectively, including any references thereto.

Mr. HARSHA. Mr. Chairman, this amendment simply proposes to do this: It assures the Congress that those persons using the transportation system will have to pay sufficient fares to retire the bonds and meet the operating expenses.

Mr. Chairman, we have been faced here with debate pointing out the great deficits that existing transit systems are facing, the great falloff in patronage of transportation systems all over the Nation. Yet the proponents of this legislation have assured us that their estimates indicate that there will be sufficient patronage and sufficient receipts from the operation of this facility to meet all operating expenses and retire the bonding provisions—the bonding indebtedness—of this legislation.

Therefore, if we take their figures as being accurate, as they would have us to believe, they surely should not object to the acceptance of the amendment which would only assure that those using this utility and this facility should provide for its operation and the expense incurred in retiring the indebtedness. On the other hand, if their estimates are not accurate then the receipts will not be sufficient to meet the costs and expenses and either the Federal Government will have to be charged and unless a prohibition is written in the law, great pressures will be exerted to subsidize rather than raise fares.

Mr. Chairman, that is all my amendment proposes to do, take the possibility of fluctuating fares out of the hands of politics. It says specifically that the fares must be in a sufficient amount to meet all operating expenses as well as retire the indebtedness. That is all it proposes to do. It assures that the users will pay for the services they receive as do all others in the rest of the Nation.

Mr. Chairman, I hope the committee will adopt the amendment.

Mr. WHITENER. Mr. Chairman, I rise in opposition to the pending amendment.

Mr. Chairman, the amendment as written leaves a great deal of uncertainty which does not exist in the present language. It will be noted that in subsection (c) of the amendment it is stated that the costs of such coordinated system should be shared reasonably among the local and State governments. I do not know what costs are being referred to here. The language of the bill at present says that the cost of these improved mass transit facilities should be financed as far as possible by persons using or benefiting from such facilities. This language says that all costs which the appropriations do not authorize must be financed by persons using such facilities. I just do not follow the gentleman's purpose in the amendment except the use of the clear language of the existing bill, and for that reason I urge that the amendment be defeated.

Mr. HARSHA. Mr. Chairman, will the gentleman yield?

Mr. WHITENER. I yield to the gentleman from Ohio.

Mr. HARSHA. There is no attempt to confuse this issue. The amendment refers to the cost of the Federal contribution or Federal grant of $100 million and the Federal loan for the District of Columbia $50 million, and other costs or expenses involved in the construction and operation of the project are to be met by charging an adequate fare that will meet these expenses. That is all it does. The language that is used in the bill says "as far as possible," which gives the necessary loophole to the Federal Government that retains the fare-making prerogative to yield to the pressure of the local politicians and the local business people to reduce or raise fares.

Mr. WHITENER. The gentleman from Ohio is a very fine member of the subcommittee which considered this bill. He is also a member of the full committee. He assisted in writing in effect the clear language of subsection (b) as it now stands. This amendment was not offered in the full committee or subcommittee. I urge that you vote it down and adhere to the clear language in the present bill.

Mr. GROSS. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, the gentleman from Missouri [Mr. ICHORD], asked this question a moment ago:

Why do not the States of Virginia and Maryland make some binding contribution to this subway system?

The gentleman from North Carolina [Mr. WHITENER], gave the answer early in the debate when I asked him "who is going to provide the huge parking lots on the Virginia side of the river?" He said that cost is included in this bill. Of course it is. The States of Virginia and Maryland want a free ride out of this thing, no question about that. We build the bridges across the Potomac River for them, but do not get any free bridges across the Mississippi River into Iowa.

Mr. O'KONSKI. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I yield to the gentleman from Wisconsin.

Mr. O'KONSKI. The fact should be made crystal clear neither Virginia nor Maryland are coming up with a dime for this purpose.

Mr. GROSS. Yes.

Mr. O'KONSKI. They promise something, maybe in the future.

Mr. GROSS. The gentleman is absolutely right.

The issue of property taxes in the District of Columbia came up a while ago. I have been around here for a few years, and I can remember when the distinguished gentleman from Michigan, Mr. Rabout, now deceased, a Democrat, and Chairman of the District of Columbia Appropriations Committee, told this House repeatedly that District property owners were not paying their fair share of taxes. But years have elapsed, and the District Committee has done little to bring the taxes up in the District of Columbia comparable to those that are paid in your districts, whatever your State may be.

The gentleman from Wisconsin [Mr. O'KONSKI] told you that story a while ago. He gave States and cities and comparisons with levies made in the District. They are getting an easy ride in many respects taxwise in this little world of make-believe. They can pay for some of these things if somebody will make them cough up the revenues that are raised in comparable cities.

I can remember the District of Columbia Stadium. I was in the middle of that fight. I got licked, and I have no doubt that the skids are greased there this afternoon to put this bill through. Yes, I remember the stadium business, and some of the rest of you were here then, and you remember. Someone asserted a little while ago that professional reputations are at stake in this issue. Well, there were professional reputations at stake on the stadium issue and there were also congressional reputations at stake. Go back and read the RECORD of debate on the District of Columbia Stadium. You will find that Members of Congress came down here in the well of the House, as they are doing today, saying it was not going to cost the taxpayers—your taxpayers and mine—a dime for that white elephant stadium. They also asserted it would cost $6 or $7 million and it wound up costing $20 million. Yet today not one dime has been paid on the principal of those stadium bonds and they are not likely to be paid by the District. One of these fine days the House is going to get the bill for that $20 million stadium. I said at that time that I did not care if a stadium was built at every street intersection in the District of Columbia, and I do not care today if you build a subway system east, west, north, and south in the District of Columbia, but I want the taxpayers of the District of Columbia and not the taxpayers I represent to pay the bill.

If you want this kind of a deal—if you propose to obligate your taxpayers today for nearly a half billion dollars to build a subway in Washington, D.C., that has an ultimate cost of $3 billion—then you explain it to the citizens you represent. I want no part of it.

Neither am I going to wave the flag and say in effect that nothing is too good for the District of Columbia because it is the Nation's Capital, especially when I know that taxpayers in other cities are paying as much as double the property taxes paid in the District.

The CHAIRMAN. The time of the gentleman has expired.

The question is on the amendment offered by the gentleman from Ohio [Mr. HARSHA].

The amendment was rejected.

AMENDMENT OFFERED BY MR. MULTER

Mr. MULTER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. MULTER: On page 6, strike out line 15 and all that follows down through and including line 6 on page 7 and insert in lieu thereof the following:

"(4) The rail rapid transit lines and related facilities authorized by this Act shall not be constructed, altered, or repaired except under contract by private construction corporations, companies, or other private persons. Such contracts shall be entered into only after formal advertisement and negotiation with all interested and qualified parties and shall contain such provisions as may be necessary to insure that all laborers and mechanics employed in the performance of such construction, alteration, or repair shall be paid wages at rates not less than those prevailing in similar construction in the locality as determined by the Secretary of Labor, in accordance with the Davis-Bacon Act, as amended. The Secretary of Labor shall have with respect to the labor standards specified herein the authority and functions set forth in Reorganization Plan Numbered 14 of 1950 (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, as amended; 48 U.S.C. 276(c))."

Mr. MULTER. Mr. Chairman, in the report on this bill, we find language on page 2 which provides that it is the intent of the Congress that this bill shall require that the construction of this system and its operation shall be by private enterprise. This amendment makes it crystal clear that that intent is written into the act in so many words. This amendment will provide that the construction, alteration and repair of the system shall be done by private construction corporations, companies, or other private persons making, as I say, crystal clear the intent as expressed in the report. If this is what the committee intends and I do trust that is their intention, then there should be no objection to this language being put in the bill precisely and exactly so that there will be no question that we intend this system to be built by private enterprise.

Mr. Chairman, I yield back the balance of my time.

Mr. WHITENER. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, the amendment which the gentleman has offered would, in my judgment, add a great deal of confusion to the proposal that we now have and it does not seem to accomplish what the gentleman says it will do.

The present language, which would be stricken, is:

If the contractor selected to operate the facilities authorized by this Act contracts for the construction, alteration, and/or repair of such facilities, the agency which lets the contract to operate the rail rapid transit lines and related facilities shall take such action as may be necessary to insure that all laborers and mechanics employed in the performance of such construction, alteration, and/or repair 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 Secretary of Labor shall have with respect to the labor standards specified herein the authority and functions set forth in Reorganization Plan Numbered 14 of 1950.

This language has been accepted by the labor organizations. Most Members have had letters from them saying they are satisfied with it. It is satisfactory to the administration of our Government of the United States. It is satisfactory to the District of Columbia. It is satisfactory to the National Capital Transportation Agency.

The amendment was not offered in this form in the committee, even though the gentleman from New York is a member of the committee. I believe we should vote it down, in the interest of preserving plain and clear language.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York [Mr. MULTER].

The amendment was rejected.

AMENDMENT OFFERED BY MR. DOWDY

Mr. DOWDY. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. DOWDY of Texas: On page 4, line 20, after the word "facilities", insert: "other than cars, rolling stock and electric, motor and other power vehicles".

On page 4, line 25, after the word "costs", insert: "and excluding the cost of cars, rolling stock and electric, motor and other power vehicles".

On page 6, strike lines 1 through 14 and insert:

"(3) The rail rapid transit lines and related facilities authorized by this Act shall be operated under lease contract entered into by and with a private person, pursuant to a franchise to be granted by Congress. Such lease contract and franchise shall, among other things, require that the holder thereof shall provide the cars, rolling stock and electric, motor and other power vehicles required for the operation of the rail rapid transit lines and related facilities authorized by this Act, and include the provisions in Section 10(c) of the Urban Mass Transportation Act of 1964 (49 U.S.C. 1609(c); 78 Stat. 302, 307) to protect the interests of employees affected by any such franchise for the operation of the facilities authorized by this Act.

"The word 'person' as used in this subsection shall include individuals, firms, partnerships, associations and corporations".

On page 6, strike all of lines 15 through 24, and to the period in line 25 and insert:

"(4) If the lease contract or franchise to operate the rail rapid transit lines and related facilities authorized by this Act granted in accordance with subsection (b) (3) of section 3 of this Act shall entitle the holder thereof to contract for the construction, alteration and/or repair of such facilities, such franchise shall include such provisions as may be appropriate and necessary to insure that all laborers and mechanics employed in the performance of such construction, alteration and/or repair for which such holder contracts 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."

Mr. DOWDY. Mr. Chairman, there has been a lot of talk and worry about whether the fare box will pay out the cost for construction and operation of this proposed rapid rail transit system. My amendment, if adopted, will remove all that worry from the bill. When the lease contracts are made with the person who will operate this system, in establishing the lease price, consideration will be given, or at least should be given, to the cost of construction, and how much such price should be recovered from the lessor, and it can be determined then how much subsidy is desired to be given to operate this rapid transit system here in the District of Columbia.

The effect of the amendment that I have offered will be that the District of Columbia or this commission can go ahead and condemn the land and obtain the right-of-way and build the tracks, the stations, and so forth, and then lease the tracks to some person, which would include a corporation or a firm, and let the lessor provide the rolling stock. The lease price for the roadbed can be used to pay off the bonds, if it is then determined that it is desirable that the income from the lease should be sufficient to pay the principal and interest on such bonds. My amendment further provides that Congress would retain control of the lease contract because of the requirement of congressional grant of a franchise.

Now, this is not a unique method of providing for transportation. Many of the railroads in this country are still running on leased tracks. That is all this would amount to. One railroad company would build tracks and lease them to another, which would be the operating railroad.

If we are going to return to this 19th century concept for the transportation of people, this would be the way to do it. Adopt this amendment, and all the argument about whether the fare boxes will pay the cost becomes moot. Under the bill as proposed here, as I understand it, the National Capital Transportation Agency will be operating this and will hire a manager to operate the transit system for them. So the Government will be paying the manager, and the Government will have to take out of the till of the District of Columbia the money to pay the operating expenses and the Federal Treasury would pay the bonds for construction. If it is leased to an operator, as my amendment proposes, we will not have to worry about any of that. This Washington Metropolitan Area Transit Commission will set the fares for the private operator. I think this is the proper way to handle this proposal. This will guarantee that it will be done by someone who is interested in making it pay and making it a successful operation rather than a bureaucratic operation. Substantially that is the difference between the bill if my amendment is adopted and the bill as presented here.

I will also say this: In connection with the amount of money authorized here, the language of the bill is that the cost of constructing and equipping the line shall not exceed $431 million. I did not decrease that figure. This $431 million supposedly includes the cost of the rolling stock. I believe it will take every bit of that $431 million and more, too, just to build the roadbed, the rails, and the stations, so I did not attempt to reduce that.

Mr. HARSHA. Mr. Chairman, will the gentleman yield?

Mr. DOWDY. Yes. I yield to the gentleman.

Mr. HARSHA. In effect what you are offering here is a free enterprise amendment. There is certainly more free enterprise in the proposal that you endeavor to have the committee adopt than there is in the existing language of the law, because under the existing language of the law nothing is done by anybody who is going to operate this so-called transit system. Everything is provided for him. He has no investment to make, he has no fears because he has no risks involved. In fact, he has no control over the fares, because the Federal Government retains the right to control the fares under the existing legislation. Is that correct?

Mr. DOWDY. That is true. Under my amendment, fares would still be, as in any transportation system, regulated by the Government. However, it would be a private enterprise operation rather than a bureaucratic operation.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. DOWDY. Mr. Chairman, I ask unanimous consent to proceed for 2 additional minutes.

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

There was no objection.

Mr. HARSHA. If the gentleman will yield further, under your approach the operator would have to make certain investments and provide the rolling stock at least in this operation, would he not?

Mr. DOWDY. He would certainly have an investment and want to protect it and to have a profitable operation that would be satisfactory to the public and therefore would pay off. Under the committee bill there is no incentive at all to provide a first-class, desirable, profitable operation.

Mr. HARSHA. And much of the chance or speculation that exists in the estimates of how many people will patronize this operation will have to be assumed by the operator then instead of by the Federal Government and the taxpayers all over the United States.

Mr. DOWDY. That is true. That is the statement I made, that we would not have to be worried about how many passengers there will be and what the fare will be. My amendment would pass those problems to the lessor and franchised holder.

Mr. O'KONSKI. Mr. Chairman, will the gentleman yield?

Mr. DOWDY. I yield.

Mr. O'KONSKI. In essence, in plain language, what the gentleman is saying is this: that under the bill as now written, if it is passed, a man who does not even own a shirt or a pair of pants might be able to get the management contract; is that correct?

Mr. DOWDY. That is the way I understand it.

Mr. WHITENER. Mr. Chairman, I have no desire to delay the proceedings but I rise in opposition to this amendment. It was offered in the committee and was rejected. It would change the whole concept of this legislation, which concept is consistent with the operating pattern in the Miami, Dade County, Fla., system; in Philadelphia and in Memphis, Tenn. There is nothing novel about the approach we have here. There is nothing inconsistent with the free enterprise concept any more than is the amendment offered by the gentleman from Texas. So we ask that the amendment be voted down.

Mr. NELSEN. Mr. Chairman, will the gentleman yield?

Mr. WHITENER. I yield.

Mr. NELSEN. Under the proposed amendment, if I understand it correctly, the control of the fare box would be completely in the hands of the lessee. The total cost of construction would be our responsibility and there would be no revenue bond provision and the possibility of recovery would be completely gone; is not that true?

Mr. WHITENER. That is my understanding.

Mr. DOWDY. Mr. Chairman, will the gentleman yield?

Mr. WHITENER. I yield.

Mr. DOWDY. Mr. Chairman, I do not want my amendment misrepresented. The Washington Metropolitan Area Commission would set the fare. That should not be misrepresented to the House.

Mr. NELSEN. I was just asking the question; I am not disputing the gentleman.

Mr. DOWDY. The question was not answered correctly. The Government is going to build the tracks and lease the system. The Government will recover the money on the consideration for the lease. Then you know how much it would be instead of guessing, such as is being done here.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas [Mr. DOWDY].

The amendment was rejected.

AMENDMENT OFFERED BY MR. ROOSEVELT

Mr. ROOSEVELT. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. ROOSEVELT: On page 8, after line 17, insert the following:

"SEC. 4. (a) In the event a coordinated program should require unification of rail rapid transit with private bus transit operators then an election should be made promptly to such effect and not later than June 30, 1967. Following such election if the same involves acquisition of the various transit systems in Maryland, Virginia and the District then plans should be effectuated and consummated within one year thereafter. In that event in determining the value of any transit system, if such system is actually engaged as a going profitable business at the time, its values should be based upon 'going concern' valuation at that time."

Mr. ROOSEVELT. Mr. Chairman, I offer this amendment primarily to try to see if we cannot, through a discussion with the committee, get some specifics which are not now written into the bill.

Mr. Chairman, it seems to me that in all fairness we recognize here that we are going to do something to going businesses. Now, when going businesses are placed in jeopardy, certainly they have a right to know at what point they are going to have to face whatever the damage is by which they are going to be affected, and I specifically ask that that would be provided.

Secondly, if the members of the Committee will look at the bill, on page 7, sections 3 and 4 (c) and (d) they will find that there are provisions whereby under certain actions, as the law now is, there may be actions taken for compensation, but having read those sections rather carefully, I cannot see that there is in those actions at any place a definite basis upon which the compensation can be claimed.

Mr. Chairman, it seems very unfair to me to take a position which was not known at the time the franchise let us say was granted to an operator and then have him go through let us say improvement of service, and then make other capital investments and then not allow him to be considered at this time because we have changed the rules of the game. I am going to vote for the bill but, nevertheless, it seems to me we should have very solid specifics upon what kind of basis this action should be based. I therefore spell out that it should be based on the basis of a going concern.

Mr. Chairman, if this is not correct I am sure that the distinguished gentleman from North Carolina who is the author of the bill will explain it so that it can be clear and so we could all understand that there is proper and fair protection. I do not want any more than that, but if proper and fair protection is not provided, then it seems to me that this amendment is a reasonable thing to ask.

Mr. Chairman, I will yield the balance of my time to my good friend, the gentleman from North Carolina [Mr. WHITENER], in order that he may discuss it a little more with me or I would rather yield to the gentleman for the purpose of his response and for the purpose of further interrogating him.

Mr. WHITENER. Mr. Chairman, if the gentleman will yield, I would say to the gentleman that this amendment is one that some of us have come to know as one of the "Chalk" amendments. It has been offered in three different forms at one point or another since we started the consideration of this bill.

It would—at least the last one that we saw, and I am not sure the gentleman's amendment would do that—but the net effect of it would be to put into the pocket of the owner of the D.C. Transit Co. a minimum annual payment of approximately $700,000 and in 1980 it would amount to $900,000, according to information that we have.

Mr. ROOSEVELT. If the gentleman will yield further, let me interrogate him as to this: How could he possibly be using specific figures when no figures of any kind or no approximation of any kind has yet been made? How does the gentleman know that?

Mr. WHITENER. Under the gentleman's amendment, if we bought him out immediately—that was the evidence if you follow the theory of Mr. Chalk.

Mr. ROOSEVELT. I am not talking about Mr. Chalk. Let us talk about me.

Mr. WHITENER. Mr. Chalk first proposed this in the committee.

Mr. ROOSEVELT. If Mr. Chalk has a fair deal, I am not against it just because Mr. Chalk is for it.

I want specific information.

Mr. WHITENER. The cost was estimated to be as high as $63 million immediately to the D.C. Transit Co.

Now there is nothing in the record, except the statements of Mr. Chalk, to indicate that these local carriers will in the long run be injured.

Mr. ROOSEVELT. That is right. All my amendment seeks to do is to give him his day in court so he can either prove that or have it disproved.

Mr. WHITENER. I will say to the gentleman from California that at the suggestion of the White House we put into this legislation language which would in effect protect any right to damages which any local carrier may have under existing law.

Mr. ROOSEVELT. Where is that language?

Mr. WHITENER. Under the existing Federal law it is right on the face of the bill.

Mr. ROOSEVELT. It is on what? It is on the face of the bill?

Mr. WHITENER. If the gentleman will look at the committee report, on the very first page, one of the amendments adopted, amendment No. 3 and amendments 3(c) and 3(d) were previously agreed to.

Mr. ROOSEVELT. Those are the ones to which I have referred previously.

Mr. WHITENER. Let us get around to what this proposition will do. The whole purpose of it is to undertake to sell out to the Government, as I notice the gentleman uses the language "a going concern."

The CHAIRMAN. The time of the gentleman from California has expired.

Mr. ROOSEVELT. Mr. Chairman, I ask unanimous consent to proceed for 3 additional minutes.

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

There was no objection.

Mr. WHITENER. Mr. Chairman, if the gentleman will yield further, this first came about in our hearings when Mr. Chalk suggested that he would like for the Government to buy him out if we are going to go into the subway system.

Of course, Mr. Chalk did not offer to buy any bus companies out when he went into the airplane business. I could not quite follow him here. The record shows that in many of these communities the most costly runs are those in the areas such as this subway will serve. It is felt with judicious operation of the transit system which is now in existence, that the income of the existing system might augment rather than depress. There is some basis for that, because if the gentleman will look at the record——

Mr. ROOSEVELT. He would not have any damages, then.

Mr. WHITENER. He will find that the riders on the buses are decreasing each year, whereas wherever you have a rapid transit system they are increasing. If you undertake to buy him out he wants you to project for a period of 60 years what he would be expected to earn, and to be paid on that basis; notwithstanding the fact that under the franchise statute which he operates under the Congress reserves the right to revoke or cancel his franchise after 7 years for any reason without paying any damages at all.

So this whole proposition—I am not saying the gentleman from California—but the originator of this amendment, is to try to sell out a franchise which we have every right under existing law to declare at an end.

Secondly, if he cannot do that, to get us to extend his present franchise for 20 years. We do not buy that. I do not think we ought to buy this amendment because I do not believe it is consistent with the interests of the public.

Mr. ROOSEVELT. What the gentleman says is because we have the right to do an act where we do not give any compensation, we ought to exercise that right. I very earnestly feel we should not exercise our right in that way. We should be fair to Mr. Chalk, or anybody else involved, if they can prove a specific loss as a going concern, and having done something for improved transportation in the District of Columbia, we are at least going to be fair with him and give him his day in court. It seems the gentleman feels that we should not give him his day in court, and I have to disagree with that opinion.

Mr. SISK. Mr. Chairman, I rise in opposition to the pending amendment.

Mr. Chairman, I have great respect for my good friend from California [Mr. ROOSEVELT] but this section was gone over very carefully. It was argued pro and con in the subcommittee, it was again gone over time after time in the full committee. The issue is at stake here. The language in the present bill was very carefully drawn to protect the interests of anyone who would be damaged.

Mr. Chairman, I hope that the Committee will follow the advice of the members of the District of Columbia Committee, and turn down this amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California [Mr. ROOSEVELT].

The amendment was rejected.

Mr. JONES of Missouri. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I want to ask the chairman of the committee handling this bill a question, the gentleman from North Carolina:

On page 3, line 14, it states:

> While the negotiation of an interstate compact to establish a regional transportation organization has not been completed—

When do you contemplate you are going to complete and have in effect an interstate compact?

Mr. WHITENER. I might say to the gentleman, of course, that would require a bit of prevision, which I do not have because I cannot predict what the State legislatures of those two States will do. I understand that the Maryland Legislature may have already acted.

Mr. SICKLES. Mr. Chairman, will the gentleman yield?

Mr. JONES of Missouri. I yield to the gentleman.

Mr. SICKLES. In January in the early session of this year of the Maryland General Assembly, the interstate compact was adopted. The Virginia General Assembly will not meet until early next year and it is contemplated that it will be introduced and the hope is that it will be passed. It will be in the Congress according to the best timetable by early or late spring of next year. Then, of course, it would be the decision of both branches of the Congress as to what to do about that.

Mr. JONES of Missouri. Let me ask the gentleman from North Carolina, the chairman of the committee, is it not usual for the compacts to be completed before you proceed with your plans? In other words before we attempt to build a bridge across the river connecting two States, we have to have the compact first.

Mr. WHITENER. No, I do not think so.

Mr. JONES of Missouri. The reason I say that is I know the time we were proposing to build a bridge across the Mississippi River from Missouri to Tennessee, we came to the Congress and we first had to have the compact between the two States before we could get approval to do it. It seems to me that this is on a par with that.

Mr. WHITENER. If the gentleman will permit me to answer, I happen to be a member of the Committee on the Judiciary that handles these compact bills. I believe the gentleman's State was in an organization that my State is in, the Southern Atomic Energy Compact Group, and other States are in it, and these folks had already gotten off the ground before they came here and agreed on the compact. I see no problem about this because we may have had that trouble if we had some kind of engineering plan, to extend into Virginia and Maryland.

Mr. JONES of Missouri. It would seem to me that you would have a better chance of getting a compact that would be favorable to this proposition here if you had it before you go into the expenditure of money.

On page 2, line 13, it says:

Such a coordinated system should be developed cooperatively by the Federal, State, and local governments—

Then down lower it says:

and their remaining costs should be shared equitably among the Federal, State, and local governments.

It would seem to me on the basis of the language here on line 13 that such a coordinated system should be developed and financed cooperatively. I note that there has been some talk here today about the fact that when we get ready to extend this over into Maryland and Virginia that then that is the time to talk about it. If I understand this plat or picture that is on display here, we are getting pretty far out in Maryland and over in Virginia with this thing now. So far I have not heard anyone say that either one of those States are going to pay a dime. I want to know if that is correct? I will yield to either one of you gentlemen to tell me how much money Maryland is going to pay.

Mr. MATHIAS. Mr. Chairman, will the gentleman yield?

Mr. JONES of Missouri. I yield to the gentleman.

Mr. MATHIAS. It is perfectly clear that we are planning for this rapid rail system to be on a community sharing basis. As the program gets beyond the District line and into Maryland, there will be participation by the State of Maryland, as the citizens of Maryland are served by the system.

Mr. JONES of Missouri. Oh, they are going to pay for riding the subway—that is a great contribution.

Mr. MATHIAS. No, sir—no, sir. The gentleman knows that is not my meaning. My meaning is perfectly clear. I said the local communities will participate in the construction of this system as it progresses out into the Maryland countryside.

Mr. JONES of Missouri. And you included that in the compact that you passed in the State of Maryland?

Mr. SICKLES. The compact would provide financing through a jurisdiction that would set up a special suburban-rural transportation agency so that they can funnel the funds through the two counties involved in the compact agency.

As to the State of Virginia, perhaps my colleague might like to speak further on that. But there is a complication because they have so many small jurisdictions.

AMENDMENT OFFERED BY MR. MULTER

Mr. MULTER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. MULTER: On page 7, after line 16, insert the following:

"(e) Each contract for the operation of the rail rapid transit lines and related facilities authorized by this Act shall be submitted to Congress and no such contract shall take effect until approved by Congress."

Mr. MULTER. Mr. Chairman, I am sure that somebody will label this as the Chalk amendment. I assure this Committee it is not a Chalk amendment. I do not believe he has ever seen it. What this does is to provide that any contract for the operation of this system shall be submitted to the Congress for its approval before it becomes effective.

This will reach into the future. This system probably will take from 4 to 7 years to complete, for the initial phase of the system. It is $431 million worth on the initial phase of the system. There will be no operation until that time.

We should not try to determine now what should go into a contract.

Again I call attention to the fact that the report says this system should be operated by private enterprise. We will take that language at face value, even though I believe we could be more explicit in the language of the bill to make certain that what is said in the report is the purpose and the intent of the bill. But we will take the language at face value. The report says that the bill intends to call for private operation of this system.

Whatever that may be—whether a private operator will operate by supplying rolling stock, or someone who makes a management contract, or someone who makes a lease contract, or if there is an out-and-out contract to operate the system—the amendment merely provides that before such a contract becomes effective it will be submitted to the Congress, and in the light of existing facts Congress will approve or disapprove it.

I urge adoption of the amendment.

Mr. DOWDY. Mr. Chairman, will the gentleman yield?

Mr. MULTER. I yield to the gentleman from Texas.

Mr. DOWDY. My amendment incorporated that particular idea, by requiring Congress to grant a franchise to the person to operate it. I will support the amendment.

Mr. MULTER. I thank the gentleman.

Mr. HARSHA. Mr. Chairman, I move to strike the last word.

I should like to direct my attention to the gentleman from Missouri [Mr. JONES], who spoke previously as to whether there would be any participation by the States of Virginia and Maryland.

If the gentleman will look at the plaque at the front of the Chamber, he will see that the system envisioned by this legislation today provides already for two stops in Maryland and for two stops in Virginia, one at Rosslyn and one at the Pentagon. It provides for a subway underneath the Potomac River into Virginia, yet Virginia is not putting one dime into paying for the legislation.

Mr. JONES of Missouri. That is what I pointed out. I observed that it went into Maryland and Virginia.

Mr. HARSHA. There is not one dime to be paid by the residents of Virginia or of Maryland as to the construction of this particular phase of the program.

Mr. BROYHILL of Virginia. Mr. Chairman, will the gentleman yield?

Mr. HARSHA. I yield to the gentlemen from Virginia.

Mr. BROYHILL of Virginia. The gentleman will recall that the original recommendation made by the National Capital Transportation Agency provided for one system costing in the neighborhood of $800 million. That would have extended the rail system out into the suburbs of Maryland and Virginia, and the financial formula provided for participation on the part of the people of Virginia and Maryland. They immediately agreed to provide their recommended share of the cost.

However, the committee, in considering the proposal, felt it was too far reaching to receive the approval of the Congress at the time, so they cut it in half. They cut it down to only the portion which would serve the Nation's Capital, and by so doing they could not cut the line at the edge of the District of Columbia, which is the high water mark of the Potomac. They had to provide a terminal point, where people could get on it.

Mr. HARSHA. In other words, we are to provide service for the citizens of the State of Virginia, and they are not to contribute one penny?

Mr. BROYHILL of Virginia. The service will be available for all the citizens of the United States. There had to be a terminal point at the edge of the District of Columbia. It is a bobtailed system. When it is extended further out into the suburbs, the suburban communities recognize they will have to put up their pro rata share of the cost of the system.

Mr. HARSHA. But there is nothing in this legislation which says they should contribute their proportionate share of the cost of building a subway under the Potomac River.

Mr. BROYHILL of Virginia. This is the District of Columbia portion of the overall program. It is one step.

Mr. HARSHA. Nobody in the District of Columbia lives on the other side of the subway. That will benefit the people of the State of Virginia.

Mr. BROYHILL of Virginia. I do not believe there is a single piece of legislation ever enacted by the Congress from which some people do not benefit and for which some people do not have to pay. This is the Nation's Capital. We cannot possibly construct any system without some people in the suburbs receiving some benefit from it.

Mr. WHITENER. Mr. Chairman, I rise in opposition to the amendment and move to strike the requisite number of words.

The amendment was not presented to the committee. This would accomplish nothing other than to create confusion.

If we are to require every agency of Government to bring every contract they enter into to the Congress to be approved before the contract becomes effective, we will have utter chaos in trying to run a Government.

I do not think we should accept this amendment, and I urge its defeat.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York [Mr. MULTER].

The question was taken; and on a division (demanded by Mr. MULTER) there were—ayes 11, noes 93.

So the amendment was rejected.

AMENDMENT OFFERED BY MR. MULTER

Mr. MULTER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. MULTER: On page 7, after line 16, insert the following:

"(e) The government of the District of Columbia shall satisfy any judgment for damages resulting from any cause of action arising out of the construction, operation, maintenance, alteration, or repair, of the system of rail rapid transit lines and related facilities authorized by this Act if the person or entity against whom such judgment is entered does not satisfy such judgment within 30 days after it becomes final. If the government of the District of Columbia satisfies any judgment under this subsection it shall be subrogated to the rights of the person in whose favor such judgment was entered."

Mr. MULTER. Mr. Chairman, this amendment would fix the responsibility for any damages that may be caused by the building of this system, either personal injury, death, or damage to property. Provided always, of course, that there is a cause of action and that it is sustained and is proved in a court of law. The District of Columbia will have to respond to damages regardless of whether or not the contractor or the insurance company are still solvent at the time that the judgment was entered or becomes final. This will make sure that anybody who is injured and suffers damage in the District of Columbia by reason of this construction will at least be compensated if they get a final judgment.

Mr. Chairman, I urge the adoption of the amendment.

Mr. WHITENER. Mr. Chairman, I rise in opposition to the amendment. I urge the defeat of the amendment because it would place the responsibility on the government of the District of Columbia when the National Capital Transportation Agency is the governmental agency involved and not the District of Columbia government. Therefore I urge the defeat of the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York [Mr. MULTER].

The amendment was rejected.

AMENDMENT OFFERED BY MR. O'KONSKI

Mr. O'KONSKI. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. O'KONSKI: On page 9, line 1, strike out "$100,000,000" and insert "$50,000,000".

On page 9, line 5, strike out "$50,000,000" and insert "$100,000,000".

On page 9, line 14, strike out "$225,000,000" and insert "$275,000,000".

On page 9, line 16, strike out "$50,000,000" and insert "$100,000,000".

Mr. O'KONSKI. Mr. Chairman, I want to apologize for imposing on your time. I know you are impatient and want to get away and I sympathize with you. So, again, I apologize for imposing on you. I very seldom take the floor of the House. This is the first time this year that I have taken time on any bill. And before I close, so that I will not forget—I probably will not take the floor again—I want to wish you all a Merry Christmas and a Happy New Year.

I think it is time that we come to the point where we ought to clarify what this bill does, because I am afraid that the Members of Congress do not understand what this is all about. I would like the distinguished chairman, the gentleman from North Carolina, to answer whether or not I am correct in this statement. This bill does not provide for the entire $432 or $433 million; is that correct, Mr. Chairman?

Mr. WHITENER. The bill provides only for the Federal——

Mr. O'KONSKI. I will make the statement and I will ask the gentleman to answer whether it is correct or not. What this bill calls for so far is an appropriation of $100 million by the Congress of the United States for the Federal share; and it calls also for borrowing authority to be increased for the District of Columbia by $50 million, so that the District of Columbia can pay $50 million as their part of the grant; is that correct, Mr. Chairman?

Mr. WHITENER. Yes.

Mr. O'KONSKI. That is all this bill is about. It establishes a formula and what it really means is this. This bill sets the pattern. In other words, the borrowing authority is not yet here. That will come later. But the borrowing authority will be on the same basis; namely, 66⅔ percent guaranteed by the Federal Government and 33⅓ percent guaranteed by the District of Columbia. What it comes down to is this, that in this bill we are setting the pattern of local and Federal participation. The pattern is 66⅔ percent Federal Government, which will be followed later by 66⅔ percent of the guarantee on the bonds, and borrowing authority for the District of Columbia for $50 million, for their 33⅓ percent, to be followed later by their guarantee of 33⅓ percent of the bonds. So the pattern is 2 to 1.

This amendment will test whether or not the people of the District of Columbia and those who champion the cause of the subway will be fair, whether they actually believe what the bill says; namely, that the cost should be equitably shared among the Federal, State, and local governments. I certainly do not think that 66⅔ percent of the share to be borne by the Federal Government, and only 33⅓ percent to be borne by the District of Columbia is fair. That is a ratio of 2 to 1.

I do believe that the Congress of the United States does have a responsibility for the welfare of the Nation's Capital. But nobody in his right mind has ever come up with a proposal that the Federal Government's responsibility exceeds 33⅓ percent. Presently the Congress of the United States is appropriating about 12 percent of the District expenses. That is the Federal share—12 percent. I am one of those who believe that that is not enough. President Kennedy and President Johnson have sent up proposals which are now being considered by the Committee on the District of Columbia to increase that.

In other words, if we were to pay taxes on all the Federal buildings that we have, on all the Federal property that we have in the District of Columbia, the proposition is that the Federal Government's responsibility ought to be raised to 20 percent. Nobody in his right mind has ever proposed that the Federal Government ought to bear more than 20 percent of the expenses and the financial responsibilities of the District of Columbia.

I go them one better than that. Under this proposition I am offering that the Federal Government underwrite 33⅓ percent of the cost of the subway and underwrite later 33⅓ percent of the bonds.

That is a far greater amount of Federal responsibility than anyone in Government has proposed. The highest proposition that has ever been proposed is 20 percent Federal participation as being fair and equitable. That is the highest participation that has ever been imagined to be proposed.

The CHAIRMAN. The time of the gentleman from Wisconsin has expired.

Mr. O'KONSKI. Mr. Chairman, I ask unanimous consent to proceed for 2 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. O'KONSKI. In other words, Mr. Chairman, this proposition will set the Federal pattern. I am concerned about it because no one has disputed these two points.

Mr. Chairman, we have two agencies here put up by the Federal Government. That shows how bureaucracy unwinds itself. We have what we call the National Capital Transport Agency and, therefore, the subway proposed by Congress and paid for by Congress and whatnot. We have the Metropolitan Transport Association Agency which was set up by us, and they differ. One is for the subway and the other is against the subway.

Mr. Chairman, I want to repeat why I am so concerned about this. They point out in no uncertain terms, and no one has denied this, "Once the down payment is made"—and get this; these are not my words, these are the words of the agency set up by the Congress of the United States—"Once this down payment is made you reach the point of no return."

Mr. Chairman, the $3 billion figure that I gave was not my figure. That is the figure which this Metropolitan Transport Agency, acting on the part of the Federal Government, says it is going to come to, $3 billion eventually.

Mr. Chairman, no one here, no proponent of the bill over here in all of the 3 hours that we have been discussing this legislation has denied the fact that this is just the first step, the first bite. Because it is going to reach those proportions, I want to be sure that the Federal Government's responsibility is nailed down to 33⅓ percent.

The other thing about which I am concerned is this: This same Government agency which is an instrument of you people here and myself who set this agency up, also stated that from a patronage standpoint the subway will not be used and from an investment standpoint it will be a disaster.

Mr. Chairman, those of us who have studied this proposition know that that is true. I want the responsibility of the Federal Government tacked down to 33⅓ percent.

Mr. WHITENER. Mr. Chairman, I rise in opposition to the amendment.

I hope the gentleman from Wisconsin will listen when I say that I am astounded at the continual reference that the gentleman makes to the WMATC, the Washington Metropolitan Area Transit Commission. The gentleman continues to say that they oppose this bill.

If the gentleman will look at page 104 of the hearings, he will find that the representative of that organization testified as follows:

The Washington Metropolitan Area Transit Commission is charged with the responsibility of regulating and improving transit and the alleviation of traffic congestion in the Washington metropolitan area. In order to accomplish these objectives, the Commission favors a balanced transportation system including the completion of the planning of the planned highway network for the region, improved bus service and the development of a rapid rail system.

Mr. Chairman, they go on and quote from a statement issued on January 26, as follows:

This Commission today endorsed the rapid transit proposal of the NCTA as being in the long-range public interest of the Washington metropolitan area.

Mr. Chairman, the gentleman from Wisconsin has persistently said that the National Capital Transportation Agency was at odds with the WMATC. There could be no clearer endorsement of the NCTA program than the record which I hold in my hand.

Mr. O'KONSKI. Mr. Chairman, will the gentleman yield?

Mr. WHITENER. I yield to the gentleman from Wisconsin.

Mr. O'KONSKI. The gentleman knows that that is pure double talk, the gentleman knows that the WMATC has not stricken or disputed or retracted one word of this testimony which is quoted in the minority report.

Mr. WHITENER. I refuse to yield further.

Mr. O'KONSKI. Let us get the truth.

Mr. WHITENER. I am sure we will get the truth if we look at the printed record. This is a fact as it appears in the RECORD.

The amendment simply reverses the financial participation of the Federal and local government. I think that would be disastrous to the bill.

Mr. Chairman, I urge that the amendment be defeated.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Wisconsin [Mr. O'KONSKI].

The question was taken; and on a division demanded by Mr. O'KONSKI, there were—ayes 31, noes 92.

So the amendment was rejected.

AMENDMENT OFFERED BY MR. MULTER

Mr. MULTER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. MULTER: On page 8, strike out line 18 and all that follows down through and including line 19, on page 9, and insert in lieu thereof the following:

"FINANCING

"SEC. 5. (a) To finance the cost of designing, engineering, constructing, and equipping the facilities authorized by this Act the Agency is hereby authorized to accept loans from the United States Treasury and the Secretary of the Treasury is hereby authorized to lend to the Agency such sums as may be appropriated after the date of enactment of this Act under authority of this section. Any loan for use in any fiscal year must first be specifically requested of Congress in connection with the annual budget submitted for the District of Columbia with a full statement of the work contemplated to be done and the amount of such loan must be approved by Congress.

"(b) Loans authorized by this section shall be advanced to the Agency on its requisition therefor, shall be available to it for carrying out this Act, and shall be available until expended.

"(c) Loans made under this section shall bear interest at a rate determined by the Secretary of the Treasury taking into consideration the current average market yield on outstanding marketable obligations of the United States with remaining periods to maturity comparable to the average maturities of such loans, adjusted to the nearest one-eighth of 1 per centum, plus one-eighth of 1 per centum per annum.

"(d) Any loan advanced under this section shall be repaid to the Secretary of the Treasury in substantially equal payments including principal and interest within a period of 30 years beginning on July 1 of the fiscal year which begins after the date on which operating revenues are received by the Agency."

Mr. MULTER. Mr. Chairman, it is perfectly obvious by the temper of this Committee that it wants this bill and wants a subway system in the District of Columbia.

We go now to the precise issue, who shall pay for it? During general debate I pointed out that the District of Columbia has no money of its own that can be used for this purpose. Under the bill as presented some $50 million District of Columbia contribution is to be made to the building of the system. It will never be paid unless it is paid out of the U.S. Treasury. That will be matched by $100 million to come directly from the U.S. Treasury.

This amendment calls for the financing of this system by the U.S. Treasury making available to the agency whatever money it may need, within the amount authorized, to wit, $431 million, by loans from the Treasury to the agency upon requisition with this further provision, that each year the agency must come back before the Congress and indicate how much money it needs that year, and get an authorization or an appropriation for as much money as it may need. It then borrows that money from the Treasury at a cost to the Treasury plus one-eighth of 1 percent.

This system will have to be paid for by the U.S. Treasury, you cannot get away from that, whether by guaranteed bonds as now appears in the bill under which the U.S. Treasury shall have to pay every dollar of interest or principle, or directly as called for by my amendment.

In other words, instead of selling guaranteed bonds at high interest rates which will then be defaulted and paid for out of the U.S. Treasury, let us face up to the issue. Let us call on the U.S. Treasury to borrow whatever money is needed at the low interest rates that it can obtain from time to time and then lend this money to the agency at one-eighth of 1 percent more than the cost of the borrowing.

Mr. Chairman, I urge the adoption of the amendment.

Mr. THOMPSON of New Jersey. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I ask unanimous consent to speak out of the regular order.

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

There was no objection.

Mr. THOMPSON of New Jersey. Mr. Chairman and Members of the Committee, I appreciate this courtesy.

The United Press International ticker this afternoon reports that a Congressman from Louisiana [Mr. WAGGONNER] today questioned the integrity and patriotism of Judge Thurgood Marshall.

Among other things there is reference to previous associations of Judge Marshall. There is also a rather flat statement of accusation, going to the integrity not only of the individual involved but the integrity of this institution and indeed the integrity of the judicial system of the United States.

It says, among other things:

"It is probable that a search of the files of the FBI, the Attorney General's office, the Senate Internal Security Subcommittee, and an exhaustive search of our own Committee on Un-American Activities would reveal more facts of the same nature.

"Such a search should be undertaken and the results made known to the people before this nomination is voted upon in the Senate," WAGGONNER said.

The Congressman then quoted Johnson's description of Marshall as a lawyer and judge of very high ability, a patriot of deep convictions, and a gentleman of undisputed integrity.

"With his Communist-front associations of the past, here only partially revealed, it seems to me that both his integrity and patriotism are open to serious question, a question that must be answered and his Communist-front activity explained, if it can be explained, before he is installed in this high post of responsibility."

Mr. BOLLING. Mr. Chairman, will the gentleman yield?

Mr. THOMPSON of New Jersey. I yield to the gentleman.

Mr. BOLLING. It seems to me this is particularly interesting, because of the fact the gentleman in question although a nominee for the position of Solicitor General now serves as a circuit court of appeals judge. He was nominated by the late President Kennedy and confirmed by the U.S. Senate and now he has been nominated for this new position by President Johnson. It seems to me these facts very adequately answer the charge.

Mr. THOMPSON of New Jersey. I thank the gentleman from Missouri. Obviously, my reference to the integrity of the other body stems from the fact of Judge Marshall's confirmation in that body. It seems to me this is an absolutely reprehensible and classic example of bad taste.

It seems to me, also, that it is an indictment not only of the President of the United States and his predecessor, but the other body, indeed, and the man himself are seriously questioned.

I do not know whether this is a matter of the RECORD or not. It will be interesting tomorrow to see whether this colloquy—this 5 minutes—precedes the statement which is already in the hands of the press. It will be very interesting to see whether there is any alteration in that statement or whether in fact it does appear. But I can say simply this. It is not the responsibility of anyone here to question, especially in the sanctity of this body, the patriotism and integrity of such a high judicial officer and of such a nominee.

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

Mr. THOMPSON of New Jersey. I yield to the gentleman.

Mr. GROSS. Was the gentleman from Louisiana notified this statement was to be made?

Mr. THOMPSON of New Jersey. No. Nor was the accused. Nor were the Members of this body. Only the press was notified. I will be delighted, however, if the gentleman from Louisiana [Mr. WAGGONNER] wants to engage in a further colloquy following this at any time.

Mr. Chairman, I yield back the balance of my time.

Mr. WHITENER. Mr. Chairman, I rise in opposition to the amendment.

I shall not take a great deal of time. This amendment would change the entire concept of financing which the bill embraces. It would, it seems to me, take away some of the emphasis we would like to have upon the fare box paying off the cost of the system. If we can maintain our proposal of financing the bonds from transit revenues, there will be more pressure on the operators to try to make the system pay its own way than under this proposal.

I urge the defeat of the amendment.

Mr. MULTER. Mr. Chairman, will the gentleman yield?

Mr. WHITENER. I yield to the gentleman from New York.

Mr. MULTER. I should like to call the gentleman's attention to the fact that the amendment also provides if there be any revenue from the fare box applicable to the payment of interest or principal, it shall be applied to the payment of this debt.

Mr. WHITENER. I say to the gentleman, had this amendment been offered in the subcommittee we might have considered it.

Mr. MULTER. If the gentleman will yield further, I spent at least half of my time—if not half, a good part of the time—before the subcommittee expounding on this very proposal.

Mr. WHITENER. I thank the gentleman for his comments.

Mr. THOMPSON of New Jersey. Mr. Chairman, will the gentleman yield?

Mr. WHITENER. I yield to the gentleman from New Jersey.

Mr. THOMPSON of New Jersey. I thank the gentleman from North Carolina for his courtesy, and I apologize for having interrupted the course of the consideration of the bill.

I meant to say, before I yielded back my time, I believe the gentleman from North Carolina has done a splendid job on this legislation, and I support it strongly. I believe it is very badly needed. I and many others are grateful to him.

Mr. WHITENER. I thank the gentleman.

Mr. Chairman, I urge that the amendment be defeated.

Mr. O'KONSKI. Mr. Chairman, I move to strike the necessary number of words.

I shall use only a minute to follow up what the chairman of the committee said, because it might give the appearance that I was giving false information.

This is the statement he failed to read, probably because he did not go far enough:

The Commission must acknowledge that it has serious reservations as to the overall financial conclusions reached in this plan but it feels that public need will be served by the construction of the system—

And I ask Members to listen to this—

even if more governmental subsidy may eventually be required than is presently contemplated.

They have not refuted one single word. They have not retracted one single word with respect to the unsoundness of this proposal or the impracticality of this proposal. But their arms were twisted, and they have said, "We have a chance to get the taxpayers of America to give us something, if you will come along with us." And they have said, "All right. We will approve it, unsound as it is."

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York [Mr. MULTER].

The amendment was rejected.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly, the Committee rose; and the Speaker having resumed the chair, Mr. HOLIFIELD, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 4822) to authorize the prosecution of a transit development program for the National Capital region, and to further the objectives of the act of July 14, 1960, pursuant to House Resolution 434, he reported the bill back to the House with sundry amendments adopted by the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment? If not, the Chair will put them en gros.

The amendments were agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

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

MOTION TO RECOMMIT

Mr. O'KONSKI. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. O'KONSKI. I am, Mr. Speaker.

The SPEAKER. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. O'KONSKI moves to recommit the bill H.R. 4822 to the Committee on the District of Columbia with instructions to report the same back to the House forthwith with the following amendment:

On page 9, line 1, strike out "$100,000,000" and insert "$50,000,000".

On page 9, line 5, strike out "$50,000,000" and insert "$100,000,000".

On page 9, line 14, strike out "$225,000,000" and insert "$275,000,000".

On page 9, line 16, strike out "$50,000,000" and insert "$100,000,000".

Mr. WHITENER. Mr. Speaker, I move the previous question on the motion to recommit.

The previous question was ordered.

The SPEAKER. The question is on the motion to recommit.

The question was taken; and the Speaker announced that the noes appeared to have it.

Mr. O'KONSKI. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were refused.

The SPEAKER. The question is on the passage of the bill.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. O'KONSKI. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. The Chair will count. [After counting.] Two hundred and nineteen Members are present, a quorum.

Mr. O'KONSKI. Mr. Speaker, I demand the yeas and nays.

The yeas and nays were refused.

The bill was passed.

A motion to reconsider was laid on the table.

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

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

There was no objection.

Mr. RUMSFELD. Mr. Speaker, the House has just passed H.R. 4822, the rail rapid transit bill for the National Capital region. The minimum sum of money involved was $431 million.

Mr. Speaker, I support this legislation and wish to express my concern that this measure, as so many other important measures, was approved by a voice vote rather than a record vote.

I believe that the public's business should be conducted in public and am hopeful that the Joint Committee on the Organization of Congress, before which I testified on this subject, will make recommendations to facilitate achieving record votes on important matters.

GENERAL LEAVE TO EXTEND

Mr. WHITENER. Mr. Speaker, I ask unanimous consent that all Members have 5 legislative days in which to revise and extend their remarks and include extraneous matter on the bill just passed.

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

There was no objection.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate by Mr. Arrington, one of its clerks, announced that the Senate agrees to the amendment of the House to a bill of the Senate of the following title:

S. 2080. An act to provide for the coinage of the United States.

The message also announced that the Senate insists upon its amendments to the bill (H.R. 5401) entitled "An act to amend the Interstate Commerce Act so as to strengthen and improve the national transportation system, and for other purposes," disagreed to by the House; agrees to the conference asked by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. MAGNUSON, Mr. LAUSCHE, Mr. BARTLETT, Mr. MCGEE, Mr. COTTON, Mr. MORTON, and Mr. PEARSON to be the conferees on the part of the Senate.

LEGISLATIVE PROGRAM FOR THE BALANCE OF THE WEEK AND FOR NEXT WEEK

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

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

There was no objection.

Mr. GERALD R. FORD. Mr. Speaker, I have asked for this time for the purpose of asking the distinguished majority leader the program for the remainder of the week and the schedule for next week.

Mr. ALBERT. Mr. Speaker, will the distinguished gentleman yield?

Mr. GERALD R. FORD. I do.

Mr. ALBERT. Mr. Speaker, in response to the inquiry of the minority leader, we have completed the legislative program for this week and will ask to go over until Monday, subsequent to the announcement of the program for next week, which is as follows:

Monday is Consent Calendar day.

There are two suspensions:

H.R. 8989, Federal Metal and Nonmetallic Mine Safety Act.

H.R. 6790, emergency highway relief.

Also on Monday, H.R. 9075, Uniformed Services Pay Act of 1965, under an open rule with 3 hours of general debate.

Also on Monday there will be eulogies for our late friend and colleague T. Ashton Thompson following the legislative program.

Tuesday and the balance of the week:

Tuesday will be the call of the Private Calendar.

H.R. 8283, Economic Opportunity Amendments of 1965, under an open rule with 5 hours of general debate.

H.R. 8856, amendment to section 271 of the Atomic Energy Act of 1954, which will be considered under an open rule with 2 hours of debate.

Mr. Speaker, I make the usual reservation that conference reports may be brought up at any time and that any further program may be announced later.

Mr. GERALD R. FORD. Mr. Speaker, would the distinguished majority leader inform me if H.R. 8856, the amendment to section 271 of the Atomic Energy Act of 1954, is the legislation which was on the Suspension Calendar this week and was not approved?

Mr. ALBERT. If the gentleman will yield further, the gentleman is correct. It received less than a two-thirds vote.

Mr. GERALD R. FORD. I thank the gentleman.

ADJOURNMENT TO MONDAY NEXT

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet on Monday next.

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

There was no objection.

DISPENSING WITH BUSINESS IN ORDER UNDER THE CALENDAR WEDNESDAY RULE

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that business in order under the Calendar Wednesday rule be dispensed with on Wednesday next.

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

There was no objection.

THE LATE GEORGE McCLAIN

GENERAL LEAVE TO EXTEND

Mr. ROOSEVELT. Mr. Speaker, I ask unanimous consent that all Members have 5 legislative days in which to extend their remarks concerning the late George McClain.

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

There was no objection.

SEE THE UNITED STATES

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

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

There was no objection.

Mr. ULLMAN. Mr. Speaker, I have today introduced a joint resolution to authorize and request the President to extend through 1966 his proclamation of a period to "See the United States." President Johnson signed the initial proclamation on August 11, 1964, pursuant to House Joint Resolution 658, and has demonstrated a great personal interest in this program and its potential beneficial effects.

As the sponsor of House Joint Resolution 658, I am exceedingly pleased at the response to this appeal for Americans to visit and learn about the beauty and the history of our Nation. I want to express my particular satisfaction with the President's action in appointing Vice President HUMPHREY to head up a "Travel Task Force" to implement the purpose of the resolution, and with the appointment of Mr. Robert Short as national chairman to coordinate the efforts of private industry in this major effort. The eloquence of the Vice President in promoting the "See the U.S.A." program and the dedication and vigor that Bob Short has imparted have convinced me that this program will grow into an outstanding success, and should be continued for at least another year.

Mr. Speaker, a companion resolution is being introduced today in the Senate by the distinguished senior Senator from Washington. Senator MAGNUSON has been a stanch supporter of the program.

In addition to its value in promoting a better understanding among citizens of the United States of the great scenic, cultural, and historical heritage of their country, this program is of great importance to our long-range balance of payments. The late President Kennedy, in a message to Congress on July 18, 1963, brought forcefully to the attention of the American people the problem of our declining balance of payments in international exchange. There was some talk at that time of imposing very stringent measures to reinforce the strength of the dollar—measures that I felt would be damaging to our traditional concepts.

One of the areas of chronic deficit was in the exchange of tourist dollars. In fact, one-half of the total dollar loss in the previous year was in the tourist deficit. It was suggested that a tax be levied on overseas air fares and that currency controls be instituted. At that time, I stated that such solutions were not consistent with the principles of freedom of movement that we have always guaranteed to our citizens.

I felt that a voluntary approach to the problems was more appropriate, and I introduced the joint resolution to authorize the President to issue a proclamation designating the years 1964 and 1965 as a period to see the United States and its territories. This resolution called for the cooperation of private industry and interested private organizations to institute a nationwide effort to encourage Americans to exlore and enjoy the scenic, historical, and recreational areas of the United States, and for appointment of a national chairman to coordinate this effort.

The response of the major portion of the travel industry has been most encouraging, the cooperation of the various State travel bureaus and agencies has given an additional spark to this national effort, and the consistent encouragement by the President and Vice President, members of the Cabinet, and other high officials of the administration has made this program a most important one.

I hope that the Congress will take early action on the joint resolutions that are being introduced today in the House and Senate to assure the continuation of this program.

REPORT OF THE PILOT CLUB OF GRENADA, MISS.

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

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

There was no objection.

Mr. WHITTEN. Mr. Speaker, traffic deaths in our country were more than 47,000 in 1963, and more than 48,000 in 1964. Injured in 1963 were more than 1,500,000 and in 1964, more than 2 million—with economic loss resulting totaling more than $8 billion.

Recently this situation was brought home to us in the unfortunate traffic death of our friend and colleague, the gentleman from Louisiana, Hon. Ashton Thompson.

Mr. Speaker, with this situation facing us it is fine to take note of the program and safety contest for the promotion of safety of the Allstate Foundation. I am particularly pleased that one of my good friends, Mrs. Rosetta Bloodworth, and the Pilot Club of Grenada, Miss., in my congressional district, were awarded first place honors unanimously.

Judges were: Mrs. Vera Dickey, public relations consultant; Mrs. Lillian Majally, president, Volunteer Management Association; Miss Lucy Baggett, editor, National Business Woman, National Federation of Business & Professional Women's Clubs.

Consultants: Mr. Gordon Sheehe, Michigan State University; Mr. Bruce Madsen, Michigan State University.

The first place award, which includes $250 in cash, and the bronze plaque of honor will be presented at the International Convention, Pilot Club International, Sheraton-Dallas Hotel, Dallas, Tex., Wednesday, July 21.

Under leave to extend my remarks, I include the winning report of the Pilot Club of Grenada, Miss.

REPORT OF PILOT CLUB OF GRENADA, MISS.

The members of the Pilot Club of Grenada, a classified civic and service club for executive and professional business women dedicated to community betterment, set a new task for themselves—making safe driving fashionable among residents of Grenada.

Area safety workshops were planned and it was at the safety workshop, which was sponsored by the Pilot Club of Grenada for all citizens of the community and Pilots from nearby towns, that one of the greatest safety projects of all times for creating an awareness of safety in the community was born—a driver testing lab.

On Sunday afternoon we searched the country looking for something that would fill our needs. If we saw something that we thought might even halfway do, we would find the owner, and more than likely he was taking an afternoon siesta. If he would not sell to us, could he tell us someone else that might have something which we could use.

After about 3 weeks of this calling and looking we began to dig for scrap materials from junkyards. We thought that possibly we might find enough of the right kind of material with which we could build a trailer and body of the lab. We were obsessed with the idea of a driver training lab.

As a last report we knew that the county school bus shop did sell old school buses. They had told us that they were pretty well shot and it would be too expensive to put them in good running shape.

Mr. Cooper, superintendent of education, said that there was one left and we could submit a bid to the county school board and then if they approved it that it would then have to go to the State board in Jackson for their approval.

We didn't have but very little money but we had faith that if we did get the bus that we would work out the details of financing the purchase price and putting the old bus in running shape.

We also found out that these officials on the board do not meet but once a month and no matter how urgent the matter was we would just have to sweat it out. That is just what we had to do.

When we were notified that our bid of $100 had been accepted we went out to gently caress that old bus and make plans for fixing it up. But there right beside our bus was a much younger sister, a 1955 Ford.

We found out that she had been put on the auction block. Could we get it? Yes, it was for sale but you cannot get it for $100 and you will have to wait to get your bid approved just as you did the first one.

Of course, we did not want to wait but the motor was in good shape and even a better chassis. We were so eager to get started and this would mean another delay. Delay seemed better than a great outlay of money for fixing up the first bus.

We were rich in ideas but short on cash but we had talked about a bus for a driver testing lab so much that we were able to garner a lot of support for safety.

Our donations include the $200 for the bus, paint for the outside and inside, lights for the inside, receptacles for equipment, curtains for the windows, which were made by Pilot members, carpet remnants for the floor, the service of a bodyshop for painting the inside.

We have spent $50 for someone to paint the outside and $50 for the signs for the outside.

We do need a generator more than anything else so that we can generate our own electricity for our light and testing equipment and not have to park it some place just because it is convenient to an outlet. We could use an air conditioner for the summer months ahead and a rotary beacon light for the top of the outside of the bus; this will call attention to the bus.

When we read that only 19 percent of our adult drivers of today have had any systematic instruction in driving education, we realize that education is really the key to traffic safety.

Our driver testing lab is certainly one way of pointing up the need for a comprehensive educational program in our community. It is in the field of education of drivers that we can make our greatest gains in accident reduction.

All drivers have personal inabilities that may limit their capacity to drive safely, especially when that person is ignorant of the presence of the personal limitations and fails to correct them. The value of the driver testing lab is that it points out to a driver the means by which he can identify his own personal limitations and to aid him in understanding the need for corrections of the limitations.

There are seven tests that are used—vision, depth perception, visual acuity, night vision, color vision, glare recovery and brake reaction.

The greatest value of these tests are that they can serve as a motivating factor in driver education programs by: (1) pointing out the importance of the driver efficiency and safety, (2) by developing an awareness of physical limitations of drivers which affect driver performance (3) by showing the necessity for and the best means of making corrections for their limitations; (4) by showing there is an interdependence of all drivers for safety, and last by changing the attitude of drivers thinking that the other fellow is always to blame—not me.

Our driver testing lab is by far the best method that we could have found anywhere for reaching the public on a voluntary basis.

The Pilot Club of Grenada left no stone unturned to educate the citizenry to the importance of their responsibility for safer driving.

1. Safety materials were placed in schools. Safety posters were prepared for elementary school children. Safety units at home, at play and at school were completed.

2. Believing that driver education classes should be available for all adults, the club promoted the project through extension courses, and made available safety posters for the classes.

3. To reach every club, whether women's or men's, the club set up a speakers bureau. Members informed on the safety problem were available for all meetings.

4. Safety workshops emphasizing the "Fashion Designers for Safety" program were conducted.

5. Education safety exhibits were prepared and placed at the county fair. The exhibits were awarded the prize-winning ribbon for the most effective in reaching the public.

6. Believing that the solution to the traffic accident problem rests in State leadership for safety, the Pilot Club of Grenada, working through the Mississippi Safety Council and the Allstate Foundation and Insurance Co.'s regional public affairs manager, Mr. Joe Howell, arranged for the first Statewide conference of women leaders to meet in Jackson, Miss., June 16. The meeting, which received the blessing of the Governor, brought together women's support for safety from the entire State of Mississippi.

7. Safety award: To give an incentive to clubs doing outstanding work in the traffic accident prevention program, the Pilot Club of Grenada established the Elizabeth Jones Safety Award.

8. The Pilot Club sponsored a driver self-improvement course designed especially for Pilot International by the Traffic Safety Center, Michigan State University and the Allstate Foundation. The courses consisted of four 2-hour class sessions. The courses were open to every citizen of Grenada.

While it is difficult to estimate the number of lives saved through the Pilot Club of Grenada's efforts, we can assume that the soundness and effectiveness of their work has resulted in the accident rate for the State of Mississippi being reduced this year.

Mrs. Rosetta Bloodworth serves as safety chairman for the Pilot Club of Grenada.

PRESIDENT JOHNSON'S MEMORABLE SPEECH TO 20TH ANNIVERSARY SESSION OF THE U.N.

Mr. PRICE. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and include an editorial.

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

There was no objection.

Mr. PRICE. Mr. Speaker, on June 27, the St. Louis Post-Dispatch published an incisive and cogent editorial commending President Johnson on his recent address to the United Nations at its 20th anniversary session in San Francisco.

The editorial supports the President's call to bring the Vietnam dispute to the conference table and endorses his offer to support "effective action" of the United Nations in dealing with the Vietnam situation.

I recommend the article to my colleagues and submit it at this point:

SUBMITTED TO THE U.N.

The President's fine speech to the 20th anniversary session of the United Nations was memorable for many things, but most of all for his call upon the members to bring the Vietnam dispute to the conference table.

The United States has not always been anxious for the U.N. to concern itself with southeast Asia. But Mr. Johnson's offer to support "effective action by any agent or agency" of the organization, his unqualified identification of events in Vietnam as the foremost threat to peace now facing the world, may mark a turning point of historic proportions.

There is now, and has been for a long time, every reason why the U.N. should undertake an active role in seeking a peaceful settlement. The dangers of an ever-widening war involving more and more nations are apparent. American military action in Vietnam is based upon the contention that we are defending an independent nation against international aggression. If that is correct, then clearly the U.N. should be involved; and if it is not correct, then the grounds for our unilateral involvement disappear.

President Johnson did not specify whether he is submitting the issue to the Security Council, or to some less formal kind of U.N. mediation. His offer seemed to be unconditional and inclusive. The importance of it is that the United States, after years of "pride and arrogance"—to use a phrase of the President's—now undertakes to submit itself to the judgment of the world community.

It must be expected that many members of the world community will not see the problem as we do. Many will not agree that a simple case of international aggression is involved. Major concessions will be required of us, as of the other side, if a settlement is to be reached. We cannot expect a U.N. tribunal to agree with our own position that the only requirement for peace is a cessation of aggression by the Vietcong and North Vietnam. A ceasefire on both sides, with assurance of a political settlement that will do justice to both sides, is essential.

Had the U.N. been encouraged to act 4 years ago, or even 1 year ago, its chances of bringing about a settlement would have been much better than they are today. Attitudes have hardened, the political complications have multiplied, entrenched positions have become harder to abandon. Yet though its task is infinitely difficult and will no doubt require many months of patient efforts, the U.N. must accept the challenge. If it succeeds, as all must hope it will, the United Nations will face the second 20 years of its life with renewed vigor and refreshed dedication to the principles laid down in San Francisco on June 25, 1945.

INTRODUCTION OF HUDSON RIVER BILL

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

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

There was no objection.

Mr. DOW. Mr. Speaker, 11 bills, somewhat similar, have been introduced in the House this year for the creation of a Hudson scenic riverway, notably the first one by my distinguished colleague, the gentleman from New York [Mr. OTTINGER].

Senators KENNEDY and JAVITS have cosponsored a riverway bill in the other body. The State of New York has created a Hudson River Valley Commission.

The normal prerequisite of a park or scenic project is a study. Therefore, it seems to me that Congress should authorize a study. This would have two objectives—one, to rough out the intended land uses; the other, to recommend the form of administration that would be best for the riverway. I favor a form of Federal-State compact.

Since previously entered legislation is so broad as to dim the prospects of passage at this session, I fear that time is being lost. I am today introducing a short bill that calls for a study which will allow the program to go forward now so we do not lose valuable time.

HON. CLEVELAND M. BAILEY

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

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

There was no objection.

Mr. ROOSEVELT. Mr. Speaker, I join with so many of my colleagues in expressing sadness at the passing of our dear friend and former colleague, Cleveland M. Bailey.

To those of us who are assigned to the Committee on Education and Labor, "Cleve's" death is more of a personal blow than it might be to other of our colleagues. When you work with a man intimately around a committee table you get to know him very well. To know "Cleve" Bailey well was to love him as a friend, admire him as a tactician, and respect him for his dogged determination to achieve his goals.

Earlier this year we enacted the aid to education bill. It has to be a monument to "Cleve." In 1950 he was the architect of Public Law 874, which was the vehicle to carry the 1965 act. "Cleve" often predicted this would happen.

During the barren years of the fifties, "Cleve" Bailey was constantly keeping the pressure on to enact an aid to education bill. His constant plea to the committee was to "do something for the boys and girls." When all the arguments were made, when an opponent or an adverse witness thought he had "Cleve" backed to the wall, the rugged battler from the hills of West Virginia always put that question. It was always a clincher.

He prepared the ground. He planted the seed. The boys and girls harvested the crop in 1965.

THE GILBERT AMENDMENT

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

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

There was no objection.

Mr. GILBERT. Mr. Speaker, I feel that on Friday at the end of a long day of rollcalls and debate, the House made a serious error in deciding to deny to New York's Puerto Rican population the same voting rights guarantees that it extended to southern Negroes. The so-called Gilbert amendment, exempting native-born American citizens educated in Puerto Rico's Spanish-language schools from literacy tests in English, was defeated by an extremely narrow margin. I was disturbed, Mr. Speaker, by the implication of that vote. It seemed to suggest an insensitivity on the Republican side of the aisle to the voting rights of a politically powerless minority group.

Fortunately, the Senate approved the same amendment to the voting rights bill by a substantial majority. I would like to call upon the House conferees, Mr. Speaker, to take into account the narrowness of the House vote and accept the Senate provision.

SEVERANCE DAMAGES AND DWORSHAK DAM

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

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

There was no objection.

Mr. WHITE of Idaho. Mr. Speaker, I would like to explain briefly the background for a bill which I am introducing today.

The subject involved is somewhat dramatic, at least to us in the timber States of the Pacific Northwest and the South and Southwest. But its solution is technical. For this reason I desire to start the course of this legislation with a statement or two of why it is needed and what, if adopted by the Congress, this bill would accomplish. In this manner I desire to begin a legislative history for the benefit of this House, the committee to which the bill will be referred, and if some of these controversies ultimately land there, for some assistance to the courts.

Two general circumstances set the stage for the legislation. One is that a great deal of Western and Southern U.S. economies are based on forest products. The other is the fact that we are harnessing our river systems to control our floods and droughts, to water our desert lands, and to provide electricity for our farms and industries.

Both our forest products industry expansion and the control and development of our great river systems are not just good, they are vital, not only to us in the Pacific Northwest, but to the economy of this whole great Nation.

Now, however, a trend is developing which is disquieting indeed to those of us in the Congress who are devoted both to the continued harnessing of our rivers and the continued existence and development of our forest products industry. That is the extension of our dam and reservoir projects into the forest products economy of our region. And if the problem is not already there, it is not far behind in the constituencies represented by my good friends in the timber regions of the South and Southwest. I think these issues reached us in the Pacific Northwest faster, and with greater impact, but I am speaking for my friends from Florida westward to Arizona as well.

Time was, in our Pacific Northwest at least, when these river-control projects were in areas where they hurt almost no one, of which Grand Coulee on the Columbia, in the virtually desert wastes of eastern Washington, is the best example. There have been Bonneville, The Dalles, McNary, and a host of other projects on the Columbia and its major tributaries, all in much the same situation—harming no major economy, benefiting nearly everyone.

But now, however, with the main stem of the Columbia virtually harnessed, we are beginning to control its major tributaries, the Kootenai, the Clearwater, and the Snake, to mention only three. We are, in other words, beginning to control the upstream sources of the great river system of our Northwest. And there we are running into trouble. For inevitably it is in the upstream areas of these river systems where the forests are, and where the forest economy prevails.

Here a conflict has emerged which has to it two vitally important aspects both having to do with access to the timberlands in the drainages inundated by our dam and reservoir projects by which these tributaries, and thus the main stem, are to be controlled. This trend, if not resolved by the Congress, will inevitably precipitate a conflict in Federal policy between four departments of our National Government, two on one side, two on the other.

My colleagues in this body are all aware, I know, that forest lands have little if any value except as they are accessible; this is particularly true in areas where forests are in fairly precipitous drainages.

In the Pacific Northwest, at least, there are few areas where the forest lands involved are not in the intermingled private-and-public-ownership checkerboard pattern so characteristic of our country west of the 98th meridian. Most of the Federal timberlands so intermingled are managed by the Forest Service as National Forest lands, though some are still in the public domain and are managed by the Bureau of Land Management. And the Members of this body know that it is now the policy of the United States in the management of its timberlands, either by the Forest Service or the BLM, to encourage or even compel the private intermingled owners to enter into share-cost agreements with the United States, whereby the logging road systems are shared both as to cost and occupancy. It is obviously uneconomic for two road systems to serve the two ownerships where one would do just as well. Members can find this policy of the Forest Service stated in the Forest Service regulations as revised April 12, 1965, published in the Federal Register April 16, 1965, at pages 5476 and following.

The basic Department of the Interior regulations related to the intermingled O. & C. lands are dated April 7, 1950, though they have been extended and applied to the public domain timberlands having that same intermingled status.

In the Forest Service share-cost-share-use road policies the portion of the road crossing the cooperator's private lands must be conveyed to the United States, though certain reservations in the deed are permissible. Nevertheless, title to the entire road system vests in the United States as a result of these cooperative agreements.

We have, therefore, a basic forest management policy of the United States in areas like ours, in which the title to most arteries of forest access is or will be in the United States as a matter of sound public policy, adopted by both the Departments of Agriculture and Interior.

Now we come to the conflict in Federal policy, which is created by the views the Department of Justice and the Department of the Army take of the existing case law of "severance damages." That is the doctrine of law which involves under the Constitution a taking through the diminished value of that which is left when the part taken—referring to lands, of course—was put to an integrated use with it. The best example which comes to mind is where a strip of land in the middle of a farmer's pasture is acquired through eminent domain or its threat. Once this strip is taken from him and his livestock cannot get from one portion of the needed pasture to another, the two portions into which his land has now been divided are worth far less than they were before the strip was acquired for public purposes. He is therefore entitled, not only to the value of the strip of land he lost, but the lessened value of the two parts which were severed from each other but still remain to him.

The severance damage doctrine is one the courts have developed, not without difficulty but with patience and justice, as a constitutional one of reality. It is also one of complexity, as all of us know.

These observations lead up to the crux of our problem in the West and, as I have said, in the future in the South and Southwest. For we can now put together the parts I have been talking about, into the whole solution my proposed legislation would embrace.

Please bear in mind my earlier remarks concerning the public policy of the United States through its forest land-managing departments, those of Interior and Agriculture, that where one access logging road system to timberlands in a drainage can serve both public and private ownerships in that drainage, it is uneconomic to build two; therefore the intermingled private and public landowners should share in both the cost and use of one road system wherever possible. This is today, as I say, the basic Federal policy with which few, I think, will quarrel. It would take a bold man to say that, as of this year 1965, encouragement should be given to the development of private logging road systems where both publicly and privately owned timber is or can well be served by one logging road or road system.

Now let us look at what is actually going on.

Green Peter Dam and Reservoir project is a North Santiam River control project in western Oregon. Up that river's drainage ran a privately owned logging road serving, in the lower reaches, Weyerhaeuser and Hill timber and which would in the upper reaches also serve Forest Service timber. Ultimately the road would have become, I think, a cost-shared, joint-use road between Hill, Weyerhaeuser, and the Forest Service. But when Green Peter Dam was begun it had not yet become so; it was still a wholly privately owned and controlled logging road system.

So, when the Green Peter Dam and Reservoir project came into being and this privately owned access logging route was taken, along with some of their timberlands in the drainage, the loss in value to the timberlands remaining, because access to them was made more costly, was unhesitatingly paid by the Corps of Engineers.

The second case was the Hill's Creek project, also in western Oregon. There, in contrast to Green Peter and the Hill-Weyerhaeuser situation, a lumber company, Pope & Talbot, had constructed, under a share-cost, share-use agreement with the Forest Service, a logging road up the valley, and had transferred title in the road to the Forest Service.

Again, the project took not only Pope & Talbot's timberlands, but the logging road up the valley as well. But this time the United States refused to pay for the diminished value of the timberlands remaining to the private owner, Pope & Talbot. Why? Because, in contrast to the Green Peter project where the means of access was by privately owned and controlled logging road, this road was technically owned by the United States.

So while, at Green Peter, the Department of Justice and the Corps of Engineers paid the timberland owners their loss in value because of increased cost of access on their private logging road, they refused to do so at Hill's Creek under identical circumstances but for one thing, that is, that technical ownership of the logging road system had passed to the United States under an agreement which antedated, but carried out, the present share-cost, share-use policies of the United States now espoused in Forest Service regulations.

Pope & Talbot contested this view, and a judgment in its favor in the district court was affirmed on appeal, in the Court of Appeals for the Ninth Circuit, 293, Federal Reporter, second series, 833, in 1961.

In my district I have a corporate constituent, Potlatch Forests, Inc., whose operations in the North Fork of the Clearwater River are jeopardized by the Dworshak Dam and Reservoir project, even now in the beginning stages of construction. I will say to this House, and to my people, that I welcome the project though I was not a Member of the Congress which authorized it by Public Law 87–874. I welcome it because it will provide downstream control we now lack, and because it will provide for Idaho more power, and hence industry, than we now have.

From its timberlands in the north fork drainage Potlach brings about one-third of the total annual supply of logs necessary to operate its complex of manufacturing plants at Lewiston, where that company utilizes nearly everything of the tree except the wind in the branches. This company is important to the people of my district, Mr. Speaker; approximately 26 percent of the population of the seven northern Idaho counties depend on Potlach for support, directly or indirectly. Its payroll in my district in 1965 was in excess of $23 million to about 4,000 of our people. We do not view disruption of operations of this importance with any equanimity, as Members can well understand.

Since 1928 that company has decked, or piled, its logs on the banks of the North Fork of the Clearwater to await the spring high water which sweeps them down that river to its junction with the main stem at Ahsahka and then on to Lewiston. This is the famous Potlach log drive which is familiar to many Members of this House.

And once again the normal means of access, up the valley, will be flooded. Where now there is swift-flowing stream, or the valley's floor which would accommodate a logging road, there will be a deep lake 53 miles long. And, as in the case of Hill's Creek or Green Peter, the cost of log removal goes up—substantially.

And again, as in the Pope & Talbot case, the Corps of Engineers and the Department of Justice take the position that the loss in value of the timberlands remaining to Potlach after the project is in operation, substantial though it is, is not compensable because the means by which access to the drainage has been achieved was by a navigable stream which, under the Constitution, the United States has the power to improve for flood control and other constitutional purposes. Despite the Pope & Talbot decision of the Court of Appeals for the Ninth Circuit, the views of the Department of Justice and the Corps of Engineers have not changed. They say that where access to timberlands in a drainage has been had by an instrumentality owned by or subject to Federal control, the diminished value of the timberlands remaining is not compensable though they freely admit, I believe, that the cost of access, and therefore the diminished value of the timber remaining, will be substantial indeed.

I will not take the time of Members of this body to analyze the state of the cases which gives rise to this conflict over the state of the law. There are elaborate briefs on the matter and these, I suppose, will be given to the committee to which my bill is referred at the appropriate time. It is sufficient to say that the state of the case law on this subject is confused in the extreme as to whether the Constitution demands that severance damages be paid in these circumstances.

I would call the House's attention, however, to the fact that this is not a novel situation. The Congress has more than once provided for the authority of the courts to award damages in instances where the Constitution did not necessarily require it. Again I will not take the time of Members to elaborate on this point, but will note that under our reclamation laws, which apply to that portion of our country west of the 98th meridian, compensation has been awarded for damages which the Constitution does not make compensable. This doctrine is well set forth in *U.S.* v. *Gerlach Livestock Co.*, 339 U.S. 725.

I should say the Members who will read the bill I am introducing on this subject will see that it authorizes no giveaway nor does it necessarily afford any relief to my constituent or any other from the Treasury of the United States. Nor—and I believe this important—does it qualify in any manner the constitutional rights of the United States under the navigational servitude doctrine to improve and control the navigable waters. It merely authorizes the court to hear and determine whether or not, all other conditions of severance damages being met, severance damages, or loss in value of remaining properties after condemnation, have been suffered; the only thing it does is eliminate the dispute over the question of the means of access to the lands taken as well as the lands remaining. It will, if enacted, simply clarify an issue which is now thoroughly confused, and will clarify it in line with the policy of the United States with respect to access means in timbered areas. Rarely will there be a case in the coming years in which in the West, where the intermingled Federal-private ownership pattern prevails, will means of access not be federally owned or controlled. We cannot encourage acquiescence in that course on the one hand and penalize it on the other. Unless the Congress acts here, it will be difficult to blame those who resist the commonsense approach of the Forest Service which seeks the cooperation of private timber owners in a cooperative sharing of the cost and use of access roads.

I should say in conclusion, Mr. Speaker, that to my personal knowledge this has been a matter of grave concern to many of us for a considerable period of time. Almost exactly 13 years ago the attention of the Columbia Basin Interagency Committee was called to this very subject by a speaker at their Missoula, Mont., meeting, who entitled his talk "Dam Building in a Forest Economy." As late as February of this year the American Bar Association at its midwinter meeting at New Orleans adopted the following resolution:

Resolved, that the American Bar Association urges the Congress to enact legislation which would clarify and affirm the right of a condemnee to the diminished value of the remainder of his property or property right, if otherwise entitled thereto under applicable principles of law, where the taking of the condemnee's property or property right for navigable river control purposes involves also the taking of the most feasible and economical means of access to such remainder by navigable stream or federally owned or controlled access road;

Further resolved, that the officers and council of the section of mineral and natural resources law are directed to urge the enactment of such legislation before the appropriate committees of the Congress of the United States.

The whole doctrine of severance damages is, of course, a court-made one, which was indeed slow in coming. In our country, at least, we cannot await the many years or even decades of catching up with the facts in applying this doctrine. Moreover, I am convinced that this is truly a matter of policy for the decision of the Congress which I know will be soundly geared to the practicalities of development of our river control projects and the simultaneous saving of our forest economy.

THE LIFE AND WORK OF ADLAI STEVENSON

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

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

There was no objection.

Mr. SIKES. Mr. Speaker, death has stilled one of the most dynamic personalities ever to champion the cause of democracy. The untimely passing of Adlai Stevenson, U.S. Ambassador to the United Nations, will leave a great void in the field of American foreign relations. The free world knew, loved, and trusted Adlai Stevenson. We have no one else who can command the prestige with which he was held in international affairs. Preservation of the free world's democratic principles was the hallmark of his creed. And time and again his expert negotiations helped bring order out of chaos in the conduct of world affairs.

I was privileged to know personally and enjoy the friendship of this capable and dedicated American. His life, both public and private, exemplified the principles of a strong and courageous Nation. We can be proud that in our lifetime we have had occasion to know and work with a man such as this. He has a secure niche in the annals of American history.

AN EXAMPLE OF COURAGE

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

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

There was no objection.

Mr. YOUNG. Mr. Speaker, from time to time we hear the cries of harbingers of doom and professional crepe hangers who would contend that the youth of America no longer has the stamina, the courage, the patriotism or the determination to defend the interests of this country against its foreign foes.

We all know how untrue this is, Mr. Speaker, but I wish to relate to this body a matter that has come to my attention recently involving a fine young constituent of mine by the name of Capt. Louis Edgar Perry. Captain Perry had a leg blown off in South Vietnam fighting the Vietcong and the Army was on the verge of retiring him for physical disability. Captain Perry's appeal to me was that I use what effort I could to prevail upon the Army to keep him on active duty so that he could return to Vietnam and continue to fight the Communists on his wooden leg.

The Army has agreed to keep Captain Perry on active duty, but so far has not seen fit to return him to Vietnam. Instead Captain Perry is being utilized to great advantage as an instructor at Fort Benning, Ga.

I knew, Mr. Speaker, that this body would be interested to know of the courage, determination and patriotism of this fine young American officer.

I think the House of Representatives and the Nation would, likewise, be interested to know that this courageous young captain is a cousin of the President of the United States.

This incident emphasizes the close relationship that our President has with the South Vietnamese fighting and that the suffering and heartaches of our boys overseas are a personal matter with our President. I know the President is indeed proud of his young cousin, and that this pride extends to every American boy in uniform.

Under unanimous consent, Mr. Speaker, I include herewith at this point in the RECORD an article about Capt. Louis Edgar Perry appearing in the Corpus Christi, Tex., Times:

The article referred to is as follows:

[From the Corpus Christi (Tex.) Times, June 23, 1965]

WINS FIGHT TO STAY IN ARMY: LOCAL MAN NOT ASKING AID FROM HIS COUSIN LYNDON

A Corpus Christi cousin of President Johnson wants to stay in the service and return to combat even though he lost his leg in Vietnam.

The Army will keep Capt. Louis Edgar Perry as a soldier, but it says he cannot return to Vietnam fighting, contending it is against Army policy for an amputee.

Perry is the son of Mrs. Lois Roper Perry, 1338½ Third, the President's second cousin.

The Army wanted to fit Perry with an artificial leg shortly after he stepped on a land mine July 6, 1964, and give him a medical discharge.

The story of Perry's battle to remain in the service and return to combat came to light today. He went through his Congressman, Representative JOHN YOUNG, instead of asking the President for help.

"We just didn't feel like it was right to ask Lyndon," Mrs. Perry said. "I know he would have given it special thought. But it might have been hard on him to make a decision."

"Perry told me," YOUNG reported today, "that he wanted to get a wooden leg and go back to Vietnam and fight those Communists. He asked me to do what I could to get him back to Vietnam. He said they needed men and he was ready to go."

At YOUNG's insistence, the Army did agree to permit Perry to remain in the service, but the top brass refused to let him return to combat.

Mrs. Perry said her family and the Johnsons are close. She said the President spent many summers with her parents, Mr. and Mrs. H. M. Roper, in Robstown years ago. Her father is no longer living but her mother, now 89, resides in Weslaco and is the oldest living graduate of Johnson City High School.

Mrs. Perry's mother is the former Pearl Johnson, who attended school with Rebecca Baines Johnson, the President's mother.

"Our families were always very close," Mrs. Perry said. "My mother was first cousin to Lyndon's daddy."

She said "it made me mad" when her son requested to be sent back to Vietnam.

"I didn't want him to go back with just one leg," she said.

Mrs. Perry is pleased, however, that the Army permitted him to stay in the service because "that's all he knows and loves."

Mrs. Perry, a widow, operated Perry's Flowers here from 1937 to 1951. She is now employed as a clerk for Morgan Engineering Co.

Mrs. Perry said her son found out in February that he could remain in the Army. He was assigned to Fort Benning, Ga., as an instructor.

Perry is now in Walter Reed General Hospital in Washington. He last visited his mother a few weeks ago.

A native of Houston, he was educated at San Marcos Military Academy. He entered the Army in 1956. He is married and the father of three children.

Perry spent 2 years in Vietnam as a member of the special forces. He was decorated with the Purple Heart, Bronze Star, and Army Commendation Medal.

LICENSING DEALERS IN ANIMALS USED FOR RESEARCH

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

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

There was no objection.

Mr. RESNICK. Mr. Speaker, I commend, as most of my colleagues do, the Medical Researchers Foundation that has made the world a healthier and a better place to live in. Through their tireless efforts, we daily conquer diseases that were incurable only yesterday. Their accomplishments are a source of inspiration for the sick of the entire world.

However, it seems to me that this research should not be subsidized by the heartaches of the many owners of dogs and cats in our country. It has come to my attention that there exists in this country, the richest in the world, an organized and highly profitable business dealing in dogs and cats, family pets, to be used for this research. These dogs and cats are lured from their homes and from their loved ones, transported and boarded in indescribably filthy and unsanitary conditions and sold at public auction by the pound to dealers who then retail them to medical research facilities.

I have introduced a bill, H.R. 9743, to prevent this cruel business by licensing all dealers in animals to be used for research and all facilities that use them. The penalties for breaking the law would be severe. I feel that I must point out at this time that this measure is in no way an antivivisectionist proposal or a proposal to hamper or limit research. It is simply a much-needed bill to prevent the theft and transportation of our family pets.

NATIONAL FOUNDATION ON THE ARTS AND HUMANITIES

Mr. RYAN. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and include extraneous matter.

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

There was no objection.

Mr. RYAN. Mr. Speaker, it is an honor to join with a number of our distinguished colleagues in introducing today a new version of the bill to establish a National Foundation on the Arts and Humanities.

This bill is similar to H.R. 6200, which I introduced last March, with a few minor technical changes, as suggested by the Special Subcommittee on Labor. Provisions for grants-in-aid to workshops are added. The Director of the National Gallery of Art and the Chairman of the Commission on Fine Arts are added to the Federal Council on the Arts and Humanities.

Legislation to encourage the arts and humanities is vital in working toward that improved quality of life that is the essence of the Great Society. President Johnson has strongly endorsed this legislation.

We can all remember how dear this subject was to President Kennedy. As a monument to him—and as an expression of this body's concern with the future of our national culture—we should quickly enact this bill into law.

MAN'S DEEPEST PENETRATION OF SPACE

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

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

There was no objection.

Mr. MILLER. Mr. Speaker, as we meet here today, there is very high excitement across the United States, in California at NASA's Jet Propulsion Laboratory, and, indeed, across the world.

At this very moment, scientists and engineers are clustered about a machine watching the slow but exciting data being printed out from recorders which recorded photographs of man's deepest penetration of space.

While the group at JPL in Pasadena, Calif., has earned the privilege of being on the spot, they are backed up by thousands of men and women in Government, in industry, and on our university campuses.

Since last November, when the National Aeronautics and Space Administration launched the spacecraft called Mariner IV toward the planet Mars, we have been living in a historic era in man's never-ceasing quest for knowledge about himself and the universe he lives in. Now for the first time a manmade object—a 575-pound engineering marvel—has photographed another planet in our solar system while flying by that planet.

Mariner IV, which was launched last November 28, climaxed a 228-day journey at 9:01 p.m., e.d.t., last night by flying within 6,100 miles of Mars.

Mariner is now a small part of our solar system. Its trajectory will carry it on a long sweeping orbit around the Sun similar to the orbit of our own Earth and Mars. Its orbit will take it within 100 million miles of the Sun at closest approach; and it will range as far as 141 million miles from the Sun. Mariner's year will be 569 days long in its perpetual orbit.

For the next few weeks of that orbit Mariner will still be busy reporting information from interplanetary space. We eagerly await, of course, word of Mariner's attempt to take pictures of Mars as it flew by at more than 11,000 miles an hour relative to the planet.

Some 45 minutes before it made its closest approach to Mars, Mariner turned on a small television camera it carried aboard. From all information available to us now from the space flight operations facility at JPL, it appears that the television camera operated as expected.

Project officials at Pasadena report, however, that at the time Mariner was recording the pictures on a tape recording machine, it transmitted some confusing information. It was impossible overnight to unravel the meaning of this report—to determine without doubt whether pictures actually were recorded on the tape.

At about 9 o'clock this morning, however, Mariner was ordered to start slowly radioing the information recorded on the tape back to Earth. I am delighted to report that JPL has informed me that it appears that picture information is recorded on the tape. The first information relayed back to the Earth tracking stations were black lines which was exactly as expected. About 2 hours ago, JPL reported that the data changed to an expected pattern, one which indicated that there were changes in the light intensity information recorded on the tape.

We must be patient for a full report. Mariner is at a tremendous distance from Earth—more than 134 million miles, which is more than twice the distance any spacecraft has ever maintained communications with Earth. Mariner must speak to us very slowly, therefore, radioing only 8⅓ bits of information per second. That means that each picture, which was taken and recorded on the tape in a little more than 40 seconds, will take more than 8 hours to radio back to Earth in digital form or a series of zeroes and ones. Thus, it will not be until 5:30 this evening that playback of one picture is completed. It is then a long, laborious process requiring amazing electronic equipment to translate this digital data into photographs.

I am hopeful that Mariner's radio report will be that all went well and that we have man's first closeup pictures of Mars. This will be a scientific achievement to rank with Galileo's first look at the Moon through his telescope.

We must not overlook the fact that Mariner is providing us with unprecedented scientific information about interplanetary space and about Mars itself. It carried a complex of scientific instruments to measure radiation, energetic particles, magnetic fields, and cosmic dust in space.

The findings of these instruments in interplanetary space already have been reported. Much data was gathered within the vicinity of Mars which, according to preliminary study, changes some of our pre-Mariner notions about our intriguing neighbor planet. Detailed findings, of course, will await long weeks of analysis by the scientists.

While we will have in hand in the weeks and months to come new data about Mars, this accomplishment has an even larger meaning for all of us. It is tangible evidence of man's determination, skill, and desire to seek the unknown and, in our system for doing things, for the benefit of all mankind.

DOG THEFT AND TRANSPORTATION

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

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

There was no objection.

Mr. WOLFF. Mr. Speaker, as a dog owner it came as a deep shock to me to learn that stolen household pets were being used for medical research. The very extensive and comprehensive research in all fields of medicine and drug research naturally calls for increasingly large numbers of research animlas. I do not propose to delay or put any strings whatsoever on the researcher, providing he and his facility are using animals legitimately acquired. By introducing a companion bill to H.R. 9743, introduced by my distinguished colleague from New York [Mr. RESNICK], I simply want to add my voice opposing this most cruel form of theft. We have reached a point in our economic development where it should no longer be necessary for hospitals to issue "invitations to steal" by calling for dogs to be supplied by thievery. The passage of this bill will not cause any hardship on the legitimate kennel owner, add any cost to hospital research, and cut the profits of no one except the full time professional dog thieves. It will, however, protect to some extent our pets from the dastardly acts of the flesh peddlers.

FIRST CONGRESS OF MICRONESIA

Mr. ASPINALL. Mr. Speaker, I ask unanimous consent that the gentleman from Pennsylvania [Mr. SAYLOR] and I may extend our remarks in the body of the RECORD and include in each instance a talk by a colleague of ours on the first Congress of Micronesia.

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

There was no objection.

Mr. ASPINALL. Mr. Speaker, the people of the Trust Territory of the Pacific Islands are, in effect, wards of the United States since we administer the trust territory under agreement with the United Nations. Ours is the fourth flag under which these people of the Marshall, Caroline, and Mariana Islands have lived. The Spaniards, the Germans, and the Japanese were all there before we were.

This week for the first time in the history of these good people a territorywide congress is assembling. I regard this as a significant step—a very significant step—in their political advancement, and I am proud of the role the U.S. Government and the High Commissioner of the Trust Territory have played in bringing it into being. The obstacles are very great, considering the variety of mutually unintelligible languages that are spoken in the islands and considering the varying degrees to which the islanders have adapted themselves to the usages of Western civilization. Nevertheless they are trying, and trying hard.

I regarded the event as so important that I asked two members of our Committee on Interior and Insular Affairs to attend—the Honorable N. NEIMAN CRALEY and the Honorable ROGERS C. B. MORTON. Each is making a statement to the Congress. Congressman SAYLOR is inserting Congressman MORTON's statement in the RECORD and I am asking that Congressman CRALEY's go in, too. It is an eloquent and well thought out discourse on our Government's position with regard to the trust territory, and I commend it to all Members of the House for reading and study:

SPEECH BY CONGRESSMAN N. NEIMAN CRALEY BEFORE THE FIRST CONGRESS OF MICRONESIA, SAIPAN, JULY 1965

As a representative of Congressman WAYNE N. ASPINALL, chairman of the House Committee on Interior and Insular Affairs, on behalf of the committee and the American Congress, I bring greetings and congratulations to this newly inaugurated legislature. On behalf of my Government I welcome this advance of representative government in the Pacific community. With the meeting of the first Micronesian Congress, the process of self-government comes to another part of the globe.

Over 400 years have passed since Ferdinand Magellan anchored his ships off these islands in his famous voyage around the world. Since that time you have known many governing powers: Spanish, German, Japanese. The pages of American history record battles waged upon these islands in World War II when Saipan and Tinian became crucial engagements for the U.S. Armed Forces. Since the end of that war you have experienced a joint United States-United Nations administration, which we hope and believe has contributed to your own efforts toward political unity and economic progress in this beautiful sea of isles.

Today you begin that experiment in self-government the American colonists introduced to the modern world almost 200 years ago. Senator GRUENING has compared this Congress to the atomic bomb tests on Eniwetok and observed that the "new force being unleashed in Micronesia in the form of political self-government will in the long run prove to be even more important and revolutionary." His sentiments express my own, as I stand before your legislature today and witness this significant phase in political advancement toward self-rule.

During the American Revolution in 1776, the ardent Thomas Paine reminded the discouraged American patriots that "Every spot of the Old World is overrun with oppression." Shortly thereafter the great French statesman and philosopher, Turgot wrote from France: "This people is the hope of the human race. It may become the model. It ought to show the world by fact, that men can be free * * *." From the midst of the struggle George Washington declared that liberty and self-government were "finally staked on the experiment entrusted to the hands of the American people." American victory in that revolution made her that hope, that model of freedom for all men. This became the dream, the vision, the mission of America.

When John Adams, the second President of the young Republic, delivered his inaugural address in 1797, the major problem lay in maintaining an effective yet restrained National Government. As President Adams phrased it:

"When it was first perceived * * * that no middle course for America remained, between unlimited submission to a foreign legislature and a total independence of its claims, men of reflection were less apprehensive of danger from the formidable power of fleets and armies * * * than from the contests and dissensions, which would certainly arise, concerning the forms of government to be instituted over the whole and over the parts of this * * * country. Relying, however, on the purity of their intentions, the justice of their cause, and the integrity and intelligence of the people, under an overruling providence, which had so signally protected this country from the first, the representatives of this Nation * * * cut asunder, the ties which had bound them, and launched into an ocean of uncertainty."

The ocean of uncertainty, President Adams mentioned, had to be charted and crossed by a ship of state which was relatively untried. In America not only federal union, but independence and democracy also set sail in a world dominated since the Renaissance by powerful centralized monarchies. Shipwreck seemed inevitable to most. Yet the ideas of government by consent of the governed and of national independence, launched so inauspiciously in 1789 have since shattered empires, dethroned kings, fomented revolutions, inspired republican institutions and democratic governments all over the world.

When the British colonists in America took their bold step to independence, many colonial outposts flourished around the world. The competition for wealth and national power had led England, France, Spain, Portugal, and the Netherlands to empire building in the Americas, India, and the East Indies during the great age of exploration, discovery, and colonization.

Almost a century of relative calm elapsed before a new wave of colonialism occurred in the late 19th century. Belgium, Russia, Italy, Germany, and Japan joined in the scramble for protectorates, railroad or territorial concessions, special privileges, financial interests in Asia, Africa, the islands of the South Pacific. Merchants and missionaries, militarists and adventurers, nationalists and politicians invaded these lands with a variety of motives in the age of imperialism.

Encouraged by colonial rivalries, the great world wars of the 20th century yet stimulated nationalism in the colonial peoples. Within a decade after World War II almost 20 Asian and African countries from Indonesia and Syria to Vietnam and Tunisia had won their freedom. This was just the beginning. Colonies, like ripened fruit, were indeed falling from the mother tree upon reaching maturity.

Self-government became the cry of the emerging nations, a cry the American people cannot, have not, and will not ignore. Born ourselves of an anticolonial revolution, we cherish government of, by, and for the people; we revere and applaud national independence. Our history reveals that these ideals which created our Nation, also determine our relations with those lands living under our flag.

During the confederation period of the American Government a plan was devised for administering land and providing for local representative government in the then Northwest. This Ordinance of 1787 created political order out of the wilderness and established a method for evolutionary government, self-government at that.

First a Governor, secretary, and three judges would be appointed by Congress. When the territory had 5,000 free males of voting age, a territorial legislature could be elected and a nonvoting delegate sent to Congress. A population of 60,000 could then be admitted to the Union "on an equal footing with the original States in all respects whatever," as the ordinance stipulated. The essence of this plan was repeated for all continental and most of the insular possessions of the United States.

The ancient doctrine that all colonies exist for the benefit of the mother or founding country, to be politically subordinate, socially inferior, economically subservient, was hereby discarded and a new colonial policy formulated by a new nation. Based upon the principle of ultimate equality, this policy provided a temporary period of tutelage first. One of the great contributions of American democracy emerged in this conception of the relationship between the initial metropolis and the colony. Such a solution by George III and the Parliament might have forestalled the American Revolution.

The articles of that famous ordinance also encouraged education, prohibited slavery, or involuntary servitude, guaranteed to the inhabitants of the territory civil rights and liberties. The ideals of the Declaration of Independence and the guarantees of the Bill of Rights of the Constitution were thus assured of spread with the frontier.

Due in large part to this enlightened territorial policy, the United States was able to expand from the original 13 Atlantic colonies westward to the Pacific; north to Canada; south to Mexico and the gulf. The "manifest destiny" of the American people was realized by: Purchase, as in the case of the vast Louisiana Territory which in 1803 covered the whole western half of the Mississippi Valley; peaceful treaty, by which we acquired Florida from Spain in 1819 and the Oregon Territory from Great Britain in 1846; by annexation; as in the case of Texas in 1845 which had desired admittance to the Union; once by war, in 1848 when victory in the Mexican War plus $15 million awarded the United States the rest of the Southwest including California.

American possessions overseas portray a slightly different, but similar, story. These lands have been acquired by purchase, peaceful treaty, annexation, or war too—and in that order. The U.S. Government purchased Alaska from Russia in 1867 and the Virgin Islands from Denmark in 1917. The Philippines were bought from Spain as a part of the peace settlement terminating the Spanish-American War in 1898. American Samoa is held by a treaty among the United States, Great Britain, and Germany of 1899, plus voluntary land cessions by certain high chiefs of the islands. A 10-mile strip of land, the Canal Zone, is leased by agreement with Panama for perpetuity. American jurisdiction in the Ryukyus (Okinawa) continues since World War II, for security reasons, by treaty agreement with Japan.

Hawaii was annexed in 1898 after many half-starts and previous requests that it be so. Guam and Puerto Rico were awarded as a result of that same war with Spain.

The Trust Territories of the Pacific, here, are held in trust by an agreement with the Security Council of the United Nations since 1947.

The philosophy of the American Government has been to give a large degree of self-government, autonomy, even independence. Two of these oversea territories have been admitted as equal States; namely, Hawaii and Alaska, in 1959. The Philippines were promised and received complete independence in 1946; Puerto Rico became a Commonwealth in 1952, a self-governing island, yet in matters of defense and foreign relations responsible to the United States. The peoples of Puerto Rico, the Virgin Islands, Guam, and many in the Canal Zone have been made citizens of the United States.

Developing self-government, aiding and encouraging the improvement of living conditions, education, health, the economy, remain the objectives of the American Government in the islands and territories under its administration.

In essence the plan of government outlined in 1787 has been pursued in all of these areas. The kind of government, the idea of stages of government, self-government, gradual representation by the people themselves—these are the principles deriving from the Ordinance of 1787. James Otis' assertion that "taxation without representation is tyranny" has been acknowledged in American administration of these lands.

Observing modern history one must notice two forces that have met and clashed in the decades since World War II. National self-determination and imperialism are incompatible objectives. The far-flung colonial empires have eroded and are fast disappearing. Benjamin Disraeli's plea in the 1870's for an "imperial country" rather than a "comfortable England" would fall today upon deaf ears. Nor would any colonies agree with the Greek Pericles that "to be within the circle of our influence is not dependence but privilege.

American sympathy rests with these emerging nations; our relations with those living under our flag evidences this fact. With Thomas Jefferson we believe that "The God who gave us life, gave us liberty at the same time." We believe, moreover, that this applies to all men.

Acutely aware of a new imperialism, present in today's world, President John F. Kennedy in a July 4 address in 1962 observed that: "If there is a single issue that divides the world today, it is independence * * *." The attitude of the United States toward this denial of freedom must be and is consistent with our affirmation of man's right to freedom almost 200 years ago. As President Kennedy reaffirmed:

"And today this Nation—conceived in revolution, nurtured in liberty, maturing in independence—has no intention of abdicating its leadership in that worldwide movement for independence to any nation or society committed to systematic human oppression."

Just as the success of the American experiment made the United States the hope, the model of the world, so may the success of this government in the new world of the Pacific community in cooperation with my Government, register another victory for government by the people, for the idea of popular government. The people of the United States welcome you to that community of nations which fosters freedom, encourages peace, prosperity, for its people. We ask that you join with us in this continuing endeavor to elevate mankind, to acquire and preserve the heritage of dignity and well-being which is man's to claim and possess in cooperation with one another.

Mr. SAYLOR. Mr. Speaker, two Members of this House are on Saipan this week attending the first meetings of the new Congress of Micronesia. My side of the aisle is represented by the Honorable ROGERS C. B. MORTON, the other side by the Honorable N. NEIMAN CRALEY, Jr. I am proud that our House of Representatives is so well represented at this newest of all the world's parliamentary bodies and I am glad that I, even at this great distance, should have this opportunity to welcome the Micronesian Congress to the ranks of those bodies throughout the world in which the voice of the people is heard.

To these remarks, Mr. Speaker, I want to append the address which the gentleman from Maryland [Mr. MORTON] is giving to the assembled representatives of the Micronesian people. It is full of good sense and sound advice which all of us can take to heart. One paragraph in particular has caught my attention:

> As an elected official of your own particular district, you have the responsibility to represent the interests of friends and neighbors with whom you share a common background and tradition. But you also represent the overriding interests of many individuals whom you have never met, of communities you have never visited, of islands you have never seen. In short you represent the public interest, and your success as a legislator will depend in no small degree on how well you are able to blend the needs of your community with the needs of all Micronesia.

This admonition is one that all of us, whether on Saipan or in Washington or New Delhi or Lima must constantly keep in mind. So are many other points made by Congressman MORTON which I shall not take the time to repeat. Let me merely say that I recommend study of the entire statement to my colleagues:

ADDRESS OF CONGRESSMAN ROGERS C. B. MORTON, REPUBLICAN OF MARYLAND, PREPARED FOR DELIVERY AT THE CONVENING OF THE 1ST SESSION OF THE CONGRESS OF MICRONESIA, AT SAIPAN, UNITED NATIONS TRUST TERRITORY OF THE PACIFIC ISLANDS, JULY 12, 1965

Congressman CRALEY, High Commissioner Goding, Secretary Carver, members of the First Micronesian Congress and distinguished guests, I am deeply honored and proud to have been chosen to speak on this momentous occasion which is such an important milestone in the long and noble history of representative government.

I come bearing the greetings and congratulations of the U.S. House of Representatives, the Speaker of the House, and the minority leader. This legislative body was established under the provisions of our Constitution in 1789.

The development of a legislative system, in which the needs, aspirations and inalienable rights of all people can be served, is an arduous and complicated process even under the best of circumstances. As in building a house, one must carefully select a site, prepare an architectural plan and lay a solid foundation.

When these preliminary steps are overlooked, or, in the eagerness to present an impressive facade, they are carelessly considered, then it is only a matter of time before the structure will fall before the forces of wind and water. So it is with men and the institutions of government they build.

The preparations for representative government and a legislative system for the trust territory have been underway for nearly 20 years. I believe it is fitting, and indeed important, that we take a moment during these early proceedings to examine a few of the preliminary steps in the building of the Congress of Micronesia.

As a result of World War II, my Government assumed the administrative responsibility for an area about as large as the continental United States, an area comprising some 2,100 islands spread across approximately 3 million square miles of ocean. Although the inhabited land mass was considerably less than our smallest State, Rhode Island, more than 2,400 miles and at least nine indigenous languages separated the peoples and communities of the trust territory.

If the site upon which to build a Micronesian house of government offered problems of cohesiveness and communications, then these problems had to be overcome by sound architecural planning and a carefully laid foundation.

Twelve years ago, at a meeting at Truk, island leaders from the Marianas, the Marshalls and the Carolines decided to move slowly and cautiously in establishing a territorial legislature for Micronesia. They were determined to avoid what one observer called elements of disastrous friction which might result from premature actions. A second conference in 1957 led to the setting up of an Inter-District Advisory Council which met for 1 week each year.

By 1959, district congresses were in operation in Ponape, Palau, Truk, and the Marshalls and many of the other islands had established elective municipal councils. In spite of the obstacles of distance and differences, you were showing the United States, and world, that you believe deeply in the principles of responsible self-government and that you would leave no stone unturned to reach this objective.

The Advisory Council of Micronesia, whose members had originally been appointed by the High Commissioner, worked out an elective system based upon local and district legislative organs, and popular elections were provided for by 1962. The next step was careful study to set up a truly legislative system with authentic powers to levy taxes and to participate in the formulation of the budget.

The immediate result of this painstaking labor, and the close cooperation of the U.S. Government and your island leaders is the opening of the first Micronesian Congress which we celebrate today. The long range result will involve no less than the efforts of the past, and no less than the best of each of you assembled here at Saipan are able to give for the future.

For I am convinced that no grand political design, no instant economic windfall—none of these will do as much to chart a course of success and prosperity for Micronesia as will your constant diligence and imagination as elected legislators.

It is in your hands to develop an effective governmental operation to serve the widespread interests of your widespread constituents. It is in your hands to forge a Micronesian identity from among the many diverse peoples who have placed their trust in each of you. It is in your hands if a sprinkling of tiny islands in the world's largest ocean are to be welded into a meaningful unit of order and well-being.

Thus as a member of this historic First Congress, you will be judged not only as legisaltors taking part in the planning and drafting of the rules and regulations that will affect all Micronesians for many years to come; you will be graded also on your ability to cope with everyday problems, as well as your vision of distant goals and aspirations. You will make your mark not just for the appearance of your name on major legislation, but also for your behind-the-scenes efforts in committees where the real fruits of all congresses are planted.

As an elected official of your own particular district, you have the responsibility to represent the interests of friends and neighbors with whom you share a common background and tradition. But you also represent the overriding interests of many individuals whom you have never met, of communities you have never visited, of islands you have never seen. In short you represent the public interest, and your success as a legislator will depend in no small degree on how well you are able to blend the needs of your community with the needs of all Micronesia.

If then, members of this initial Congress are legislators and public servants, then too they must function as educators as well. For the full meaning of representative Government can only be realized when the great majority of citizens come to know and understand the workings of a democratic system.

As this is the first session of the territorial Congress, your work in the educational field is cut out for you. I understand that you have been studying parliamentary procedures and other congressional functions under the able guidance of your legislative counsel, Dr. Robbins.

This is an important beginning if your assembly is to make the most of its short session, and is to undertake the task of preparing a realistic annual legislative program. But just as important will be the steps you initiate to inform your constituents of the programs under consideration and the differing views of your fellow Congressmen on local and territorial issues.

So add to your growing list of responsibilities that of communicator. During those periods when the Congress is in session, and at other times when you gather for committee meetings, make every effort to be in contact with your district by mail and by all available communication facilities. With hundreds of islands separated by thousands of miles of water, the power of a personal letter should not be underestimated.

After a lengthy congressional meeting, sit down with the notes of the day's events, put them in readable and understandable form, and send them off to an island leader in your home district with instructions to give your summary the widest possible dissemination. I think you will find the results worthwhile, not only for your new Congress, but for your personal political careers as well.

Under the terms of the order establishing the First Micronesian Congress, the legislature will be in session for a 1-month period each year. It is likely that your various committees will be meeting at other times, in other places, according to the need for additional legislative preparation.

I cannot stress too strongly that the responsibilities of government will not disappear with the end of your meeting here at Saipan this month, but they will follow each and every member of this assembly as he returns to family, job, and community. The role of legislator, of public servant, of educator, and of communicator, will weigh upon your shoulders as you assume your normal duties at home.

But it is a weight that all freemen must bear, and one that gives the upright in character and proud in spirit a new strength for the problems that lie ahead. The very fact that this is your first congressional session underscores the inevitable struggles and obstacles that must be faced in the future if the concept of self-government is to endure.

In the earliest days of the United States of America, that very name was held up to scorn and ridicule because our Nation's leaders were unable, or unwilling, to submerge their local interests for the common good. There were those who said our young Government would not find its way out of a wilderness of petty strife and costly bickering that had produced bitter division and runaway debt.

It was only through the selfless deliberations and actions of leaders not unlike this group assembled here today that the United States of America was able to pull itself together, bind its wounds and face the future. And for many years, a bleak future it was.

There is a real and deep significance in this first meeting of the Congress of Micronesia. You are telling all who would listen that your people are determined to face the future as free men and women. You are committing your people to a form of government that has offered these who would accept its challenge more of the blessings of liberty than any other system yet devised by the mind of man.

You are charting a course for this island complex that can only lead to individual achievement and community development. In this task, you will have the wholehearted support and admiration of the Congress of the United States. We applaud your action, and await with confidence your accomplishments.

VIETNAM MONEY SUPPORT INADEQUATE

Mr. LIPSCOMB. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and include extraneous matter.

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

There was no objection.

Mr. LIPSCOMB. Mr. Speaker, the increasingly heavy defense expenditures in support of the action in Vietnam and our worldwide commitments demand that the President and Congress act immediately to provide adequate funds to carry out U.S. policies successfully.

When the fiscal year 1966 Defense appropriation bill came up in the House of Representatives on June 23, 1965, deep concern was expressed over the fact that there is insufficient funding in the budget to support the escalated action in Vietnam.

Subsequent events have served to underscore the urgency of the situation and the importance of acting now to provide the necessary funding.

Here are some of the major events that have and are happening which largely were not taken into consideration by the Defense Department in the budget request:

Significant increases in manpower are being committed to South Vietnam;

Large increases in equipment and combat consumables are required to support the escalated effort;

An increase in air and surface transportation is required to move both men and material;

Replacement of stocks and equipment to those units from which they have been taken is needed;

Replacement is needed of reserve stocks as rapidly as possible so that we may be prepared for other eventualities;

There is an increase in combat pay which was unprogramed;

An airmobile division is to be created and its anticipated deployment to South Vietnam, all of which was unprogramed.

During the floor debate on June 23, 1965, I stated:

> The fiscal year 1966 budget contains insufficient funding for the Vietnamese effort. The President has made certain policy decisions affecting our position and commitments in Vietnam. This commitment includes the large-scale introductions of American personnel and equipment. The decisions to commit American lives and American prestige must be backed up and supported with the appropriations necessary to carry them out successfully.

This concern, however, related not just to Vietnam but to other areas as well, as I stated:

> It is also of serious concern that equipment and material priorities for Vietnam must not be permitted to so deplete active forces inventory as to impair the readiness of our forces not committed to Vietnam. Our forces no matter where they are located, must be sufficiently equipped to respond to any emergency. Reserve stocks are for the purpose of having available a sufficient inventory to take care of the unknown and unpredictable events that could occur all over the world. The Dominican Republic is a recent example.

It is particularly significant that a review of the House debate on the defense appropriation bill would clearly show that this position was not refuted. To the contrary, it was largely substantiated. The only item which was introduced during the debate in an attempt to answer the charge was a letter written by Secretary of Defense McNamara June 9, 1965. Rather than deny the correctness of the position, however, the letter serves to reinforce it.

I submit, Mr. Speaker, that the escalated activities in Vietnam are in significant amounts and that additional equipment and replacements are required. Secretary McNamara claims that he has sufficient flexibility through such means as emergency funds and transfer authority to cover any immediate needs. Based upon existing procedures the Department of Defense does have the ability to use emergency funds and transfers from other programs, but these procedures are intended to be used for emergency situations which were not known at the time of a budget request, or when Congress is not in session. Certainly the situation in Vietnam and the readiness condition of our other units are sufficiently known so that they can be provided for in the fiscal year 1966 budget, on which final action is still pending in Congress. To use the means indicated by the Secretary of Defense would be a misuse of the authority granted by Congress.

Secretary McNamara has indicated, and properly so, that he has given top priority to the needs of Vietnam. But to accomplish this, equipment and stocks have been taken from other units and evidence is accumulating that such units are falling below their authorized needs. In simple words, we are robbing Peter to pay Paul.

A clear-cut example is a decision which was at the request of the Chief of Staff, USAF, to transfer, since January 1965, 20 RB-57 jet aircraft from 5 Air National Guard units throughout the country and place them in the Active Air Force inventory for Vietnam. This action has resulted in the Air National Guard being under authorized strength for this component. These aircraft must be replaced. The production line for the RB-57 has been closed, and if some other aircraft is substituted, that in turn would probably require replacement.

No provision for this type of action has been specifically included in the budget.

In another instance, the Army had recommended a production rate of the UH-1B & D Iroquois helicopters at 75 a month. Secretary McNamara reduced this request to 60 a month. It has now been reported that the production rate has been raised to 70. Again, these additional costs are not covered in the fiscal year 1966 budget.

For the fiscal year 1965, the Army request for procurement of ammunition was $408 million. In fiscal year 1966, in spite of Vietnam, the request for ammunition was $344.9 million. Even though the fiscal year 1965 budget request for ammunition was made on the basis of real need for both current usage and to provide an adequate level of stocks, during the hearings it was brought out that only $272 million would be spent. This type of action has occurred in previous years. Such large differences between what is requested and what is finally spent raises serious questions as to what our actual stock level is relative to ammunition.

Obviously this is a vital area and the current degree of action in Vietnam clearly dictates a high level of consumption. It has been reported that consumption of ammunition in Vietnam has quadrupled.

A related area is spare parts and maintenance. During the course of the Defense appropriation hearings, the Navy stated that the budget for the replenishment of spare parts is tight primarily due to stricter guidelines which were imposed on them. A principal Navy witness stated:

> We will make every effort to operate with this level, but we are concerned and will have to watch very carefully any effect upon our ability to meet expanded requirements if those should come about as a result of the southeast Asia operations in concern of the very long supply lines in that area.

Certainly the problem of combat pay is particularly important, far beyond the basic fiscal considerations. The Department of Defense issued a directive, No. 1340.6, on June 2, 1965, concerning the eligibility of military personnel to receive special "combat pay" for those subject to hostile fire.

Under the previous special pay policy, about one-fourth of the military personnel serving in South Vietnam have been receiving hostile-fire payments monthly. Under this new modified policy, all U.S. military personnel serving in South Vietnam will be eligible for the special pay, unless certain areas are excepted by the unified commander. This new policy is completely warranted under existing conditions and if anything is overdue. In any event, this directive creates an increase in personnel pay amounting to many millions of dollars, which was unprogramed and therefore not covered in the budget. We have been constantly told this is an extremely tight budget, and in the area of pay there is not the flexibility as in other parts of the budget.

Other items that further illustrate the inadequacy of the fiscal year 1966 budget, as they were either not programed or budgeted at the presently planned level include:

The decision to significantly increase ground troops in South Vietnam.

The Navy, it has been reported, has been spread thin, with the 7th Fleet now employing four and at times five aircraft carriers off Vietnam and adding a new naval patrol command off the South Vietnamese coast.

It has been further reported that surface shipments of material have mounted to 125,000 tons a month, while air shipments have reached a record 35,000 tons a month. Imports of petroleum products have increased to 500,000 barrels a month.

Also reported is the probability that the new 1st Calvary "airmobile" division will go to Vietnam. This is a new concept for which tests had recently been completed. The division will be larger than a normal Army division, having close to 16,000 men and will contain increased air capability particularly helicopters for quick mobility. There were no plans in the fiscal year 1966 budget to create such a division, much less to deploy it into active combat in Vietnam. It has now also been reported that there is a distinct possibility that a second "airmobile" division will be created. This too was unplanned.

It is a fact that we are carrying out added activities and that they must be funded. This should be accomplished in a timely, reasonable manner, completely in keeping with the right of Congress and the public to know how much is being spent, when it is being spent, and for what purpose.

Considering the international situation, we must be in a secure position militarily. This includes having an adequate budget which will provide for the current defense needs and equally important, future emergencies. Adequate money and adequate equipment must be provided for every unit at a proper level according to the table of organization and priority position. We have consistently been told the fiscal year 1966 defense budget is a tight budget. Any budget manipulations to solve the problems mentioned here must therefore have serious effects upon other programs unless additional funds are provided. This must not be allowed to happen. Fortunately we have an opportunity to correct this situation and maintain our high level of strength which now exists. The fiscal year 1966 Defense appropriation bill has not cleared the Congress and therefore the President can revise the defense budget, or submit a supplemental request immediately.

If this is not done, it will not merely be a question of having available adequate funds, but the additional question must then be raised as to what is this administration's approach to military preparedness.

THE TRADITIONAL AMERICAN SPIRIT

Mr. MARTIN of Alabama. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks, and to include extraneous matter.

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

There was no objection.

Mr. MARTIN of Alabama. Mr. Speaker, today I received a copy of a letter directed to a Member of the other body. The message it contained is so much needed today and so exemplifies the spirit of the true American character, that I would like to share a part of this letter with you. It was written by Mrs. Eva M. Harmon of Birmingham, Ala., and contains this message of courage and indomitable spirit. I include this excerpt from Mrs. Harmon's letter as a part of these remarks:

> When I read of the rent subsidy proposal, I did not write. I thought no Alabamian, no southerner would support it. But I see by our local papers that you did.
>
> You mention housing for a number of groups. What I want to know is, when is the Federal Government going to quit putting a premium on so-called poverty? How many of our poverty stricken people will want to try to better themselves if the Government will do it for them, with no effort on their part?
>
> You spoke of the handicapped. That is not exactly a foreign word to me. At 10 months of age I had polio which left me handicapped, if you choose to call it that; at least it left me lame.
>
> When I was old enough to leave home and go out on my own, I chose a work that would be a real challenge to me—I wanted to be a linotype operator in a newspaper office. At that time that was a man's job; in the past few years with more modern equipment, more women are employed. When I went to Nashville, Tenn., for training, the instructor tried in every way possible to persuade me to take another course, even holding me up to ridicule before the entire class when I made an error. Finally, at graduation time, he apologized to me before the class.
>
> I say all that to say this: What's wrong with people working and taking care of themselves without the Federal Government stepping in with a handout? There is a principle involved here, and I would like to see us get back to that good old American spirit of independence.
>
> I have always felt that it was my inalienable right to work and take care of myself, and with God's help I have done it. I had to work hard, I had to be better in my job than the men. And now at 64 I think I still am. I have always enjoyed my work, and the fruits of my work. Last December I fulfilled a life-long ambition—I toured the Holy Land, going with a Billy Graham group.
>
> You say you have always voted for the aid programs and always will. Well, I just want to say I feel sorry for the people who will be denied the satisfaction in their lives that I have enjoyed.

Mr. Speaker, for this message from Mrs. Harmon, I say, "God bless her," and I express my deep thanks for giving us a message that should go to the heart of every liberty-loving American.

YOUNG PEOPLE OF THE KEY CLUBS OF THE UNITED STATES AND CANADA

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

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

There was no objection.

Mr. DUNCAN of Tennessee. Mr. Speaker, I would like to give special recognition today to the young people of the Key Clubs of the United States and Canada.

These high school clubs sponsored by Kiwanis International are rendering valuable service to communities throughout our land.

I know that my colleagues would like to join me in welcoming these young people to Washington, and I especially welcome almost 100 Key Club members from Knoxville, Tenn.

BETTS FINDS TAFT GRAVE ALMOST FORGOTTEN

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

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

There was no objection.

Mr. BETTS. Mr. Speaker, as you know, an Honor Guard is on duty at Arlington Cemetery in part to assist the many visitors who come there. It was disappointing to learn that some of the Honor Guards do not know that President William Howard Taft is buried there nor the general location of his grave.

At several entrances to the cemetery large maps have been erected to guide visitors to particular points of interest. These maps list the Tomb of the Unknown Soldier, the Superintendent's Office, Custis Lee Mansion, and President Kennedy's grave. Certainly the location of the graves of President and Mrs. Taft should be on such maps.

Various trails have been established for visitors to follow in touring the cemetery and there are a number of signs pointing only to the Tomb of the Unknown Soldier and the Kennedy gravesite. To my knowledge, nowhere in the cemetery is there any official recognition of the Taft grave.

If one finds the Taft grave and marker he is immediately struck by the fact that the grounds surrounding it are not well kept, patches of grass are burned and the area needs to be raked and watered. Perhaps a stone walkway up the hill to the grave would be in order and a small sign at the roadway pointing to the grave. This seems to me the minimum attention that could be shown to a former President of the United States. I would hope that such a proposal would be considered by those having responsibility at the cemetery.

THE LATE HONORABLE ADLAI STEVENSON

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

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

There was no objection.

Mr. REID of New York. Mr. Speaker, I believe that all Americans; indeed people throughout the free world and all Members in this House were deeply saddened at the tragic and sudden death of Adlai Stevenson in London yesterday.

Mr. Speaker, Governor Stevenson died in the service of his country upholding the best interests of the United States and the United Nations; man's best hope for peace.

Mr. Speaker, his warm and enduring concern for the rights of man and for all those who are oppressed wherever they might be, and his eloquent voice on behalf of collective security and peace throughout the world, distinguished the efforts of the United Nations and will endure for many years to come.

Governor Stevenson was a man of principle and of wit, a moving force for social and economic progress in our country, a voice of conscience at home and aboard, and a statesman who will be deeply missed in the councils of the nations of the world.

Mr. Speaker, I join with every Member in this House in extending our deepest sympathy to the members of his family.

We shall not see his like again.

"IT'S WHAT'S HAPPENING, BABY"—DISGRACEFUL AND DISGUSTING

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

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

There was no objection.

Mr. BUCHANAN. Mr. Speaker, over 2 weeks ago the CBS television network presented a 90-minute program entitled "It's What's Happening, Baby." I have received letters, as I am sure many of my colleagues have, protesting against the contents of the program. "Disgraceful" and "disgusting" are two words which are repeated again and again in these letters of protest.

It would appear that no Federal funds in any significant amount were expended on this program. The great part of the program was devoted to what passes for entertainment these days in some quarters.

What concerns me is that the Federal Government apparently believes it must resort to this sort of perverted communications because otherwise it would not be listened to by the Nation's young people.

Mr. Speaker, I refuse to believe that this is the only way to communicate with teenagers, even with dropouts. Certainly, they are capable of understanding something more than the wailings of "The Cannibals," and "The Headhunters," two groups who cavorted about the stage that night.

As I understand it, one purpose of the OEO is to improve, to raise the standards of the young. Well, you do not improve someone by pandering to his base instincts and by using the lowest possible denominator.

Mr. Speaker, the commercials during the program urged the listeners to write to "New Chance, Washington." I suggest that unless the Office of Economic Opportunity and Mr. Shriver and his aids reexamine their basic approach, it may be "Last Chance, Washington," to which the American people will be writing.

We have one last chance, Mr. Speaker, to help these young by appealing to the best in them—not the worst; by inspiring them, not entertaining them; by stretching their minds and spirits, not numbing them. I, for one, refuse to accept the notion that the best way to communicate with young Americans is through African tribal rhythms. It happened once. It should not happen again.

GALLAGHER INTRODUCES LEGISLATION TO VIRTUALLY ABOLISH THE USE OF "LIE DETECTORS" BY FEDERAL AGENCIES

Mr. GALLAGHER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute with reference to a bill which I have introduced on prohibiting lie detector tests.

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

There was no objection.

Mr. GALLAGHER. Mr. Speaker, I am today introducing legislation which would, in practical effect, prohibit the use of polygraph machines—the so-called lie detector—by all agencies of the Federal Government. The only exception would be in rare cases where there was extraordinary necessity to use such a device in protecting the national interest of the United States. Frankly, I doubt if these cases really exist or ever would exist. But the authority would be available in any event.

It was more than 2 years ago that I requested the distinguished chairman of he House Committee on Government Operations [Mr. DAWSON], the gentleman from Illinois, to look into this practice. He responded immediately and directed the Foreign Operations and Government Information Subcommittee to study this matter. The subcommittee, under the able leadership of the gentleman from California [Mr. MOSS], has done an excellent job and is continuing to do so. In its report issued March 22, 1965, the committee came to this conclusion on its very first page. Allow me to quote it to Members of the House:

> There is no "lie detector," neither machine nor human. People have been deceived by a myth that a metal box in the hands of an investigator can detect truth or falsehood.

Mr. Speaker, the committee found that the Federal Government has fostered this myth by spending millions of dollars on polygraph machines and on salaries for hundreds of Federal investigators to give thousands of polygraph examinations. Yet research completed so far has failed to prove that polygraph interrogation actually detects lies or determines guilt or innocence.

In addition, the committee found that the overwhelming majority of Federal investigators who operate polygraphs have neither the qualifications nor the training for their work. Most Federal agencies had such weak controls over the use of polygraphs that these operators were permitted to give examinations without top-level agency approval.

Individuals under interrogation are persuaded to disclose past indiscretions, and investigators often ignore the so-called voluntary nature of the examination by noting in Government files any refusal to submit to the polygraph test. Compounding the injustice of these practices are the two-way mirrors and hidden microphones in these Federal star chambers.

The committee further found that Federal investigators rely on these examinations for everything from top security matters to minor pilfering cases.

Thus, in the words of the committee's report:

> The polygraph examination has become a crutch in too many cases, replacing proven procedures of criminal investigation and serving as a weak link in our security system.

Testimony before the subcommittee showed that the Federal Bureau of Investigation does not consider the polygraph precise enough for screening its own personnel and job applicants. Yet, other Government agencies and a number of private industries use it for just that purpose.

The committee's main recommendation, in my opinion, was that the Federal Government should prohibit the use of polygraphs in all but the most serious national security and criminal cases. The legislation I am introducing today would make this the law.

I would not tie the hands of those who guard our country's security, but I must say this: I personally believe the use of polygraphs by the Federal Government should be discontinued in all cases immediately until they are proved to be infallible—a day which I doubt will ever come. Even if such scientific proof becomes available, they should never be given on anything but a voluntary basis and even this poses the question of indirect compulsion. In my opinion, lie detector tests constitute an insidious search of the human mind and are a breach of the most fundamental of human rights. They provide a vehicle of excursion into the most private recesses of the human mind. Even if the polygraph testing was trustworthy, there is still no possible justification for such mental wiretapping. I believe the lie detector test under any compulsion is a violation of the fourth amendment to the Constitution. Its use upon Federal employees and job applicants is especially repugnant and should be stopped now—today.

The Washington Post summed up my feelings entirely in an editorial last year:

> The theory on which these lie detectors are used is that they serve to promote security by enabling investigators to probe into the pasts of job applicants. It would be better to use tea leaves or the entrails of sheep. These would not furnish any reliable information either, but at least they would not enable prurient investigators to invade the privacy of ordinary, law-abiding Federal employees.

This great newspaper was shocked and disgusted by my testimony that a 17-year-old girl just out of high school was subjected to humiliating questions about sexual matters when she applied for a job with the National Security Agency as a typist. I regret to say that the thread of outright voyeurism runs throughout too many of the cases that have come to my attention regarding the use of the lie detector.

It is sometimes asked why anyone should object to a lie detector test if he has nothing shameful to conceal. The Washington Post had a good answer to that. It said:

> The logical extension of that question is, Why should not every citizen—no need to limit this pleasure to Government employees—be required to undergo a monthly polygraph examination, more or less in the manner of a chest X-ray, respecting his honesty, morality, and patriotism? In that way, everyone could know everything about everyone. The whole country, not just the Federal Government, could be made intolerable for human beings.

Additionally, if a person is telling the truth but it is incorrectly evaluated, what recourse does he then have? This is a very significant factor when proponents of the lie detector testified that 80 percent of the evaluators are not competent.

My view is that the use of lie detectors by the Federal Government is a blatant invasion of privacy which freemen everywhere should condemn if they want to see liberty continue. It is a degrading device that by its very use is dehumanizing. But even if this compelling factor were not present, to me this investigation has cast sufficient doubt on its reliability to properly classify it with the reading of tea leaves and the entrails of sheep. And accordingly it should be considered as such.

Lie detector tests also may be harming rather than helping our intelligence system—one of the very things they are supposed to protect. Dr. Stefan T. Possony, of the Hoover Institution at Stanford University, believes that the Government is weeding out, by the use of lie detector tests, the very type of people we need in our intelligence setup. Possony contends that the standards by which the Government judges the responses to questions about sexual activity are so Victorian that often the active virile male, who possess the initiative, creativity, and drive needed for intelligence work, is disqualified. In contrast, he said, the undersexed male, the homosexual, and the Communist agent who is instructed in how to beat the machine, are capable of passing the test with flying colors. Possony is an 18-year veteran of U.S. intelligence work and was decorated by the Air Force for having accurately predicted the timing of the first Soviet nuclear bomb. He is also one of the foremost authorities on international communism. I believe his thesis on lie detectors deserves careful study if such tests continue to help select our intelligence agents.

National security and a clearing of the innocent are the two main arguments offered to support the lie detector. This and the melodramatic example of a person breaking down and confessing in the middle of a test, are another boast of the lie detector industry. Is this any different from the old "third degree" manner of questioning?

As to the national security aspect, certainly Dr. Possony disposes properly of this argument. But over and above all this, can one single individual's life and career unjustly wrecked justify its use? We have dozens of complaints where this has happened. The Federal Government has a clear duty to set high standards of justice. A condonation of this device in any manner is an encouragement to its use, not only in police work, but throughout private industry where it is not uncommon to subject employees to regular monthly or bimonthly lie detection tests. It is clear that it is unreliable, and this unreliability overcomes any argument that can be made in its favor.

It is about time that this deception is squarely faced. When the "lie detector" industry proves it is infallible—it proved the opposite at congressional hearings—perhaps then we will all be aware that this is an unreasonable and unlawful search of a person's mind and an attempt to unlawfully seize his thoughts.

But, perhaps to state it in its simplest terms, this is an extremely inaccurate and disorderly way to attempt to arrive at conclusions that affect the life, freedom, or careers of those undergoing a lie detection test. It is time to call a halt on further use of the lie detector.

ADMISSION OF MEMBERS OF THE JOB CORPS TO VETERANS FACILITIES

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

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

There was no objection.

Mr. HALPERN. Mr. Speaker, I am appalled to learn of the admittance to veterans hospitals of members of the Job Corps. We have 15,000 veterans on waiting lists to get into these hospitals. Every day I receive mail from qualified veterans in dire need of hospitalization who simply cannot get into these facilities.

Yet, these young Job Corps men who, incidentally, receive more pay than some of our GI's, are being admitted to the hospitals. This, I understand, is by a circular directive of the Veterans' Administration. Well, there is no directive that is issued that cannot be rescinded. And that is just what I am insisting on.

I have wired the President and the Veterans' Administrator today calling for the rescinding of this demoralizing and inequitable authorization.

Mr. Speaker, I wish to commend the able and distinguished gentleman from Indiana [Mr. ROUDEBUSH] for bringing this matter to the attention of this House.

IMPROVEMENTS NEEDED IN UNIFORMED SERVICES PAY ACT OF 1965

Mr. UDALL. Mr. Speaker, I ask unanimous consent that the gentleman from Wisconsin [Mr. KASTENMEIER] may extend his remarks at this point in the RECORD and include extraneous matter.

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

There was no objection.

Mr. KASTENMEIER. Mr. Speaker, the committee-approved military pay bill will come to a vote on Monday. This bill does not correct the most critical injustice existing in the military pay structure—that of the pay of 2-year men.

Although it contains a pay raise for recruits it is only the second raise for them since 1946 and falls far short of bringing their pay into line with the pay of other members of service who have had regular increases during intervening years. It also includes substantial increases for officers—increases in an amount not entirely warranted at this time. I firmly believe pay for officers should mark time until the gross injustice being done our young enlisted men is corrected. Nonetheless, my proposal would provide a moderate increase for most officers.

I intend to offer an amendment on Monday designed to correct this situation. My amendment would substitute the pay table from S. 1095 for officers and warrant officers without the "two or less" pay category and with the "over two" category redesignated as "three or less." For enlisted men my amendment would strike the "two or less" pay category from the pay table contained in the committee bill and would change the category designated as "over two" to read "three or less." In all other respects I support the committee recommendations for enlisted men.

The following table makes a comparison between the existing law, the committee bill, and my amendment:

EXISTING LAW

Section 203(a) of title 37, United States Code:

(a) The rates of monthly basic pay for members of the uniformed services within each pay grade are set forth in the following tables:

Commissioned officers

Pay grade	Years of service computed under section 205						
	2 or less	Over 2	Over 3	Over 4	Over 6	Over 8	Over 10
O-10 [1]	$1,302.00	$1,347.90	$1,347.90	$1,347.90	$1,347.90	$1,399.20	$1,399.20
O-9	1,153.80	1,183.80	1,209.60	1,209.60	1,209.60	1,240.20	1,240.20
O-8	1,045.20	1,076.40	1,101.90	1,101.90	1,101.90	1,183.80	1,183.80
O-7	868.20	927.60	927.60	927.60	968.70	968.70	1,025.10
O-6	643.20	707.40	753.30	753.30	753.30	753.30	753.30
O-5	514.50	604.80	645.90	645.90	645.90	645.90	666.30
O-4	434.10	528.00	563.70	563.70	573.90	599.70	640.50
O-3 [2]	353.70	450.90	481.80	533.10	558.60	579.00	609.90
O-2 [2]	281.40	384.30	461.40	476.70	486.90	486.90	486.90
O-1 [2]	241.20	307.50	384.30	384.30	384.30	384.30	384.30

Pay grade	Years of service computed under section 205							
	Over 12	Over 14	Over 16	Over 18	Over 20	Over 22	Over 26	Over 30
O-10 [1]	$1,506.90	$1,506.90	$1,614.30	$1,614.30	$1,722.00	$1,722.00	$1,829.70	$1,829.70
O-9	1,291.50	1,291.50	1,399.20	1,399.20	1,506.90	1,506.90	1,614.30	1,614.30
O-8	1,240.20	1,240.20	1,291.50	1,347.90	1,399.20	1,455.60	1,455.60	1,455.60
O-7	1,025.10	1,076.40	1,183.80	1,266.00	1,266.00	1,266.00	1,266.00	1,266.00
O-6	753.30	779.10	902.10	948.00	968.70	1,025.10	1,112.10	1,112.10
O-5	702.00	748.20	804.60	850.80	876.30	907.20	907.20	907.20
O-4	676.50	707.40	738.00	758.40	758.40	758.40	758.40	758.40
O-3 [2]	640.50	656.10	656.10	656.10	656.10	656.10	656.10	656.10
O-2 [2]	486.90	486.90	486.90	486.90	486.90	486.90	486.90	486.90
O-1 [2]	384.30	384.30	384.30	384.30	384.30	384.30	384.30	384.30

[1] While serving as Chairman of the Joint Chiefs of Staff, Chief of Staff of the Army, Chief of Naval Operations, Chief of Staff of the Air Force, or Commandant of the Marine Corps, basic pay for this grade is $2,019.30 regardless of cumulative years of service computed under sec. 205 of this title.

[2] Does not apply to commissioned officers who have been credited with over 4 years' active service as an enlisted member.

Commissioned officers who have been credited with over 4 years' active service as an enlisted member

Pay grade	Years of service computed under section 205					
	Over 4	Over 6	Over 8	Over 10	Over 12	Over 14
O-3	$533.10	$558.60	$579.00	$609.90	$640.50	$666.30
O-2	476.70	486.90	502.20	528.00	548.40	563.70
O-1	384.30	410.10	425.40	440.70	456.00	476.70

Pay grade	Years of service computed under section 205					
	Over 16	Over 18	Over 20	Over 22	Over 26	Over 30
O-3	$666.30	$666.30	$666.30	$666.30	$666.30	$666.30
O-2	563.70	563.70	563.70	563.70	563.70	563.70
O-1	476.70	476.70	476.70	476.70	476.70	476.70

Warrant officers

Pay grade	Years of service computed under section 205							
	2 or less	Over 2	Over 3	Over 4	Over 6	Over 8	Over 10	Over 12
W-4	$361.20	$440.70	$440.70	$450.90	$471.60	$492.00	$512.40	$548.40
W-3	328.50	405.00	405.00	410.10	415.20	445.80	471.60	486.90
W-2	287.40	353.70	353.70	363.90	384.30	405.00	420.30	435.60
W-1	238.20	312.60	312.60	338.40	353.70	369.00	384.30	399.90

Pay grade	Years of service computed under section 205						
	Over 14	Over 16	Over 18	Over 20	Over 22	Over 26	Over 30
W-4	$573.90	$594.60	$609.90	$630.30	$651.00	$702.00	$702.00
W-3	502.20	517.50	533.10	553.50	573.90	594.60	594.60
W-2	450.90	466.50	481.80	497.10	517.50	517.50	517.50
W-1	415.20	430.50	445.80	461.40	461.40	461.40	461.40

Enlisted members

Pay grade	Years of service computed under section 205							
	2 or less	Over 2	Over 3	Over 4	Over 6	Over 8	Over 10	Over 12
E-9							$445.80	$456.00
E-8						$374.10	384.30	394.50
E-7	$206.39	$282.00	$292.20	$302.40	$312.60	322.80	333.00	343.50
E-6	175.81	246.00	256.20	266.40	276.90	287.10	297.30	312.60
E-5	145.24	215.40	225.60	235.80	251.10	261.30	271.50	282.00
E-4	122.30	184.50	194.70	210.00	220.50	220.50	220.50	220.50
E-3	99.37	148.50	159.00	169.20	169.20	169.20	169.20	169.20
E-2	85.80	123.00	123.00	123.00	123.00	123.00	123.00	123.00
E-1	83.20	112.80	112.80	112.80	112.80	112.80	112.80	112.80
E-1 (under 4 months)	78.00							

Pay grade	Years of service computed under section 205						
	Over 14	Over 16	Over 18	Over 20	Over 22	Over 26	Over 30
E-9	$466.50	$476.70	$486.90	$497.10	$522.90	$573.90	$573.90
E-8	405.00	415.20	425.40	435.60	461.40	512.40	512.40
E-7	358.80	369.00	379.20	384.30	410.10	461.40	461.40
E-6	322.80	333.00	338.40	338.40	338.40	338.40	338.40
E-5	287.10	287.10	287.10	287.10	287.10	287.10	287.10
E-4	220.50	220.50	220.50	220.50	220.50	220.50	220.50
E-3	169.20	169.20	169.20	169.20	169.20	169.20	169.20
E-2	123.00	123.00	123.00	123.00	123.00	123.00	123.00
E-1	112.80	112.80	112.80	112.80	112.80	112.80	112.80

THE BILL

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That sec-

tion 203(a) of title 37, United States Code, is amended to read as follows:

"(a) The rates of monthly basic pay for members of the uniformed services within each pay grade are set forth in the following tables:

"Commissioned officers

"Pay grade	Years of service computed under section 205						
	2 or less	Over 2	Over 3	Over 4	Over 6	Over 8	Over 10
O-10 [1]	$1,417.80	$1,467.60	$1,467.60	$1,467.60	$1,467.60	$1,523.70	$1,523.70
O-9	1,266.60	1,299.60	1,328.10	1,328.10	1,328.10	1,361.70	1,361.70
O-8	1,168.50	1,203.30	1,231.80	1,231.80	1,231.80	1,323.30	1,323.30
O-7	974.70	1,041.60	1,041.60	1,041.60	1,087.80	1,087.80	1,151.10
O-6	739.50	770.10	820.20	820.20	820.20	820.20	820.20
O-5	591.60	644.70	688.50	688.50	688.50	688.50	710.10
O-4	526.50	562.80	600.90	600.90	611.70	639.00	682.50
O-3 [2]	427.80	473.40	505.80	559.50	586.50	607.80	640.20
O-2 [2]	342.60	403.50	484.20	500.40	511.20	511.20	511.20
O-1 [2]	294.60	330.00	412.50	412.50	412.50	412.50	412.50

"Pay grade	Years of service computed under section 205							
	Over 12	Over 14	Over 16	Over 18	Over 20	Over 22	Over 26	Over 30
O-10 [1]	$1,641.00	$1,641.00	$1,757.70	$1,757.70	$1,875.00	$1,875.00	$1,992.30	$1,992.30
O-9	1,417.80	1,417.80	1,536.30	1,536.30	1,654.50	1,654.50	1,772.40	1,772.40
O-8	1,386.30	1,386.30	1,443.90	1,506.90	1,564.20	1,627.20	1,627.20	1,627.20
O-7	1,151.10	1,208.70	1,329.30	1,421.70	1,421.70	1,421.70	1,421.70	1,421.70
O-6	820.20	848.40	982.20	1,032.30	1,054.80	1,116.30	1,210.80	1,210.80
O-5	748.20	797.40	857.70	906.90	933.90	966.90	966.90	966.90
O-4	720.90	753.90	786.60	808.20	808.20	808.20	808.20	808.20
O-3 [2]	672.30	688.80	688.80	688.80	688.80	688.80	688.80	688.80
O-2 [2]	511.20	511.20	511.20	511.20	511.20	511.20	511.20	511.20
O-1 [2]	412.50	412.50	412.50	412.50	412.50	412.50	412.50	412.50

"[1] While serving as Chairman of the Joint Chiefs of Staff, Chief of Staff of the Army, Chief of Naval Operations, Chief of Staff of the Air Force, or Commandant of the Marine Corps, basic pay for this grade is $2,140.20 regardless of cumulative years of service computed under section 205 of this title.

"[2] Does not apply to commissioned officers who have been credited with over 4 years' active service as an enlisted member.

THE BILL

"Commissioned officers who have been credited with over 4 years' active service as an enlisted member

"Pay grade	Years of service computed under section 205					
	Over 4	Over 6	Over 8	Over 10	Over 12	Over 14
O-3	$559.50	$586.50	$607.80	$640.20	$672.30	$699.60
O-2	500.40	511.20	527.10	554.40	575.70	591.60
O-1	412.50	440.40	456.60	473.10	489.60	511.80

"Pay grade	Years of service computed under section 205					
	Over 16	Over 18	Over 20	Over 22	Over 26	Over 30
O-3	$699.60	$699.60	$699.60	$699.60	$699.60	$699.60
O-2	591.60	591.60	591.60	591.60	591.60	591.60
O-1	511.80	511.80	511.80	511.80	511.80	511.80

"Warrant officers

"Pay grade	Years of service computed under section 205							
	2 or less	Over 2	Over 3	Over 4	Over 6	Over 8	Over 10	Over 12
W-4	$435.60	$507.00	$507.00	$518.70	$542.70	$566.10	$589.50	$631.20
W-3	396.00	468.90	468.90	474.60	480.60	516.00	546.00	563.70
W-2	346.50	388.50	388.50	399.90	422.10	444.90	461.70	478.50
W-1	288.90	347.70	347.70	376.50	393.60	410.40	427.50	444.90

"Pay grade	Years of service computed under section 205						
	Over 14	Over 16	Over 18	Over 20	Over 22	Over 26	Over 30
W-4	$660.30	$684.30	$701.70	$725.40	$749.10	$807.90	$807.90
W-3	581.40	599.10	617.10	640.80	664.50	688.50	688.50
W-2	495.30	512.40	529.20	546.30	568.50	568.50	568.50
W-1	462.00	479.10	495.90	513.30	513.30	513.30	513.30

"Enlisted members

"Pay grade	Years of service computed under section 205							
	2 or less	Over 2	Over 3	Over 4	Over 6	Over 8	Over 10	Over 12
E-9							$492.00	$503.40
E-8						$406.80	417.90	429.00
E-7	$261.00	$324.90	$336.90	$348.60	$360.30	372.00	383.70	396.00
E-6	225.00	276.30	287.70	299.40	311.10	322.50	333.90	351.30
E-5	194.10	242.10	253.50	264.90	282.00	293.70	305.10	316.80
E-4	163.50	200.70	211.80	228.30	239.70	239.70	239.70	239.70
E-3	117.90	160.20	171.60	182.70	182.70	182.70	182.70	182.70
E-2	97.50	132.60	132.60	132.60	132.60	132.60	132.60	132.60
E-1	93.90	121.80	121.80	121.80	121.80	121.80	121.80	121.80
E-1 (under 4 months)	87.90							

"Pay grade	Years of service computed under sec. 205						
	Over 14	Over 16	Over 18	Over 20	Over 22	Over 26	Over 30
E-9	$514.80	$526.20	$537.30	$548.70	$577.20	$633.30	$633.30
E-8	440.40	451.50	462.60	473.70	501.90	557.40	557.40
E-7	413.40	425.40	437.10	442.80	472.80	531.90	531.90
E-6	362.70	374.10	380.10	380.10	380.10	380.10	380.10
E-5	322.50	322.50	322.50	322.50	322.50	322.50	322.50
E-4	239.70	239.70	239.70	239.70	239.70	239.70	239.70
E-3	182.70	182.70	182.70	182.70	182.70	182.70	182.70
E-2	132.60	132.60	132.60	132.60	132.60	132.60	132.60
E-1	121.80	121.80	121.80	121.80	121.80	121.80	121.80."

KASTENMEIER AMENDMENT

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, **That section 203(a) of title 37, United States Code, is amended to read as follows:**

"(a) The rates of monthly basic pay for members of the uniformed services within each pay grade are set forth in the following tables:

"Commissioned officers

"Pay grade	Years of service computed under section 205						
	3 or less	Over 3	Over 4	Over 6	Over 8	Over 10	Over 12
O-10 [1]	$1,500.90	$1,502.10	$1,503.00	$1,503.90	$1,504.80	$1,506.00	$1,506.90
O-9	1,382.10	1,384.20	1,386.30	1,388.40	1,390.80	1,392.90	1,395.00
O-8	1,272.30	1,274.70	1,277.10	1,279.50	1,281.90	1,284.30	1,286.70
O-7	1,162.80	1,165.50	1,167.90	1,170.60	1,173.30	1,176.00	1,178.40
O-6	774.00	774.90	775.50	776.40	777.00	777.60	778.50
O-5	680.40	684.00	687.60	691.20	694.80	698.40	702.00
O-4	583.80	587.70	591.90	595.80	599.70	640.50	676.50
O-3 [2]	473.10	481.80	533.10	558.60	579.00	609.90	640.50
O-2 [2]	424.20	461.40	476.70	486.90	502.20	528.00	548.40
O-1 [2]	366.30	384.30	384.30	410.10	425.40	440.70	456.00

"Pay grade	Years of service computed under section 205						
	Over 14	Over 16	Over 18	Over 20	Over 22	Over 26	Over 30
O-10 [1]	$1,506.90	$1,614.30	$1,614.30	$1,722.00	$1,722.00	$1,829.70	$1,829.70
O-9	1,397.10	1,399.20	1,399.20	1,506.90	1,506.90	1,614.30	1,614.30
O-8	1,289.10	1,291.50	1,347.90	1,399.20	1,455.60	1,455.60	1,455.60
O-7	1,181.10	1,183.80	1,266.00	1,266.00	1,266.00	1,266.00	1,266.00
O-6	779.10	902.10	948.00	968.70	1,025.10	1,112.10	1,112.10
O-5	748.20	804.60	850.80	876.30	907.20	907.20	907.20
O-4	707.40	738.00	758.40	758.40	758.40	758.40	758.40
O-3 [2]	666.30	666.30	666.30	666.30	666.30	666.30	666.30
O-2 [2]	563.70	563.70	563.70	563.70	563.70	563.70	563.70
O-1 [2]	476.70	476.70	476.70	476.70	476.70	476.70	476.70

"[1] While serving as Chairman of the Joint Chiefs of Staff, Chief of Staff of the Army, Chief of Naval Operations, Chief of Staff of the Air Force, or Commandant of the Marine Corps, basic pay for this grade is $2,019.30 regardless of cumulative years of service computed under section 205 of this title.

"[2] Does not apply to commissioned officers who have been credited with over 4 years active service as an enlisted member.

"Commissioned officers who have been credited with over 4 years' active service as an enlisted member

"Pay grade	Years of service computed under section 205					
	Over 4	Over 6	Over 8	Over 10	Over 12	Over 15
O-3	$533.10	$588.60	$579.00	$609.90	$640.50	$666.30
O-2	476.70	486.90	502.20	528.00	548.40	563.70
O-1	384.30	410.10	425.40	440.70	456.00	476.70

"Pay grade	Years of service computed under sec. 205					
	Over 16	Over 18	Over 20	Over 22	Over 26	Over 30
O-3	$666.30	$666.30	$666.30	$666.30	$666.30	$666.30
O-2	563.70	563.70	563.70	563.70	563.70	563.70
O-1	476.70	476.70	476.70	476.70	476.70	476.70

"Warrant officers

"Pay grade	Years of service computed under section 205						
	3 or less	Over 3	Over 4	Over 6	Over 8	Over 10	Over 12
W-4	$581.40	$583.20	$584.70	$586.50	$588.00	$589.80	$591.30
W-3	465.30	466.50	468.00	469.20	470.40	471.60	486.90
W-2	408.30	410.70	413.10	415.50	417.90	420.30	435.60
W-1	349.50	351.00	352.20	353.70	369.00	384.30	399.90

"Warrant officers—Continued

"Pay grade	Years of service computed under section 205						
	Over 14	Over 16	Over 18	Over 20	Over 22	Over 26	Over 30
W-4	$593.10	$594.60	$609.90	$630.30	$651.00	$702.00	$702.00
W-3	502.20	517.50	533.10	553.50	573.90	594.60	594.60
W-2	45 .90	466.50	481.80	497.10	517.50	517.50	517.50
W-1	514.20	430.50	445.80	461.40	461.40	461.40	461.40

"Enlisted members

"Pay grade	Years of service computed under section 205						
	3 or less	Over 3	Over 4	Over 6	Over 8	Over 10	Over 12
E-9						$492.00	$503.40
E-8					$406.80	417.90	429.00
E-7	$324.90	$336.90	$348.60	$360.30	372.00	383.70	396.00
E-6	276.30	287.70	299.40	311.10	322.50	333.90	351.30
E-5	242.10	253.50	264.90	282.00	293.70	305.10	316.80
E-4	200.70	211.80	228.30	239.70	239.70	239.70	239.70
E-3	160.20	171.60	182.70	182.70	182.70	182.70	182.70
E-2	132.60	132.60	132.60	132.60	132.60	132.60	132.60
E-1	121.80	121.80	121.80	121.80	121.80	121.80	121.80
E-1 (under 4 months)	102.00						

"Pay grade	Years of service computed under section 205						
	Over 14	Over 16	Over 18	Over 20	Over 22	Over 26	Over 30
E-9	$514.80	$526.20	$537.30	$548.70	$577.20	$633.30	$633.30
E-8	440.40	451.50	462.60	473.70	501.90	557.40	557.40
E-7	413.40	425.40	437.10	442.80	472.80	531.90	531.90
E-6	362.70	374.10	380.10	380.10	380.10	380.10	380.10
E-5	322.50	322.50	322.50	322.50	322.50	322.50	322.50
E-4	239.70	239.70	239.70	239.70	239.70	239.70	239.70
E-3	182.70	182.70	182.70	182.70	182.70	182.70	182.70
E-2	132.60	132.60	132.60	132.60	132.60	132.60	132.60
E-1	121.80	121.80	121.80	121.80	121.80	121.80	121.80."

The principal effects of this basic pay reform would be:

First. Officers in their initial years of service would receive a substantial increase in pay even over the committee bill. Some other officers would receive moderate increases.

Second. All men in their first 3 years of service would be paid the same for the grade they hold. The current system of increasing the pay of servicemen after 2 years' services offers little or no reenlistment incentive to the 2-year draftee who has been oppressed by low pay for 2 years or to the bulk of our servicemen who are committed to at least a third year of more. It would conform the military pay table to the preponderance of men entering service for the first time. Defense Department statistics for fiscal 1964 as contained in the following table show that more than two out of every three men entering service for the first time do so for 3 or more years.

Enlistments for 3 or more years compared with inductions for 2 years

Branch of service	Volunteers for 3 or more years	Men inducted for 2 years	Total incoming personnel
Navy	95,040	0	95,040
Marines	39,065	0	39,065
Air Force	94,836	0	94,836
Army	116,202	150,680	266,882
Total	345,143	150,680	495,823

Third. The pay increase would bring the pay of recruits into line with all other members who have had several increases while the pay of the recruit has been increased from $75 to $78 per month since 1946.

Fourth. This would offer increased incentives to young men considering career military service and would increase morale and reenlistment rates of those already in service. A higher retention rate of trained men would offset the overall cost of this amendment by reducing training costs.

Fifth. The cost of the amendment has been estimated by the Defense Department to be $323 million annually. This is directly attributable to the fact that one-third of the members of the armed services are serving in their first 2 years of service. Fairness demands that this subsidy of our defense budget by our young men be ended or drastically reduced.

For a further analysis, please see my statement on this subject which appears in the June 22, 1965, CONGRESSIONAL RECORD at page 14452.

Consideration by Congress of this basic pay reform in our military pay schedules will be appreciated by the younger men in our armed services.

THE LATE HONORABLE ADLAI E. STEVENSON

Mr. UDALL. Mr. Speaker, I ask unanimous consent that the gentleman from California [Mr. CAMERON] may extend his remarks at this point in the RECORD and include extraneous matter.

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

There was no objection.

Mr. CAMERON. Mr. Speaker, it is with profound grief that the world learned of the death of one of its greatest statesmen, Adlai Stevenson. Words are inadequate to express the loss, the depth of our sorrow, the extent of our respect for this man—his intelligence, honesty, and wit, his immeasurable contribution to his country and to the world.

Time does not permit me to list his accomplishments, the books he has written, the conferences he has led, the battles he has fought in the name of freedom. What we will remember longest about Adlai Stevenson, the source of the originality and greatness in his leadership, was his rare and unconditioned faith in man. He never ceased to ask the best from his fellowman; he never despaired that it would ultimately be forthcoming.

We seldom encountered in politics individuals who so fervently believe in man's perfectability and who existentially validate that belief by calling for all men to act in accordance with their highest capacities and motivations, instead of appealing to their lowest common denominator. There is much disillusionment both with men and nations, with the way they seem determined to act without reason or compassion toward one another. Men will break laws and treaties, they have pride and ambition, they choose themselves before others. In masses, they often tend to give more credence to the rabble-rouser than to the man of reason, and it is sometimes considered more politic to appeal to their self-interest than to their sense of humanity.

But once in a great while there will come among us one who believes that we can trust man to be good and reasonable, that we do not have to appeal to self-interest, that we can ask men to be better than they have ever been before. These rare individuals believe that by asking the best from man, they will receive the best. Adlai Stevenson was such a person. A man of great intellect and extremely broad experience, a man of extended and profound acquaintance with the nature of man, he sustained throughout his life a faith that if he appealed to man's reason and humanity, he would not be disappointed. It is this rare combination of insight, faith and audacity that raises a man to greatness and ennobles those he leads. Adlai Stevenson asked the average American to use reason in political decisions, to sacrifice self-interest to the greater cause of national and world brotherhood, to be unafraid of the intellectual and the academician, to be bravely cosmopolitan and not defensively provincial.

The American people answered his challenge. Certainly, and properly, there was not a mass conversion from a public which on the whole distrusted the "egghead" to one which worshipped the academician. But there was widespread and very genuine appreciation of his excellent oratory and sophisticated sense of humor, his honest intellectual clarification of the problems of state and his compelling desire to have reason rule both men and nations. Men made an effort to answer Stevenson after the fashion in which he spoke to them; they made an effort to display the same high quality of behavior in their lives that he displayed in his. In this effort to reply to the man in kind is evidence that Adlai Stevenson's faith was not misplaced. This is his legacy to us all, a contribution which places him among the great men of all time.

WELCOME, MR. DOW

Mr. UDALL. Mr. Speaker, I ask unanimous consent that the gentleman from New York [Mr. OTTINGER] may extend his remarks at this point in the RECORD and include extraneous matter.

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

There was no objection.

Mr. OTTINGER. Mr. Speaker, I am delighted to welcome my distinguished colleague from New York, Mr. JOHN DOW, to the list of Congressmen and Senators who are calling for Federal action to help develop and protect the Hudson River.

Mr. Dow's bill differs in certain respects from the legislation introduced by myself and by 12 of our distinguished colleagues in the House and the two Senators from New York. But it does call for cooperative action. It does bar the Federal Power Commission from the riverway and it does call for Federal-State planning to achieve maximum public benefit from the resources of the Hudson River.

But what is most important is that now, at last, after 7 months the call for action is unanimous along the lower Hudson.

THE HIGHROAD TO BEAUTY?

Mr. UDALL. Mr. Speaker, I ask unanimous consent that the gentleman from New York [Mr. OTTINGER] may extend his remarks at this point in the RECORD and include extraneous matter.

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

There was no objection.

Mr. OTTINGER. Mr. Speaker, yesterday, my distinguished colleague, the gentleman from New York, JONATHAN BINGHAM, and I introduced legislation—H.R. 9838 and H.R. 9821—which would bar the use of Federal funds in connection with a new commercial expressway proposed for the shores of the Hudson River. We have chosen to make a national issue of this threat to the Hudson, because of the great national values that are involved. The future of the Hudson is now, truly, a concern of all Americans.

In the recent protracted controversy over the future of the Hudson River, no single proposal has generated so much furor and such unanimous resistance among the residents of the Hudson Valley as the Governor's proposal for a commercial lower Hudson expressway.

It is difficult to imagine what could have motivated the State administration to suggest this route that parallels the shoreline of our great river. Certainly none of the residents of the Hudson Valley benefit from it. The expressway would permanently bar public access to the Hudson from Ossining to Yonkers. It would knife through beautiful residential areas and virtually destroy a number of historic and lovely small villages and towns along the riverway.

The residents of New York City do not want it. It is highly doubtful whether another north-south expressway is needed to dump traffic into the already clogged arterials of the Bronx.

Mr. Speaker, we in New York State are puzzled. We cannot understand who does benefit, whose interests are served, by this expressway.

The editors of the New York Times have examined this proposal carefully. In the following editorial, which I would like to present to this distinguished body and to the American people, they have summarized the principal objections to the Governor's proposal. In addition, they indicated the very reasons why we hold this to be an issue larger than the State:

BEAUTIFYING THE HUDSON

A 9-mile stretch of the lower Hudson Expressway between the Croton River and Tarrytown in Westchester is to be built along the east shore of the Hudson, on the river side of the New York Central Railroad tracks. The State department of public works promises that it will be fully landscaped, will provide for marina development and improved access to the river, will blend with and improve the landscape and "make an important contribution to efforts to beautify the Hudson River Valley."

But can an expressway, designed to carry trucks and buses with their roaring speed, fumes, and inexorable pressure on the flow of traffic, make a positive contribution to natural beauty? One official who doubts that it can is Secretary of the Interior Stewart L. Udall, who has urged the Secretary of Commerce to block the allocation of Federal highway funds to the expressway on the ground that it would seriously impair the scenic and historic values of the Hudson River corridor.

Although Governor Rockefeller has recommended that the expressway be designed as a scenic parkway—part and parcel of the overall plan for restoration of the Hudson River Valley—he did not propose its inclusion in the scenic road and parkway study now being made by a Federal task force cooperating with State governments.

Furthermore, much local controversy has developed over the route to be taken by the expressway and over the failure of the department of public works to consult officials of the communities directly concerned. Representative RICHARD L. OTTINGER, of Westchester, has suggested that the present Route 9A from Ossining south should be widened and improved, thereby effecting tremendous savings in construction costs and avoiding the necessity for condemning a large number of homes. Certainly there should be more consideration of community wishes than there has been so far.

The prospect of huge trucks and buses roaring along the riverfront for 9 miles is not a good omen for the success of the Hudson River Valley Commission, set up by the legislature last month to plan the protection and rehabilitation of this magnificent natural resource of State and Nation. If it's going to be an expressway for commercial use it would be wiser to locate it inland, not on the riverbank.

DIPLOMAT WITHOUT PORTFOLIO

Mr. UDALL. Mr. Speaker, I ask unanimous consent that the gentleman from New York [Mr. OTTINGER] may extend his remarks at this point in the RECORD and include extraneous matter.

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

There was no objection.

Mr. OTTINGER. Mr. Speaker, I should like to call attention to an article written by one of my constituents, Mr. John G. Gelinas, of Eastchester, N.Y., which appeared in the June 1965 edition of the Public Relations Journal. Mr. Gelinas, a public relations and management consulting executive, served as public relations adviser to Mobil Oil Nigeria in Lagos for 4 years. This outstanding article is based on his many experiences while in Nigeria.

I was particulalry impressed with Mr. Gelinas' keen insight into the role of the unofficial American overseas. He also shows a deep understanding and appreciation for the problems and aspirations of Nigeria and its people.

Although in a much different capacity, Mr. Gelinas portrayed many of the fine characteristics of Peace Corps volunteers during his tour in Africa. Through his daily business contacts he sought to learn and understand and did not seek to impose the American way on his Nigerian colleagues. He did not "ghettoize" himself and his family but rather broadened his social contacts to include all strata of Nigerian society.

His frank approach to overseas American business is quite refreshing. He is not under any delusions. He discusses realistically the changes which must take place if American concerns overseas are to be successful.

I feel that Mr. Gelinas represents the best American business has to offer overseas. His comments are provocative and should be given close and careful consideration by all organizations—public and private—engaged in overseas operations.

Mr. Speaker, I believe there is much to be learned from Mr. Gelinas' article and it is with great pleasure that I present it for publication in the RECORD:

AFRICA: WHERE PUBLIC RELATIONS CAN DO ITS TASK BUT FAIL AT ITS JOB

(By John G. Gelinas)

In the past 4 years, 30 African countries have received complete political and social independence which in turn will lead to economic independence in the years ahead. The 1960's may well be recorded by history as the African decade.

The rapid social and economic development of these countries, that until a few brief years ago was invariably lumped together by the rest of the world and called Dark Africa, suddenly presents a challenge and, at the same time, opportunities for America and other free nations of the Western World. But we must not forget that the resultant international trade brought about by the metamorphosis of these new nations offers the same challenge—and opportunities—to the Soviet bloc.

The opportunities are many. They are great. What must be remembered is that opportunity and responsibility must go hand in hand. They are inseparable in any business relationship. Businesses and, yes, even governments have failed because they would not acknowledge or appreciate this fundamental maxim of human relations. Whether these new underdeveloped nations of Africa grow and approach maturity with Western ideology as their guiding example in the years ahead depends greatly on how closely we keep attuned to this simple fundamental in our dealings with them.

In 1960 Russia sold six Ilyushin-18 transports to Ghana Airways for $1,820,000, payable in 8 years with an interest rate of 2.5 percent. This was a great opportunity, but the Russians apparently did not follow through with the responsibilities that went with the sale. When we landed at Accra Airport, Ghana, on October 10, en route to Lagos International Airport on the second leg of Nigeria Airways inaugural fight between Lagos and New York, on a leased arrangement from Pan American World Airlines, the Il-18's were conspicuous by their absence. I was told in whispers that the Government was not satisfied with the planes and that they were being sent back, since "the Russians hadn't lived up to their responsibility of seeing that the planes were maintained properly and that adequate spare parts were available." At least one of these planes, I was told later, lay crippled in seclusion in a hangar. It is doubtful that the Russians will be selling any more aircraft to Ghana for a long time to come.

Offers of trade to these new countries by the Kremlin are politically inspired. Khrushchev, while still in power, said, "We value trade least for economic reasons and most for political purposes." And Leonid I. Brezhnev and Aleksei N. Kosygin, leaders of the most recent Soviet regime, have as yet given no indication that they feel any differently on the subject.

We know there are no political strings attached to American business abroad. We know that American business competes as strongly against American business as it does against those from other countries. Competition is sine qua non to our way of life. It is one of the foundation stones upon which our entire system of free enterprise has been built. And still, it is strange how unfamiliar our system of government and our business philosophies are to so many peoples abroad.

The American abroad is soon snapped out of his naivete if he goes with the belief that our capitalistic system of free enterprise, as defined by Webster, has the same definition and holds the same meaning and connotation to peoples the world over. Soviet propagandists have had some success—more so in some areas than others—in making the word capitalism synonymous with imperialism. The American system to too many people means great wealth for the privileged few, and exploitation and domination of the poor. and we can be sure there will be tougher competition from our critics in the years ahead. The battle of ideologies in Africa, for example, is just beginning.

Programs dedicated to progress for economically indigent areas of the globe have been an accepted part of our national policy for far more than a decade. These programs should be further encouraged and intensified. But they must be coupled more and more with programs of education directed at mutual understanding, if we are to sell freedom to the rest of the world—and this is the most important sale we have to make.

One gross mistake our State Department has made, and continues to make, I believe, is in insisting that if a developing nation does not almost immediately accept the American brand of democracy that we ourselves enjoy—and which is so right for us—that that country is pink in her leanings and is on the verge of going communistic.

It is my observation that in Africa particularly we tend to measure the political climate in a somewhat extreme fashion—interpreting any slight hesitation over adopting American-style democracy as a definite commitment to the other side. How often we hear the educated, pro-Western African say, "You Americans attempt to push us too much—and too fast—in your enthusiasm for your own system of government. We like your system, but we must feel our way until such a time as we are ready for it. Remember, you've been working at democracy for hundreds of years."

How does this challenge effect the role of the public relations specialist who goes abroad to work in these developing areas? What determines his chance for success? Why does he sometimes fail? What are his responsibilities?

We know that the public relations man at home in his function as disseminator of information reflecting his management's thinking, whether he is working from a Madison Avenue penthouse or from a Main Street walkup, must be a respected envoy of his company's or client's policies. This holds true everywhere. But the public relations specialist abroad, particularly in a lesser-developed society where so many people whom he will meet are going to judge the American way of living and working by the individual's behavior, has the additional responsibilities of getting across his country's ideals.

It is paradoxical that while our products are readily accepted the world over, our American ideals are not.

Kwame Nkrumah, Ghana's self-professed Socialist Marxist dictator, has not accepted the American dream as the course for his nation to follow, but yet American brand name goods, when available, hold priority on virtually every Ghanaian's shopping list. I am told that Nkrumah's Flagstaff House placed a special order for an RCA television set, when a dozen different brands from half a dozen different countries were available in the shops of Accra. Why? Because U.S. products generally enjoy the reputation of worldwide superiority. Nkrumah wanted the best.

Yet I strongly believe that the time has come when it is necessary that we reexamine our methods of selling the American way, if we are to continue in our success in selling our products. And this is particularly true in some of the youthful noncommitted areas.

It is the international corporate public relations man's duty as expert communicator for American business overseas, to assist in this reexamination with the realization that he has a responsibility above the immediate needs of his own company. It is necessary that he work in democratic ideologies, principles, and philosophies that are at the grassroots of modern American business thinking. He must concentrate more energy and efforts on selling his Nation's ideals, if he is to prevail in gaining acceptance for the ideas of American business generally, and his own company specifically.

But before he can hope to achieve these ends, he must first earn personal acceptance and respect. This is particularly true in the underdeveloped countries of the world, where the personal element in doing business is more greatly emphasized than in more advanced business societies. Here, the public relations specialist, in his role as management's voice, finds himself always subject to relentless scrutiny by all segments of the community. His every day is lived in a goldfish bowl.

Therefore, he must be resolute in carrying himself above reproach. And to be effective further in the task before him, he must be constantly alert in representing the true image of our society, which unfortunately is at times blurred or distorted by the bad impression given by a few "ugly Americans." One American in particular comes to mind. He would register surprise to know that anyone would place him in this category. He was an employee relations consultant with a small American company and worked diligently at his job in the relations area, during his short stay in Nigeria. He was respected by those who worked with him as knowing his job. In theory he did. His work was employee relations; his major task, Nigerianization. Yet it was said that he never had a Nigerian in his home. His work ended when he left his office at the close of the business day. He did not really relate to the Nigerian employees. He accomplished his task, but failed at his job.

The public relations man must gear himself to try to offset this kind of adverse impression which can reflect unfavorably on the entire company. And, furthermore, if he radiates and demonstrates a continuous personal respect for human dignity, he will be in a position to convince—even the skeptics—that Communist dogmas are the antithesis to all that freedom-loving people everywhere cherish. If he comes as a truly dedicated ambassador of good will for both his company and his country, he cannot help but be well received.

But, at the same time, he cannot hope to win full confidence and lasting acceptance by those whose beliefs may be different from his own, or as yet uncrystallized, if he flaunts his opinions rather than exemplifying them. Learning is a slow process at best. He must learn to discuss and instruct; not argue his points. In fact, too much manifestation of one's ideas can have an adverse effect and appear, if over done, like so much lipservice, rather than sincerely held beliefs.

NEW YORK VISIT

During my recent visit to Nigeria, I was discussing with a group of Nigerian Union of Journalists friends (and a few new acquaintances) the previous week's visit to New York and Washington by a delegation headed by the Nigerian Federal Minister of Aviation, the Honorable K. O. Mbadiwe. I was pleased by the account of the trip given by Smart O. Ebbe, editor in chief of the Lagos Daily Telegraph, in that morning's newspaper. In it, Mr. Ebbe, who had traveled with the delegation had said, "New York, in my view is the answer capitalism offers to communism. It is my view that private enterprise is more efficient, yields much more, and is better managed than a nationalized economy. A nationalized economy, in a sense belongs to all and is therefore nobody's business. Its yield is poor and its management irresponsible. If you say that capitalism is bad you are saying that personal initiative is wrong. I do not believe in state ownership of those industries which could better be managed by private business. New York City bears witness to my belief. The wealth of America is the result of the efforts of the people." I asked if they had read Smart Ebbe's account of his first trip to New York City (of course everyone had). I made no pretence at hiding my pleasure, and probably appeared a bit pompous. I added that Smart and other members of the delegation had also visited the Empire State Building, the highest in the world. And the World's Fair, the greatest exhibition ever conceived by man. And the biggest—but at this point someone broke in and said, very sarcastically, "Everything in America is the biggest and the best, isn't it?" My only answer was, "If my knowledge of geography serves me correctly, the Niger River is bigger than our Mississippi. Wait until your Kainji Dam is completed. [The Kainji Dam, at an initial cost of $201,600,000, for the first stage of the scheme is scheduled for completion in late 1968. It will be capable of generating 960,000 kilowatts equivalent to 1,290,000 horsepower.] And furthermore, Nigeria only received independence in 1960. That means you're only 4 years old—give yourselves time." Everyone laughed and we went on to talk about other things. But the point is that I would have been further ahead had I allowed Smart's article to speak for itself.

The astute practitioner is soon reminded that in order to have others show real regard for us, we must first show a sincere interest in them. It is this simple axiom upon which any friendly relationship is built. Inabilities in this direction, or a common lack of consideration for this dictum, is the main reason otherwise competent public relations administrators overseas fail in their task. In black Africa particularly, sensitivities run high. These sensitivities are understood and respected by the knowledgeable practitioner. He knows he must be prepared to give a little here and take a little there. Yet he must never appear weak. At the same time he always conducts himself as one who appreciates the hospitality of his host, remembering that he is a guest in another's country. He makes personal contacts whenever, and wherever, he can. He believes this the most important single factor in conducting a successful program abroad. If he does not already have the talent to make everyone feel at ease, he must develop it. He must earn the reputation of being informal and hospitable.

In striving for a mutuality of interests, he immerses himself in the economic and social community. Our home in Africa was always an "open house"—open to free discussion—and everyone came to know this. One evening we were giving a party for a group of our friends. Before the first guests arrived, the telephone rang. It was our Cameroonian friend, Paul Engo, who at the time was a lawyer in the Department of Justice in Lagos. (Today, Paul is next in line to the Cameroon Republic's Ambassador to London.) The purpose of Paul's call was to ask if he could bring a friend to the party. The friend had insisted that Paul call us so that he could ask us personally if we would mind if he came along. It was John Foncha, then Premier of the Southern Cameroons, and today Vice President of the Cameroon Republic. It was one of the best parties we ever had.

In demonstrating his friendship for the individual, the public relations man abroad identifies himself with his host country's national purpose. But he manages to stay out of local politics, knowing that what is at the top of the tree today may wither and fall like a leaf tomorrow. He also knows that the best caution against betting on the wrong horse is to not bet at all.

He holds a respect for the mores, customs, and preferences of the people, and tries to learn as much as he can about them. He recognizes this as part of his responsibility, if he is to be successful. He must guard against doing or saying anything that could be interpreted as belittlement of their beliefs. I would even go so far as to suggest one take part in their special ceremonies. In doing so you will very likely discover that you would have been invited earlier had they known you were interested.

Saraka, a custom common to many Nigerians native to Western Nigeria, entails the placing of a bowl of fruit or basket of eggs at the intersection where two roads come together. This tradition is performed at certain times during the year. A high-ranking official of a certain West European embassy was reported to have taken pleasure one evening, while coming home from a party, in running over, with his car, as many of these gifts as he could find. For better than a week, he and his compatriots in Lagos were blacklisted by members of the Yoruba community, and to this day, I don't think the embassy staff knows why.

INACCESSIBLE BARRIERS

People everywhere find pride in their traditions and their backgrounds, and the outsider must never show evidence of distaste, regardless of how diametrically opposed they may appear to his own culture. The sooner the American abroad understand this, the sooner he will be able to bypass the otherwise inaccessible barriers that inevitably arise when cultures differ.

It is equally important to show that one's behavior is guided by principle.

A Nigerian for whom I came to hold deep respect during the 3½ years my wife and I lived in Nigeria was Chief Anthony Enahoro. At the time, Tony was Minister of Home and Mid-West Affairs. Today he is a political prisoner, sentenced to 11 years in the federal prison at Lagos.

During my recent visit, I asked a friend who is credited, in some circles, as being one of those members of the opposition responsible for Tony's current problems how Tony is getting along.

FRIEND IS A FRIEND

Before he had a chance to even register surprise that I should ask such a question I reminded him that I preferred no political party above another, neither was I tribal or regional in my preferences, nor did I label my friends as being Christian, Moslem, Animist or Atheist. To me a friend is a friend. I continued by saying, "If the shoe were on the other foot and you were a political prisoner, you certainly know that I would ask about you, don't you?"

He was more than satisfied with my answer and said, "Tony is being well taken care of." He paused, then added, "You know, it would be nice if we could afford to think the way you do."

"Someday, I am sure you will," I answered. "And do you know why? Because you want to."

He smiled.

An American does not have to live abroad to know that nationalism, particularly in these developing countries, is senstive and can at times be unpredictable and even turbulent. Knowing of the constantly changing form of this ism, the sagacious public relations man abroad keeps his ear to the ground, being ever alert and ready to interpret any nuance of public opinion to management. He investigates every possibility to determine if it could have effect on his company. Once he has any indication that there could be some effect, he organizes his thinking to be in a position to capitalize on it—or pacify it.

If he has made genuine efforts to live in and understand the local community, he should in time be in a position to feel the tide of political change before it breaks.

If he succeeds in his assignment, he will find rewards abundant, both for his own company and in terms of the contribution his success will make toward a better understanding of the American way, among those whom as yet have not found the ideal system and are still striving and searching for what will best benefit their new nation.

And if he goes with a mature outlook, is flexible in his thinking and keeps an open mind, he cannot help but meet the challenge.

ADLAI E. STEVENSON: A EULOGY

Mr. UDALL. Mr. Speaker, I ask unanimous consent that the gentleman from New Jersey [Mr. HELSTOSKI] may extend his remarks at this point in the RECORD and include extraneous matter.

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

There was no objection.

Mr. HELSTOSKI. Mr. Speaker, a great and good American has gone to rest, in the person of Adlai E. Stevenson, the U.S. Ambassador to the United Nations, and all America has cause to regret the fact. For here was a man of courage, brilliance, conviction, and astonishing ability, in whose mind the cause of humanity was uppermost at all times.

Seldom in our national history has a political party been gifted with the leadership of so fine a citizen as Adlai E. Stevenson, dedicated—first, last, and always—to the best and noblest sentiments, the highest and bravest principles.

In his many years of public service, as Governor of Illinois, national leader of the Democratic Party, and Ambassador to the United Nations, Adlai Stevenson revealed a constant, unwavering devotion to the Jeffersonian concept of mankind. For in all that he did, he seemed to act in keeping with Jefferson's belief in the perfectability of man. That is, he spurned all political means and measures advanced by those who specialty and stock in trade is practicality alone. As Governor, as a presidential candidate, and as American Ambassador to the United Nations, he stood for truth and directness, going straight to the heart of every matter of consequence. For, as he saw it, the people have a right to the truth; indeed, they cannot hope to create the greatest of all possible world civilizations unless they are first fully cognizant of the actual problems involved.

He therefore sought to serve as a kind of teacher of the general public—and with remarkable effect. In this respect he was reminiscent of Jefferson, who also placed great confidence in the wisdom of the American people.

Although he entered politics unusually late in life, Adlai Stevenson soon developed a following of devoted admirers equal to that of any life-long politician.

As Governor of Illinois, from 1949 to 1953, he established a record of honesty in government and thrift and good sense in government, combined with idealistic purpose. Reforms were numerous, under his administration, but expenses were not exceedingly high.

His creed was clear-cut and of the American mold. As he himself declared:

> I don't like interference with free markets, free men and free enterprise. I like freedom to succeed or fail. But I also know that there can be no real freedom without economic justice, social justice, equality of opportunity, and a fair chance for every individual to make the most of himself.

So spoke Adlai E. Stevenson—and millions of Americans rallied to his cause. As it happened, this great and good man was nominated for President on two occasions when his party—the Democratic Party—was destined to defeat in any event, in consequence of the swing of the political pendulum. In short, 1952 and 1956 were simply not "Democratic years."

But even in defeat the glory and the strength of Adlai E. Stevenson shone through, and his personal popularity was tremendous. So much so, in fact, that he was truly an international figure, beyond question. On this basis he was named American Ambassador to the United Nations, in December 1960—a post he was to hold until the day of his death.

As our Ambassador he continued to stand as the symbol of American integrity, to the everlasting benefit of the American name and reputation.

Here was a man of brillance and ability unsurpassed. Beyond that, however, he had a singular political distinction for which he will be remembered for many years and perhaps many centuries to come. He, as one among many, deemed power inferior to truth.

His death is a great loss to all of us. He will be missed very much, but we should be grateful for the example he set and the Nation is richer in both a spiritual and intellectual sense because of the fact that he lived.

His voice, in and out of the United Nations, was one of the most eloquent that freedom has ever known in the history of mankind. That voice is now stilled forever, but the principles laid down by Adlai E. Stevenson for the liberty of mankind will live forever.

CLEVELAND M. BAILEY—A TALL CEDAR

Mr. UDALL. Mr. Speaker, I ask unanimous consent that the gentleman from West Virginia [Mr. STAGGERS] may extend his remarks at this point in the RECORD and include extraneous matter.

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

There was no objection.

Mr. STAGGERS. Mr. Speaker, I rise in tribute to a loved and valiant comrade of yesteryears, the Honorable Cleveland M. Bailey, former longtime Representative of the Third Congressional District of West Virginia. May the clear voice of classic seers speak for me?

> The righteous shall flourish like the palm tree; he shall grow like a cedar in Lebanon.
> —*The Psalmist.*
>
> As upright as the cedar.
> —*Shakespeare.*
>
> And when he fell in whirlwind, he went down
> As when a lordly cedar, green with boughs,
> Goes down with a great shout upon the hills,
> And leaves a lonesome place against the sky.
> —*Markham.*

The congressional record of Cleve Bailey is written in legislation advancing the humanitarian concept of governmental concern. His people know that he fought for them—and won—and they love and honor him for his courage, his forthrightness, his dedication to the public interest. His integrity stands out like a tall cedar on the mountain crest of his native State. His specific achievements are cataloged in the files of the statute books and in the minds of his friends and associates, and it would be idle repetition to list them here.

To his intimate associates, the life of Cleve Bailey was a constant inspiration. His energy was unbounded, his vision unclouded by guile, his decisions never confused by vacillation. We always knew that Cleve Bailey would never try to occupy both sides of the fence. We shall miss his wise and prudent counsel and his cheerful confrontation of every difficulty.

We can never stay the inexorable advance of time. Man flourishes for a few brief days and makes his mark upon his surroundings and perhaps upon the movement of subsequent history. Then, like the rest of all living creation, he gives up the spirit and returns to the place whence he came. With thankfulness that we were privileged to serve in the company of Cleve Bailey, we bow to the unfailing wisdom of our Creator, and yield his body to the vast reservoir of earth and air and water from which it was fashioned. Nothing remains but to cherish his memory in our hearts, and to tender to his family and intimate friends the poor and feeble consolation of our sincere sympathy.

ADDRESS BY THE HONORABLE ADLAI E. STEVENSON, GENEVA, SWITZERLAND, JULY 9, 1965

Mr. UDALL. Mr. Speaker, I ask unanimous consent that the gentleman from New York [Mr. MULTER] may extend his remarks at this point in the RECORD and include extraneous matter.

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

There was no objection.

Mr. MULTER. Mr. Speaker, a great and good man has left our midst. With the death of Adlai Stevenson the world has lost one of its greatest citizens, for he was, in truth, a man who served as an advocate of all mankind.

At the time of his death Governor Stevenson was returning from the 39th session of the Economic and Social Council of the United Nations, which was held in Geneva. His address before the Council, which follows, was his last contribution to peace.

I commend his remarks to the attention of our colleagues:

ADDRESS BY THE HON. ADLAI E. STEVENSON, U.S. PERMANENT REPRESENTATIVE TO THE UNITED NATIONS, BEFORE THE 39TH SESSION OF THE ECONOMIC AND SOCIAL COUNCIL, PALAIS DES NATIONS, GENEVA, SWITZERLAND, JULY 9, 1965, 11 A.M.

I

We meet here in Geneva at the midpoint of the Year of International Cooperation and the midpoint of the decade of development. Let us be neither cynical nor despondent about the gap between these brave titles and the fact that at the moment our world community is in fact chiefly notable for minimal cooperation and very lopsided development. Our aspirations are there to spur us on, to incite us to better efforts. They are emphatically not there as a blind or a cover or as rhetoric to suggest that we are really doing very well.

I take as the understood premise of everything I say that as a world community we are not developing as we should and that our record of cooperation is inadequate, to say the least. But I believe, I hope, we can do better and that the nations meeting in 1970 will say: "Ah, yes, 1965 was a kind of turning point. That was the moment at which we began to realize how much better our performance has to be."

How much better can best be registered by a glance at where we are now.

We launched the decade of development because we realized, as a world community, that while our wealth was growing its distribution had become increasingly unbalanced.

I need hardly repeat the figures—the developed market economies and the developed centrally planned economies make up about a quarter of the world's population and account for three quarters of the world's trade, production, and investment.

By the chances of history and geography, these developed nations are largely to be found to the north of the Tropic of Cancer.

Ideology makes no difference here. Soviet Russia belongs by income and growth to the developed north, Ghana to the developing south in our new economic geography.

These facts we knew in 1960. In the last 5 years, the contrasts have grown more vivid. The developed nations with per capita incomes of above $700 a year have grown—the index I use is gross national product per head of population—by not less than 3 percent a year.

Below them a smaller group of nations, which are in the range of $200 to $700 per capita, have grown even more rapidly—by 4 to 8 percent a year.

But at the bottom of the scale at a figure of $200 per head and less, comprising over a hundred nations making up over two-thirds of humanity, the rate of per capita growth has in many instances been less than the average of 2.3 percent of the developing countries as a whole. Population growth has swallowed up their margins and per capita growth hovers around zero.

This is the statistical picture which emerges from the present data about world development. But how bare and uninformative such numbers really are. They tell us nothing about the rates of child mortality—10 times higher among poor than rich. They give us no picture of the homeless migrant living without water or shelter on the fringe of Asian or Latin American cities. We get no feel from them of the dull ache of hunger or the debility that comes from diets without enough protein and vitamins.

These are the hidden miseries about which we talk with our figures of per capita gross national product, our statistical comparisons, our impersonal percentages. We are talking pain and grief and hunger and despair and we are talking about the lot of half the human race.

II

But we are also talking about another phenomenon—the extraordinary increase in resources available to human society taken as a whole. These 3- or 4-percent increases in the national growth of developed societies mean an unparalleled expansion of new resources.

Under steady and responsible economic management, we cannot see, and we certainly do not want, any end to this process of expansion. Out of the research that is connected with weaponry, with space, and with the whole wide range of needs of our civilian economy, we are constantly making new breakthroughs—new methods, new products, new sources of food or energy or medical relief that increase our capacity to reproduce wealth still further. We have harnessed energy to take us into outer space and to convert saline waters into drink for the thirsty. The isotopes which grow from nuclear experiments can revolutionize medical and agricultural research. And we know not what new, still undiscovered sources of abundance lie ahead.

We have to begin to grasp and digest this new, astonishing liberation of our industrial resources, for only after such an understanding can we hope to act on the scale and with the audacity that our profound problems of poverty and hopelessness and obstruction demand. We shall conquer, no doubt, the dark face of the moon. But I would hope we can with equal confidence conquer the dark face of poverty and give men and women new life, new hope, new space on this planet.

III

Let's face it: We are nowhere near conquering world poverty. None of us—neither the weak nor the strong, the poor nor the rich, the new nations nor the old—have yet taken seriously enough the contrast between the abundance of our opportunities and the scarcity of our actions to grasp them. It is good that the rich are getting richer—that is what economic development is for. But it is bad that despite our considerable efforts in the first half of this decade, the poor are still poor—and progressing more slowly than present-day society can tolerate.

What shall we do to improve the trend during the next 5 years? There is something for everybody to do. There are tasks for all of us, and it won't help the poor countries for us to sit around this table blaming the state of the world on each other. There are clear and present tasks for the developing countries in doing what they know is necessary to their own economic growth and social progress. There are tasks, equally clear and equally present, for the industrialized countries. And there are tasks—a growing number of much larger tasks—for U.N. organizations themselves.

I think each of us should come to this table vowing to bring proposals that his nation can—and intends to—do something about. In that spirit I will not rehearse here my views on how the developing nations can better help themselves, but will suggest what the wealthier countries can do to help, and how the U.N. itself can do more about development, and do it better.

IV

Let me suggest first the sense of a convergent strategy for the industrialized nations. Its aim should be to see to it that more of the wealth and purchasing power of our expanding world economy will be used to stimulate economic growth in the developing nations.

We can accomplish this aim only by the coordinate use of a variety of means: by the direct transfer of resources from developed nations to developing nations through effective aid programs; next, by assuring the developing countries greater access to the expanding markets of the world; next by working to reduce fluctuations in the export earnings of the developing countries; next, by working harder, doing more specific research, on what the more developed countries can do to help the less developed create more wealth faster; next, by helping to slow down the vertiginous growth in the numbers of people which the still-fragile developing economies have to support. A steady, overall 4-percent rate of growth in national income is in itself a difficult achievement. Its effects are tragically nullified if the rate of population growth is 3 percent or even more.

These five strands of a convergent strategy contain no mysteries. We have discussed them over and over again. What has been lacking has been an adequate urgency of purpose and decision and a real determination to face the full costs.

There is no doubt that we can afford whatever direct transfer of resources can really be put to effective use. There are so many manmade obstacles in the developing process that there is a kind of natural limit to the transfer of resources from the richer countries to the poorer countries.

In my judgment, we are in no danger at all of harming our own healthy economies by maximizing our efforts to promote international development. Our problem, rather, is to step up the training of people, the surveying of resources, and the investigation of opportunities—in a word, the preinvestment work—which still sets the ceiling on direct investment, public and private, in the economic growth of most developing countries.

With my next point—improved trading opportunities for the developing countries—I come to all the issues at stake in the continuing work of the new U.N. Trade and Development Board and its committees, and of the GATT. These are some of the problems we must face together. Primary prices are unstable and many have tended downward in the last decade. The tariff structures in the industrial countries hit harder at the processed and manufactured goods than at raw materials. Internal taxes discourage the consumption of tropical products. And finally, there is need for greater effort to improve production and efficiency in the export industries of the developing countries.

Many of the developing countries suffer enormous uncertainties and interruptions of trade, with their unstable, fluctuating export earnings. The world has already put into effect some means of providing compensatory finance and balance-of-payments support to help the developing countries deal with such difficulties. Perhaps we will never find an ideal solution, but I think we have by no means reached the end of the road in dealing with these problems. We must continue to do everything practicable to provide to developing countries resources that are effectively related to the fluctuations in their export trade.

When I say we need a concerted attack on these obstacles, I do not mean a great debate in which the attack is concerted against the governments of the wealthier countries. Complaints about other countries' policies have their place in international politics—they seldom change what the other nations actually do, but they help make the complainant a hero to his own countrymen—and that has its place in politics too.

But when it comes to trade between the world's north and the world's south, we need not a general debate about general principles but concrete proposals, direct negotiations, specific nose-to-nose confrontations about particular ways the developing countries can increase their exports, and how the rest of us can really help, commodity by commodity.

V

Another vital contribution the industrialized nations can make to development is to expand their own research into the cause and cures of poverty. Partly this is a matter of putting extra emphasis on those fields of science that are especially relevant to the needs and possibilities of the developing countries. We stand here in the presence of exciting breakthroughs in nutrition, in farming, in water use, in meteorology, in energy. All these are vital and it is particularly gratifying that the United Nations Advisory Group of Scientists have put the development of water resources and the evolution of new high-protein diets at the top of their list of points needing special attack.

Mr. President, while I am on this subject, I should like to say a special word about the work of the Advisory Committee on the Application of Science and Technology to Development. My Government will make known in due course its detailed views with respect to the specific proposals made by this group in the report which is before us. As to the report itself, I would only say at this time that it is clear, precise, and professional—high testimony to the quality of work that can be done in our international community. On behalf of my delegation, I should like to congratulate all members of the Advisory Committee, the many experts of the Specialized Agencies who contributed to it, and the members of the United Nations Secretariat under whose supervision the work went forward.

But I have more in mind than the merits of the recommendations put forward and the quality of the report as a whole. I have in mind the background of this report and the process by which these proposals have taken shape for our consideration.

The background of the report, as we all know, is the Conference on the Application of Science and Technology to Problems of the Developing Areas, held here in Geneva in early 1963. That Conference was criticized by superficial observers. They said that the whole thing was much too big—too many people, too many subjects, too many papers, too much talk to do any good. They said that the whole thing was much too vague—too general, too unfocused, too disparate, and perhaps there was something in some of this criticism.

But it was a start. And the big thing is that we did not let it die. We maintained the momentum generated at the Conference. We went on to the next step. Within a few months after the close of that Conference, this Council recommended the establishment of an expert committee of advisors to carry on—to pick up where the Conference left off—to sort the important from what is merely useful.

I have no doubt, Mr. President, that what followed was a difficult and tedious exercise for the committee of advisers. But they went about it systematically. They consulted and took evidence. They worked steadily and quietly. And out of thousands of things that might be good to do, they have derived a few dozen of things which it is urgent and necessary to do—which, in fact, it would be outrageous not to do. They have resisted dreams of tomorrow's science and thought hard about today's technology. They have refrained from proposing yet another agency and come to grips instead with existing agencies—what more they might do, what we know they can do better, with foreseeable resources.

So what began as a seemingly unmanageable project has been tamed, mastered, and transmitted into a sensible list of specific proposals of priority value and manageable proportion. This is no small accomplishment in so short a time. And we can all take heart from this exercise. It bodes well for the work of the Council, and of the U.N. system at large.

VI

The Advisory Committee focused of course on science and technology—that is what it was asked to do. But we need research and inquiry fully as much in great areas of social confusion and uncertainty.

I must be content with one vital example. All through the developing world we face an increasing crisis of accelerated and uncontrolled urbanization. Men and women and children are streaming into the great cities, generally the capital cities, from the monotony and all too often the misery of rural life, and they are moving, bag and baggage, long before farming can afford to lose their labor or the city is ready to put them to work and accomodate them properly.

This rootless, hopeless, workless urban poverty is the greatest single cause of misery in the world. Can we lessen or redirect this flow? Can we prepare the urban world better to receive it? Or improve the rural world enough to diminish the flood? We don't know, because we have not sought seriously to find out.

We lack adequate policies, because we have so few facts and so few people trained to develop and implement programs. For too long we have proceeded on the false assumption that people would really rather live in villages than anywhere and that it is better for society if they did. The trouble is they don't—even when the village is modernized and sanitized and electrified, people move into larger towns and cities.

Some countries have in fact recognized that the problem is not less urbanization but more urban areas * * * not just one or two in each country. Some are experimenting with regional development programs—and here I mean regions within countries—in an effort to create new urban centers which will not only deflect migration headed for already overcrowded capital cities but will have an impact on the surrounding countryside and improve rural living in a wide area around the new cities. But the process of decentralization is difficult and complex and failures—temporary or permanent—are as common as successes.

This is the background against which we helped launch the unanimous decision of the Social Commission to recommend a research training program in regional development—using as a laboratory the current efforts being made in a variety of different lands, political systems and cultures to deal with the problems of urban in-migration.

With some systematic research perhaps some useable conclusions can be drawn about how best to encourage an appropriate pattern of urban development which will avoid the blight and misery so visible in so many cities throughout the world. This is precisely the kind of research we need if the full weight of modern discovery and modern resources is to be brought to bear on the social as well as the technical problems of the developing world.

VII

In this same context—of science applied to an explosive human and social problem—we have to make a wholly new attack upon what President Johnson has called the multiplying problems of our multiplying peoples. It is perhaps only in the last 5 years that we have come fully to realize on what scale they are proliferating. Since 1960, under United Nations auspices, censuses have been held in scores of countries, in nine of them for the first time. They have all underlined the same fact—that population is increasing more rapidly than had previously been imagined, and that this accelerating growth, in all developing lands, is eating into the pitiful margins needed to give bread and hope to those already born. We have to find the ways of social, moral, and physical control adequate to stem the rising, drowning flood of people. We need more knowledge, we need more cooperative effort. In fact, much that we do elsewhere will be undone unless we can act in this vital field.

Aid, trade, research, population control—in all these fields we can mount a convergent attack upon the great gap between rich and poor. But we must also mount it together. And that brings me to some quite concrete suggestions about international organizations, in the development field—in what direction they should be going, and how fast they should be growing.

VIII

The organizations of the U.N. family perform a rich variety of useful labors. At a moment when one of the central political organs in the U.N. is temporarily hung up on a constitutional hook, it is worth reflecting on the success and growth of the specialized agencies, and of the central funds which provide a growing fraction—more than half in some cases—of the resources they apply to the business of development. These agencies are an illustration—and a good one—of the proposition that international politics is not a game in which an inch gained by one player must mean an inch lost by another.

The reality is that international agreements can be reached—and international organizations can be formed—and international common law can be elaborated—on subjects which draw nations together even as they continue to quarrel about the frontiers and friends and ideological frenzies which keep them apart. So let's look for a moment at the political merits of functional organizations—the kind that work at peace through health, or food, or education, or labor, or communications, or meteorology, or culture, or postal service, or children, or money, or economic growth, or the exploration of outer space—organizations, that is, for the pursuit of some specific and definable task beyond the frontiers of one nation—a task for which the technology is already conceived or conceivable, for which a common interest is mutually recognized, for which institutions can—and therefore must—be designed.

Organizations like these begin by taking the world as it is. No fundamental political reforms are needed; no value systems have to be altered; no ideologies have to be seriously compromised.

These organizations start from where we are, and then take the next step. And that, as the ancient Chinese guessed long ago, is the only way to get from here to there.

These organizations tackle jobs that can be managed through imperfect institutions by fallible men and women. Omniscience is not a prerequisite; the peace of the world does not stand or fall on the success of any one organization; mistakes need not be fatal.

These limited-purpose organizations bypass the obstacle of sovereignty. National independence is not infringed when a nation voluntarily accepts in its own interest the restraints imposed by cooperation with others. Nobody has to play who doesn't want to play, but for those who do play, there are door prizes for all.

All these special characteristics of the functional agencies are important to their survival value and growth potential. The best example is also momentarily the most dramatic. In the midst of the military, political and diplomatic turmoil of southeast Asia, the governments which are working together to promote the regional development of the Lower Mekong Basin have continued to work there in surprising and encouraging harmony.

IX

But a certain shadow hangs over the affairs of the technical agencies—a shadow which threatens to compromise the very virtues we have just been discussing. That shadow is political controversy—and it has no place on the agenda of the technical agencies.

I shall not attempt to draw sharp lines along the sometimes murky borders between the politicoideological and the functional fields—between just what is doctrinal and just what is technical. The important distinctions are clear enough. The difference between appropriate content for the general debate in the General Assembly and appropriate content for debates on international labor or world literacy or world health does not need much elaboration. We can all recognize that the remaining problems of colonialism have practically nothing to do with the problem of adult literacy—and vice versa. We have organizational arrangements for dealing with both. We have times and places set aside—we have agenda prepared and representatives assigned—for dealing in separate and orderly ways with these and other subjects.

Yet we cannot overlook a disturbing tendency to dilute the proceedings of the technical agencies with ideological dispute—and to steal time, energy and resources needed to help the developing countries, and divert it instead to extraneous issues circulated to stir everybody's emotions without raising anybody's per capita income.

This limits the value, inhibits the growth, hurts the prestige, and crimps the resources of the technical agencies. It is a wasteful and moreover a futile exercise. It is only to be hoped that these diversionary tactics will fade from our forums so we may get along more promptly with the practical, useful, technical tasks which lie before us in such profusion.

The great spurt in useful activity by the U.N. specialized and affiliated agencies has come about through the good sense of the members, expressed in a series of actions by the Economic and Social Council and in the General Assembly, and designed to provide new resources to break down the main obstacles to development.

Through the expanded program of technical assistance and the U.N. Special Fund, the members have already provided close to $1 billion to help the developing countries organize the use of knowledge and to get ready to make effective use of large capital investments. Now these two programs, on the recommendation of the Council, are to be merged in the 20th General Assembly to become the U.N. development program.

We are reaching this year, for the first time, the target of $150 million a year for that program. My Government believes that this has been a useful and efficient way to provide technical assistance and preinvestment capital. The target should now be raised. For our part, we would be glad to see the target set substantially higher.

We also think that the use for development of noncommercial exports of food from some of the surplus producing countries, has been promising. At a meeting in Rome last week, we have already indicated that we would be glad to see the world food program continued, with a target for the next 3-year period almost triple that of the 3-year experimental period which is just now coming to an end. We hope that other nations which foresee noncommercial surpluses in their agricultural horoscope will join in expanding the world food program as another way to transfer needed resources for the benefit of the developing countries.

We are also pleased with the progress of industrial development. The establishment of the Center for Industrial Development in the U.N. Secretariat has clearly proved itself a sound and progressive move. We think the time has come to move further along this line, and find much promise in the suggestions made by the distinguished representative of the United Kingdom on this subject. We strongly agree that it will be necessary to secure additional resources for the promotion of industrialization. We believe, however, that rather than to establish yet another special voluntary fund, such resources could best be made available by special arrangements within the framework of the new U.N. development program.

X

Beyond raising the target for the development program and expanding the world food program, and giving a special push to the work of industrialization, I would foresee another kind of development activity to which I believe every government should accord a very high priority indeed. This is the field which might be called truly international development programs.

So far we have needed to define the word "development" to encompass only the elements of an individual country's economic growth and social progress. Some regional projects have gained favor as well, but clearly visible now on the horizon are programs and projects in which the operating agency will not be a national government or a private company or even a small group of governments in a region—but rather one of the U.N.'s own family of worldwide organizations.

The best example—one that is already requiring our attention—is the world weather watch now being planned by the WMO. In the preliminary design work already underway, it is proposed, for example, to—

Probe into atmosphere from satellites in orbit;

Establish ground stations to read-out what the satellites have to say and to process and communicate weather information throughout continental regions;

Establish floating weather stations to give more coverage to vast oceanic areas, particularly in the Southern Hemisphere; and

Possibly even launch balloons from international sites which will travel around the world at a constant level making weather observations as they go.

The major components of the world weather watch must continue to be the national facilities, operated primarily for national purposes, and also contributing to the needs of the world. But we are speaking here of additional facilities, some of which may need to be internationally operated and perhaps internationally owned and which may be very costly even at the start. Money would have to be raised on a voluntary basis and placed in the hands of an international agency—the WMO, perhaps, or some new operating facility.

Here, then, is a new kind of problem for us to think about before it overtakes us. Here is a great big development project, involving activity inherently international which will have to be financed internationally. We would propose that the U.N. development program start experimenting with this kind of development activity, modifying as necessary the rules and procedures that were drafted with national development projects in mind.

Maybe such large projects will have to be financed in some special way. But for a start, we would like to see the new U.N. Development Program, with its rich experience in financing various kinds of development, work on this subject and present to its own Board, and to this Council, an analysis of the problem of meeting the costs global international operations.

XI

If all these suggestions for raising our sights—yes, and our contributions—give the impression that the United States believes in the strengthening of international development institutions, you may be sure that that impression is correct. Most of these institutions need to be strengthened to meet, within their respective areas, the challenge of the requirements and aspirations of the developing countries. Equally, and perhaps even more important, their policies and actions need to be harmonized for there is no room left in this world for narrow parochialism. The various aspects and problems of economic and social development—modernization of agriculture and industrial growth, health and production, education and social welfare, trade and transportation, human rights and individual freedom—have become so closely interrelated as to call for interlocking measures and programs.

These basic conditions in the contemporary world give meaning and urgency to the review and reappraisal of the Economic and Social Council's role and functions which U Thant proposed in this chamber a year ago. The position of my Government is set forth in our our submission to the Secretary General reproduced in document E/4052/Add.2 and needs no further explanation.

But there are just a few points I want to stress:

With the U.N. system as envisaged in and established by the charter, the General Assembly and ECOSOC are the two principal intergovernmental organs with overall responsibilities for U.N. policies and activities in the economic and social field, their orderly development and effective implementation.

Whatever the record of the Council in the past—and we believe that it is a good record—it has become evident that the Council faces ever-increasing difficulties in the discharge of its functions due to the ever-widening scope of the United Nations and the multiplication of machinery.

To make the Council fully representative of the total enlarged membership of the U.N., its size will soon be increased by the necessary ratifications of the charter amendment.

We believe that the role of the Council as a preparatory body for the General Assembly, and acting under its authority, needs to be clarified and strengthened. It should make a significant contribution to the work of the General Assembly by drawing its attention to major issues confronting the world economy; by formulating proposals for relevant action; by providing supporting documentation; and in preparing and reviewing programs with a sense of financial responsibilities. And thus assisting in the preparation of budget estimates by the Secretary General for appropriate action by the committees of the General Assembly.

In stressing the coordination function of ECOSOC every care needs to be taken to encourage rather than to hinder the work of functional and regional economic and social bodies and the activities of the specialized agencies and other related organizations. The role of these functional organizations in achieving coordination within their areas of competence needs to be more fully recognized.

The review and reappraisal proposed by the Secretary General is a difficult task and adequate time must be allowed for it.

Many of the constructive suggestions he made yesterday regarding research, documentation, and sound budgeting are directly related to the work of the Council and deserve most careful thought. It is our hope that the Council at the present session will make the necessary arrangements to facilitate and assure such study in depth and full consideration.

We assume the review will go through several stages, including consideration by both the Council and the General Assembly. The Council will have to undertake thorough preparatory work in order to enable the General Assembly and its Committees II, III, and V to reach informed conclusions and to take the necessary actions.

Last but not least, and this I cannot stress strongly enough, the review will require the closest possible cooperation between all members of the Council representing developed and developing countries. The Council will wither away, whatever conclusions are reached by the review, unless there is a will among all of us to make it succeed. And succeed it must as an indispensable organ of the United Nations for the achievement, beyond anything we have experienced to date, of constructive international cooperation in the economic and social fields and as a powerful aid to the promotion of economic development.

XII

Finally, let me say that the need for joint action in the wide field of development is obvious. Whether we are talking about aid or trade, or research, or urban development, or industrialization—whether we are talking about scientific discovery or about institution building—we hold that there are no monopolies of trained minds and disciplined imaginations in any of our countries.

Joint action is, after all, the final significance of all we do in our international policies today. But we are still held back by our old parochial nationalisms. We are still beset with dark prejudices. We are still divided by angry, conflicting ideologies. Yet all around us our science, our instruments, our technologies, our interests and indeed our deepest aspirations draw us more and more closely into a single neighborhood.

This must be the context of our thinking—the context of human interdependence in the face of the vast new dimensions of our science and our discovery. Just as Europe could never again be the old closed-in community after the voyages of Columbus, we can never again be a squabbling band of nations before the awful majesty of outer space.

We travel together, passengers on a little space ship, dependent on its vulnerable reserves of air and soil; all committed for our safety to its security and peace; preserved from annihilation only by the care, the work, and I will say the love we give our fragile craft. We cannot maintain it half fortunate, half miserable, half confident, half despairing, half slave—to the ancient enemies of man—half free in a liberation of resources undreamed of until this day. No craft, no crew can travel safely with such vast contradictions. On their resolution depends the survival of us all.

NEW YORK CITY IN CRISIS—PART CXXXI

Mr. UDALL. Mr. Speaker, I ask unanimous consent that the gentleman from New York [Mr. MULTER] may extend his remarks at this point in the RECORD and include extraneous matter.

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

There was no objection.

Mr. MULTER. Mr. Speaker, the following article concerns efforts to stop crime on New York's subway system.

The article is part of the series on "New York City in Crisis," and appeared in the New York Herald Tribune on May 22, 1965:

NEW YORK CITY IN CRISIS—CALLING THE POLICE ON CITY'S NEW SUBWAY RADIO

(By Bill Whitworth)

As motorman Dominick Murphy pulled his IRT Lexington Avenue train out of the 59th Street station at 12:25 p.m. yesterday, he picked up a new microphone in his cab, held it near his mouth and said there was a disturbance on his train.

This information was relayed by radio to receivers at the Transit Authority's dispatch and police headquarters in Brooklyn. Within seconds, TA Patrolman Anthony Grammatico, who was standing near the Nedick's stand on the Grand Central shuttle ramp, heard a voice in his ear saying: "Ten eighteen on Lexington Avenue train southbound from 59th."

The voice was that of a TA police radioman in Brooklyn. It was coming out of a combination microphone-speaker attached to Patrolman Grammatico's left shoulder.

A good minute before the train arrived at Grand Central the patrolman was already at the south end of the downtown platform ready to deal with the 10–18, or disorderly person, call.

The train rolled up, early clean and red, and empty. The patrolman rushed aboard, as cameras and TV cameras clicked and whirred.

This was the TA's first demonstration of two new radio communications systems that it is about to try out in the subways, on the Lexington Avenue line between Bowling Green and 125th Street.

If the systems seem effective, the TA will expand them, with the hope that they will be valuable in the city's drive on crime in the subways. As part of this drive the city has put policemen on night overtime duty on trains and subway platforms, inducted 500 new TA patrolmen, and planned the closing of 185 subway exits to make the policing of stations easier.

One of the systems consists of walkie-talkies that will be carried by TA cops on platforms and trains. Little 2-pound sets especially designed to operate well underground, will enable TA headquarters to dispatch patrolmen to trouble spots with far greater speed, and will enable the patrolmen to call for help quickly.

Thirty of the sets will be put into operation immediately and 30 more will be bought soon.

The other system consists of 9-pound transmitter-receiver sets that will be installed in the motorman's cab of each of the trains operating along the 8.09 miles of track between Bowling Green and 125th Street.

These sets will put the motormen in touch with TA headquarters for calls requesting police or mechanical help. To make such calls now, the motorman must leave his train and use a platform telephone or one of the emergency telephones on tunnel walls.

This system also can be connected with the public address systems now in the subway cars, making it possible for dispatchers at TA headquarters to speak to passengers and explain delays in service. It will be ready for use some time next month.

About 80,000 feet of antenna has been placed in the Lexington Avenue line tunnel, to relay messages from the patrolmen's and motormen's radios. The line's 350 cars are being fitted out with electronic equipment now, and 500 motormen are receiving instructions in use of the radio.

The cost of the two test systems is $750,000, of which $500,537 is a demonstration grant from the Federal Housing and Home Finance Agency. The balance will be paid by the city.

If the test is successful, the TA hopes to extend both systems throughout the city's subways, at a cost of $7 million.

The East Side test area was chosen because it is one of the busiest sections of the subway system, and because the large amount of steel used in its construction adds to the difficulty of underground radio transmission.

Mayor Wagner had been scheduled to attend yesterday's demonstration, but other business kept him away. Also missing was Transit Authority Member John J. Gilhooley, who is in Milan, Italy, studying that city's closed-circuit television-scanning system for subway platforms. New York plans to test a similar system.

TA officials present included Chairman Joseph E. O'Grady and Daniel T. Scannell.

The radio communications system has been under discussion for some time, and the contract for the first equipment was signed last summer. It has been given more attention since Mayor Wagner opened a drive on subway crime early last month.

NEW YORK CITY IN CRISIS—PART CXXX

Mr. UDALL. Mr. Speaker, I ask unanimous consent that the gentleman from New York [Mr. MULTER] may extend his remarks at this point in the RECORD and include extraneous matter.

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

There was no objection.

Mr. MULTER. Mr. Speaker, the following article concerns urban renewal in New York and is part of the series on "New York City in Crisis." The article appeared in he New York Herald Tribune on May 21, 1965, and follows:

NEW YORK CITY IN CRISIS—COOPER SQUARE DECISION—AFTER 10 YEARS

(By Martin G. Berck)

Almost a decade after it was first studied as an urban renewal site, a Cooper Square tract in Lower Manhattan, along the Bowery, won the board of estimate's approval yesterday for low-cost public housing.

The move, a reversal of an earlier decision by the board, was foreshadowed by a decision last month by Mayor Wagner instructing the city housing authority to submit a plan for low-rent apartments to the board, and blocking a plan for middle-income housing.

At the board's meeting yesterday, a proponent of the middle-income housing plan, Marshall Scolnick, formally withdrew the plan after charging that he had been subjected to political pressures. Mr. Scolnick described himself as the "unpaid agent of the nonprofit community sponsor."

The board also voted yesterday to ask for up to $975,000 in Federal funds for surveying and planning in 1,080 acres of the Annadale-Huguenot section of southern Staten Island. The city wants to look into the possibility of building a model suburban community on the site, which is mostly open land.

The Cooper Square project area is bounded by Chrystie Street, Rivington Street, the Bowery and East Houston Street. The designation for low-income housing was rejected by the board of estimate last November in favor of a middle-income project sought by Assemblyman Louis De Salvio. Then this plan was killed by the mayor last month after what he called a rescrutiny. Residents of the area had been crusading for years for the kind of housing that would keep them from being driven out by a high-priced development.

Mr. Scolnick, an associate of Mr. De Salvio, told the board yesterday he was appearing on his own behalf to denounce the low-cost housing plan as a "giant hoax and fraud," and to withdraw sponsorship of the middle-income plan.

The city has no money to build low-rent housing, said Mr. Scolnick, and it will take 20 years or more for such a project to be completed in Cooper Square. He asserted that his own proposal for middle-income housing "without the city's redtape," could have made apartments available within 2 years.

One reason for his withdrawal, Mr. Scolnick said, was that he had been told by an administrative aid to Housing and Redevelopment Coordinator Milton Mollen "that he would not approve the site for me unless I merged my application with that of a friend of his." Mr. Scolnick did not identify either the aid or the friend, while appearing before the board, nor would he do so afterward.

He also said he was withdrawing the application "because I have been subjected to pressures by some city officials—to trade the building of a Lower Manhattan Broome Street Expressway for the permission to build middle-income rental housing, not for relocation of Broome Street people, but for the people of the immediate area." He also said he was pulling out because of "nitwit" planning by city housing officials.

The low-income housing project, as approved by the board, is designated as the Chrystie Street-East Houston Street area, within the Cooper Square urban renewal area. Mrs. Constance Baker Motley, Manhattan Borough president, reminded the board that the site's current residents must be given preference for the new housing, according to Federal and city law. There are 158 families now on the site.

The board heard 4 opponents and 11 proponents of Annadale-Huguenot urban renewal proposals before deciding to request money for extensive planning of the site. In general terms, the project would involve a major effort to redesign street layouts and sites for parks and other public facilities before private homes are built. The city owns about 70 percent of the tract. About 700 families live on the remaining property.

TESTIMONY OF HON. ABRAHAM J. MULTER ON DISTRICT OF COLUMBIA MOTOR VEHICLE INSURANCE

Mr. UDALL. Mr. Speaker, I ask unanimous consent that the gentleman from New York [Mr. MULTER] may extend his remarks at this point in the RECORD and include extraneous matter.

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

There was no objection.

Mr. MULTER. Mr. Speaker, I was privileged to present the following statement in support of my bill, H.R. 634, the proposed Motor Vehicle Financial Security Act of the District of Columbia, to Subcommittee No. 4 of the House District of Columbia Committee, chaired by the distinguished gentleman from Texas [Mr. DOWDY].

Financially irresponsible motorists in Washington are a threat to everyone, including themselves, and I hope that we will enact legislation to remedy this situation during this session.

My statement follows:

STATEMENT OF HON. ABRAHAM J. MULTER BEFORE SUBCOMMITTEE NO. 4 OF THE HOUSE DISTRICT OF COLUMBIA COMMITTEE IN SUPPORT OF H.R. 634 REGARDING MOTOR VEHICLE INSURANCE IN THE DISTRICT OF COLUMBIA, JULY 12, 1965

Mr. Chairman, today, in this great country of ours, the Four Horsemen of the Apocalypse, mankind's deadly fellow travelers, have been eclipsed by the horses of Detroit in their role as the scourges of mankind. The human misery, suffering, and death that has resulted from fire, famine, flood, and plague in this country pales into insignificance when compared to the misery, suffering, and death that has been caused by the automobile. Much is being done and has been done in many fields of endeavor to reduce the automobiles' capacity for wreaking ravoc but much remains to be done. Its deadly capacities were once again exhibited over the recent Fourth of July weekend when a new record was established. Five hundred and eight persons lost their lives on the Nation's highways. This is a tragic record.

Here, in the District of Columbia, the number of traffic fatalities and injuries steadily rises, not to mention the amount of property damage.

In the light of these circumstances financial responsibility must be required of all motorists. There has long been a maxim in Anglo-Saxon jurisprudence that states, "For every wrong there is a remedy."

The present District of Columbia law entitled "The Motor Vehicle Safety Responsibility Act," 40 District of Columbia Code 417–498, does little to insure the maintenance of this legal maxim as a truism. It's the old story of locking the barn door after the horse has been stolen.

The Safety Responsibility Act requires security after an accident and human nature being what it is many motorists in the District of Columbia drive with the attitude that it will always be the other fellow who has the accident. If this attitude were correct and the other fellow was always financially responsible, either by virtue of insurance or liquid assets then all would be well. But all is not well. It is not always the other fellow who runs the red light, or changes lanes suddenly, or who has faulty brakes and even when it is he doesn't always have the resources or insurance to right the wrong that he has committed.

The obvious cure for this glaring defect in the laws of the District of Columbia is to require that every vehicle registered in the District have a financially responsible owner against whom persons who might be injured by the vehicle can have recourse.

Consider, if you will, the day laborer or the white collar worker who has neglected to obtain some form of liability insurance for his automobile and who becomes one of those other fellows who always has the accidents. The negligence on his part may have been slight or gross but the injuries which result from the accident also may range from slight to severe. If the injuries are slight and our other fellow has been prudent and has not succumbed to the easy credit which marks our society, then there is a relatively good chance that he will have the ability to right his wrong as much, at least, as money can right such wrongs. But suppose that the injuries are not slight, but are extensive, as they so often are in these tragic accidents, what then? Suppose a breadwinner is killed, or paralyzed for life, as a result of this other fellow's negligence and a family is left without income and with tremendous hospital and medical bills. What then? Suppose a mother is taken from her family in a brief moment of negligence and a father is left to work and raise this family alone. What then? Money, no matter what sum it may come in, cannot replace these very precious lives that are snuffed out in a careless moment but it can ease the hardship which must inevitably follow when a loved one is taken. It cannot help fill the void that is left in the hearts of those who are left behind but it can help fill the void in the bank account and help bring those stricken by carelessness and negligence closer to the normalcy that they had enjoyed.

It is in our power to insure that the tragedies that will result from future carelessness and negligence in the operation of motor vehicles by District of Columbia registrants will be minimized by requiring that all such registrants show some definite proof of financial responsibility, either in the way of assets or insurance before they are allowed to register their vehicles in the District. This requirement will go far toward alleviating the pain and financial suffering that so often result from traffic accidents involving persons who are living either on a week-to-week or month-to-month basis and are judgment-proof. We have the power and we should exercise it.

My bill, H.R. 634, follows the law of New York State which has worked exceedingly well. I urge its enactment.

Thank you.

ADMIT FREE OF DUTY ONE MULTIGAP MAGNETIC SPECTROGRAPH FOR USE OF YALE UNIVERSITY

Mr. UDALL. Mr. Speaker, I ask unanimous consent that the gentleman from Connecticut [Mr. GIAIMO] may extend his remarks at this point in the RECORD and include extraneous matter.

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

There was no objection.

Mr. GIAIMO. Mr. Speaker, I am introducing for appropriate reference, a bill which would authorize and direct the Secretary of the Treasury to admit free of duty one multigap magnetic spectrograph for the use of Yale University.

In this historic age of atomic research, the need for establishment and expansion of nuclear facilities in our Nation's great universities and colleges is unquestionably necessary to effect the further development and knowledge of our men of science.

Yale University, which is located in my district, has not only recognized this need, but has taken affirmative action to meet it. In conjunction with the Atomic Energy Commission, Yale has almost completed construction of a Van de Graaff accelerator facility. This facility will house a multigap magnetic spectrograph, a custom designed apparatus which is generally agreed to be the one which would most utilize the precision characteristics of the accelerator in the study of the structure and behavior of all atomic nuclei.

Its features are such that it will permit Yale's Nuclear Structure Laboratory to involve staff members from other universities and colleges in Connecticut who have already expressed interest in such work of the highest caliber, at the forefront of nuclear structure research.

During the past 2 years this distinguished institution carried out a detailed scientific and engineering design of this instrument, and requested bids for its construction from all possible suppliers in this country and abroad. Unfortunately, it was unsuccessful in obtaining a bid from any American supplier, apparently because these suppliers feel that the required precision of manufacture and assembly exceeds their capabilities and facilities. On the other hand, an excellent bid was received from the Atomic Weapons Research Establishment, of the United Kingdom Atomic Energy Authority.

Yale has decided to purchase the spectrograph from this source at an expected cost, exclusive of shipping, of close to $460,000; however, unless it is possible to obtain waiver of import duties on the instrument, the amount of duty, which would necessarily come from its remaining research funds, would severely limit research activities with the new accelerator during the first year of its operation, when it will be the only one of its type anywhere in the world.

Therefore, in view of the tremendous technological advances which this instrument will produce in studies of nuclear detection, I ask your help in passing this special legislation providing for its free entry. Thank you very much.

THOUGHTS OF SECRETARY OF LABOR W. WILLARD WIRTZ

Mr. UDALL. Mr. Speaker, I ask unanimous consent that the gentleman from Iowa [Mr. HANSEN] may extend his remarks at this point in the RECORD and include extraneous matter.

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

There was no objection.

Mr. HANSEN of Iowa. Mr. Speaker, an editorial recently appeared in the Council Bluffs Nonpareil giving some of the thoughts of Secretary of Labor W. Willard Wirtz at a recent address to the graduating class at the University of Iowa. I feel this editorial is of sufficient interest it should be given a wider audience. The editorial follows:

[From the Council Bluffs Nonpareil, June 21, 1965]

WHAT LABOR SECRETARY WIRTZ TOLD UNIVERSITY OF IOWA GRADUATES

Secretary of Labor W. Willard Wirtz made some very interesting statements in his recent address to this year's graduating class at the University of Iowa.

He told the members of the class that they were entering upon a literally fantastic period in the affairs of mankind, particularly those of this Nation.

It is a time, he said, when science has caught up with the imagination, when the national economic development has become spectacular.

Last year's tax cut, the first instance of deliberately planned public deficit spending in this country, marked the ultimate triumph of the spirit of John Maynard Keynes over the stubborn shade of Adam Smith. As a consequence he declared, we are moving into the 52d month of the longest uninterrupted business expansion over a century, setting new records for growth in the national product, increased profits and earnings and higher employment.

He admitted there are difficulties ahead, hard problems to be solved, uncertainties unresolved.

Perhaps the most significant of these, he said, can be summarized by recognizing that the population of the United States is growing in size at a fantastic rate and running at faster and faster pace. The combination, he conceded, has sent men to early graves, and its effect on a society is not yet entirely clear.

Thirty-five years from now, the Labor Secretary estimated, there will be 330 million people in this country, 140 million more than today.

He then posed the question whether a democracy with 330 million people can survive and prosper. Very little attention is being paid to the human implications of a technological progress so rapid that the only status quo is change, yesterday's luxury is today's necessity, and today's knowledge is tomorrow's ignorance.

Can we seize the opportunities which change holds out to those who believe in the perfectibility of man's purpose? He suggested three keys to drawers which hold other keys.

The first he said, is the realization that liberal education is falling very rapidly behind the pace of technological progress.

There is a strong probability, he said, "that this is the least educated class ever graduated from the University of Iowa—by the measure of available knowledge you have mastered or even been exposed to."

The most serious inadequacy in our society today, he said, may well be the almost complete inattention to continuing adult education.

Secretary Wirtz suggested that every 7 years, college and university graduates return, for a year's sabbatical to bring their education up to date.

His second key was the fuller development of truly free minds. Changing circumstances give new meaning to many words. Too much of the public dialog today becomes a digging of the hard soil of new dilemmas with old, dull tools; in a democracy, adjustment to change, and dominion over it, depend upon a working majority having freed their minds from self-inflicted captivity.

Finally, Secretary Wirtz suggested the imperative need that citizen statesmen no less than scientists set out deliberately to invent the future.

Science has a long headstart, he said, and new deas, eagerly sought in the laboratory, are suspect in the forum.

The development of the atom bomb, for example, is pushed with all the resources that can be mustered in a world race to control the instruments of death, while the subject of birth control has not even entered the stage of objective discussion. The doctors extend old age with astonishing ingenuity but instead of working out new uses of it, the Nation's social invention is limited to arranging for earlier retirement and devising euphemisms—"senior citizens" and "harvest" years—to dull a needless pain.

In conclusion, Secretary Wirtz told the University of Iowa graduates they would have a better future whether they did anything about it or not. "But," he added, "if you seek something more—a fuller brotherhood, larger satisfactions for whatever is meant by the soul, the improvement of leisure, an older age that is not only secure but meaningful, you will have to invent that future."

He also added that the foremost responsibility of the university and college today is "to redress the present imbalance between scientific and social inventiveness. Here better than in any other place, there can be developed equal enthusiasm, in all areas of human endeavor for new ideas."

In this editorial we have endeavored to summarize some of the things Secretary of Labor Wirtz told the 1965 graduates of the University of Iowa.

Whether or not you agree with the Secretary of Labor, we suggest that you write the University of Iowa for a complete copy of his address.

LET'S LOOK INTO PURE-UNION OIL MERGER

Mr. UDALL. Mr. Speaker, I ask unanimous consent that the gentleman from Ohio [Mr. SWEENEY] may extend his remarks at this point in the RECORD and include extraneous matter.

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

There was no objection.

Mr. SWEENEY. Mr. Speaker, on Friday, July 2, 1965, the stockholders of an old Ohio chartered corporation, the Pure Oil Co. of Ohio, voted to merge Pure into the Union Oil Co. of California. Union will be the surviving corporation.

It was extremely interesting to note that the final result was 7,760,692 votes in favor of the merger proposal out of the 10,024,605 shares outstanding eligible to vote. In other words, approximately 25 percent of the Pure Oil Co. shares were not voted in favor of the merger. If these 2,500,000 shares are worth $90 per share as some oil and gas experts claim, then these dissenting shares have a dollar value of $225 million.

The Pure Oil Co. was one of the largest, if not the largest, corporation in the State of Ohio. As the Congressman at large for Ohio, I am concerned because an old line Ohio corporation is now dead.

Thousands of Ohioans are stockholders in this Ohio corporation and many were in the 25-percent category who dissented.

I am greatly concerned because there is a great likelihood that Pure's Ohio headquarters and its 2 large refineries with daily crude capacity of 54,000 barrels will be closed. Hundreds of Ohio working men and women will suffer by such action.

I am greatly concerned because Ohio has lost a billion dollar corporation with revenues in the hundreds of millions of dollars. At a time when Ohio is attempting to attract new industry, we are losing one of the world's largest corporations.

The Wall Street Journal, July 12, 1965, reported that Assistant Attorney General Donald F. Turner, the new antitrust enforcer, is now studying whether to sue to block the merger of Pure and Union which will result in a corporation with assets of some $2 billion. The size of this oil giant is frightening in and of itself. It is even more frightening when one realizes that this giant will lessen competition in the areas of oil production, exploration, pipelines, and refining. A complete and thorough investigation into this merger should be conducted by the Department of Justice and that study should be made public. Every small businessman in America who operates a corner service station will feel the effects of this merger, for good or for ill. Professor Turner's writings long have mirrored a fear of corporate mergers and their resulting oppression of the small businessman and the economic competitive life of America.

An Ohio attorney, Robert H. Mihlbaugh, in questioning the president of the Pure Oil Co. at the special stockholders' meeting on July 2, 1965, drew the admission that large legal fees paid to a director of the Pure Oil Co. had not been reported in prior proxy materials filed with the Securities Exchange Commission. The SEC should conduct a thorough investigation into this matter to ascertain any violations of its rules and regulations.

Fortune magazine has reportedly asserted that key officers of the Pure Oil Co., owning few shares of stock, were able to frustrate the opposition of major holders of the Pure Oil Co. such as W. T. Moran and Maj. J. R. Parten. Moran and Parten were the major stockholders in Woodley Petroleum Corp. which was merged into the Pure Oil Co. in 1960. These men did not buy stock in Pure; they were invited to merge into Pure by the Pure management. They have spent their lifetimes finding oil resources for America and their stock in Pure represents their life savings.

Maj. Jubal Richard Parten, one of the legionnaires of the oil industry, who has organized production, drilling and pipeline companies and served with an assortment of oil-industry organizations, was the first major appointee of the late, great President John F. Kennedy. These men—with their great wealth of knowledge of the oil industry—were never consulted by the management of the Pure Oil Co. during the merger negotiations. It is a sad commentary on American corporate life when men owning 100 or 200 shares of stock can dictate and control a corporation with over 10 million outstanding shares of common stock.

The reports of the Justice Department and the Securities and Exchange Commission should touch on these points also if the confidence of American investors is to be maintained.

I include herewith an article pertinent to my remarks:

[From the Wall Street Journal, July 6, 1965]

HOLDERS VOTE PURE OIL, UNION OIL MERGER, BUT ANTITRUST CHALLENGE IS STILL POSSIBLE

The merger of Pure Oil Co. into Union Oil Co. of California, one of the largest in recent corporate history, easily won approval by stockholders of both companies at special meetings.

Only the possibility of Justice Department objections on antitrust grounds seemed to stand in the way of consummation of the merger, sources said. Earlier, the merger had faced widespread opposition by major Pure Oil shareholders who felt the terms were not attractive. Under the plan, the deadline for consummation of the merger is November 1.

The voting at the Pure Oil meeting, in Columbus, Ohio, was crucial because of plans of some major holders to demand cash instead of the preferred stock Union Oil will exchange for Pure Oil common. Union Oil has reserved the right to abandon the merger if, in its opinion, demands for cash become too burdensome. Union Oil has not indicated how heavy the burden would have to be to kill the transaction; but Robert L. Milligan, president of Pure Oil, said he believed Union Oil would not be discouraged by any demands for cash, judging by the outcome of the voting.

Pure Oil holders cast 7,760,692 shares in favor and 411,610 in opposition. The yeas totaled more than 77 percent of the 10,024,605 shares outstanding eligible to vote. About 200,000 shares represented in person at the meeting were not voted; neither were several other sizable blocks of stock, held by dissatisfied shareowners, it was learned. A majority vote was required for approval.

Union Oil rolled up an 89 percent vote for the merger. The number of dissenting shares was not disclosed. There were 26,483,117 common shares outstanding eligible to vote. The merger plan calls for Union Oil to issue a new cumulative convertible preferred stock in a share-for-share exchange for Pure Oil's common. The preferred, to carry an annual dividend of $2.50 a share, will be convertible into 1.3 shares of Union Oil common and will be called after 5 years at prices ranging from $67 a share in the sixth year to $65 in the eighth year and thereafter.

The Union Oil meeting, in Los Angeles, was routine. Pure Oil's although more subdued than the stormy April 10 annual meeting, produced echoes of the earlier bitterness.

A central point of discussion was the possibility of Justice Department opposition to the merger. To a question, Stuart S. Ball, of Chicago, special counsel, said Pure Oil and Union Oil had been told by the Antitrust Division it was still studying the merger, had no plans for intervening prior to the special meetings and didn't know whether it would oppose the merger in court.

A Pure Oil holder said there have been suggestions that the Justice Department has developed a concept that "bigness is badness" and wanted to know if that could be a factor. Mr. Ball said, "Among certain liberal commentators there has been an emotional attitude about bigness," but he added that he knew of no merger that was ever stopped simply on the basis of size of the companies involved without being coupled with anticompetitive factors. Both Pure Oil and Union Oil believe the merger doesn't violate antitrust laws, largely because their retail-marketing territories don't overlap.

Nearly half of the hour-long meeting was dominated by a series of questions asked of Mr. Milligan by 32-year-old Robert H. Mihlbaugh, a Lima, Ohio, attorney representing W. T. Moran, a Houston oilman whose holdings of about 200,000 shares are the largest of any individual shareowner. Although Mr. Mihlbaugh and Mr. Milligan repeatedly complimented each other's conduct at the meeting, the give and take at times was sharp.

To questions, Mr. Milligan made these replies:

He received no inducements from Union Oil to push Union's offer in favor of other offers.

He questioned whether a recent merger offer from Ashland Oil & Refining Co. would have netted Pure Oil holders $70 a share cash.

He defended Pure Oil's failure prior to this year to disclose the amount of legal fees paid to the Houston law firm of Vinson, Elkins, Weems & Searls, headed by J. A. Elkins, 85, a director of Pure Oil and long a commanding figure in the company. The fees in 1964 totaled $372,982.

At one point, Mr. Milligan backed away a bit. That was when Mr. Mihlbaugh, asked Mr. Milligan to comment on a magazine article's assertion that key officers and directors, owning a small amount of stock, were able to frustrate the opposition of major holders in making the merger with Union Oil. Mr. Milligan asserted that a director must act in the interests of all holders rather than in his own personal interest. "I don't think there is any proof that wealth brings with it intelligence and judgment," he said.

The Curious Pursuit of Pure Oil

(By T. A. Wise)

No auction in history had ever quite matched this one. In the audience, bidding with briskness and determination, were some of the most aggressive and affluent corporations in the United States. On the block was a company whose assets, conservatively estimated, have a value three times as great as those of General Aniline, the biggest piece of property sold in recent years. The size of the offers was in keeping with the prosperity of the times: for Pure Oil Co., the Nation's 15th largest oil company and the 104th ranking company on Fortune's 500 list, bids in various combinations of cash and stock reached as high as $800 million. In keeping with the complexity of the times, however, the auction was not to be decided by money alone: other elements, including the way in which Pure Oil's facilities complemented those of the bidders, the hand of the past still seen in the current attitudes of the company's management, and the attitude of the Department of Justice toward the creation of still another giant oil company, all had their importance in the outcome.

Any catalog of the assets of Pure Oil is in itself impressive. Pure Oil owns 4,459 oil and gas wells in the United States, Canada, Algeria, Italy, and Venezuela. The company has reserves totaling more than 517 million barrels of oil and it has 2.8 trillion cubic feet of proved reserves of natural gas. It has an interest in approximately 23,800,000 acres of land, the biggest piece of it in the Middle East, although chances of finding oil in those fields are dwindling. It owns an interest in 8 pipeline companies that carry crude oil over a 7,000-mile network. Pure operates 25 terminals for finished products, 2 tankers, 2 towboats, and 7 barges. It has 4 refineries with a daily capacity for 195,500 barrels. Its distributing system spans 25 States in the Southeast and Middlewest, and supplies 13,000 retail service stations and 1,085 bulk distributing plants. The whole organization is administered from a huge, Pentagon-like home office at Palatine, 30 miles from Chicago.

These imposing assets would seem to make up a corporate entity that could be run for pleasure and profit—a course of action, one would think, more advantageous both to stockholders and to management than liquidation. This conclusion seems to be reinforced by a look at Pure Oil's report for the first quarter of 1965: In that 3-month period the company reported to its stockholders that its earnings were up 50 percent over the comparable period in 1964—the $8 million in profits making it one of the best quarters in the company's history. Why sell off a company in this lovely state of bloom?

The mystery has no easy solution. In the curious confluence of past history and present circumstance, and deep in the psychology of several aging men, lies some of its explanation, as we shall see. The rest is revealed only after a close examination of the company's record for the past decade. Such an examination brings with it a sense of shock. While comparable oil companies have been improving their earnings records by jumps of 10 percent or more a year since 1954, Pure Oil's profits have been, to use a neutral word, static. Its sales have doubled, but earnings since 1954 have occasionally dipped, occasionally come back to the level of previous years, yet never spurted ahead. They came to $36,600,000 in 1956, and $31,500,000 in 1964.

But even that record, clearly visible to the public gaze, does not accurately reflect just how bad Pure Oil's performance really was. Especially in the last 5 years, Pure Oil's profits have been exaggerated, at least in the view of the average reader of company reports, by procedures of accounting that, while perfectly legal and commonly accepted in the oil industry, tend to obscure certain operating shortcomings and defeats. Those accounting practices are complex; they have certain merits and serve certain legitimate purposes. In this context, however, they are most important for having failed to make plain the fact that Pure Oil has not had a taxable income for the past 4 years. Nor did they elucidate the fact that the company's management has been selling off part of its oil-bearing properties—selling off corners of the farm, as one observer put it, although the metaphor is not exact—each year since 1961. As a result of these practices only the most discerning of stockholders could read the annual reports and hope to gain a true picture of the company's financial strength and weakness. That this is so may be judged from the fact that in 1964 Pure Oil's annual report to stockholders showed a profit of $31 million. Yet the report the company made to the Internal Revenue Service showed losses of $21 million, after allowing $26 million for depletion. Some shadow has even been cast over the bright performance of the first quarter of this year.

Apparently there was some rot behind the imposing facade—at least enough so that Robert Milligan, Pure Oil's chief executive officer, believed that the company in June 1964, was perilously vulnerable to a raid. Evidently, only the sale of Pure Oil to a strong, well-run oil company could snatch financial victory from a series of operational failures—save the stockholders, in other words, from the consequences of about a decade of weak and inept leadership.

The Invisible Becomes Evident

What was not apparent to the outside world became manifest, over the years, to expert eyes. When word of Pure Oil's vulnerability spread throughout the business community in 1962, prospective buyers—who were attracted by the opportunity they saw in the situation—began to line up. Offers poured in from a wide assortment of companies, among them Hercules Powder, Kennecott Copper, Champion Papers, and Armour, that saw Pure Oil either as a source of raw material or as a means to large-scale diversification that would not come into conflict with the antitrust laws. Even a Belgian oil company surveyed Pure Oil, especially attracted by its supplies of crude.

After the first flurry of excitement, however, there remained four serious proposals before Pure Oil's board of directors. The most insistent of these came from the Union Oil Co. of California, which offered to Pure Oil securities valued at $625 million, or about $62.50 for each of the 10 million outstanding shares of Pure's common stock (almost twice what the stock sold for some time earlier, before outsiders started bidding for the company). Looking at Pure Oil, Union Oil saw the glitter of opportunity. A west coast company, Union could combine with Pure to extend its marketing facilities across the middle of the continent, and even reach to the Atlantic seaboard in a few areas. Further, Union saw a neat dovetailing of products: On the west coast there is little demand for heavy oil products; Union sells mostly gasoline there. But Pure's markets burn up large amounts of oil fuels, thus offering Union a better balance in marketing and product mix. In all the calls and raises that followed, Union Oil never increased its initial offer very much. Its management remained convinced that it was the only bidding company whose acquisition of Pure would go unchallenged by the Justice Department. In Union's view, no competition would be eliminated by the Pure-Union merger; indeed, competition would be enhanced, since the merged company, using Union's large reserves, could be more aggressive in Pure's markets.

In response, a majority of the directors of Pure Oil quite frankly expressed an early preference for the Union Oil offer above all others. When they were confronted with strong opposition to the Union merger from some of their shareholders, Pure's directors fought with surprising vigor for its acceptance. They made clear they would stand or fall on the outcome of that offer.

Ashland Oil of Kentucky also regarded Pure with an acquisitive eye. Ashland offered some $700 million for Pure's assets, or about $70 per share. Ashland worked out a scheme that proffered to the Pure Oil stockholder a choice between taxable cash and presumably nontaxable securities for his stock. Ashland's willingness to make so resounding a bid for Pure came from the confidence of its management that it knows the true potential of Pure's marketing areas better than anyone else in the business. Ashland has always displayed considerable skill in using the economics of water transportation to bring its products to market, and it saw the chance to apply its canniness profitably to Pure's network. Also, Ashland urgently needs new reserves of crude. Although Ashland's chief marketing area nestles within the region that Pure services, Ashland was the smallest of the companies bidding for Pure, and its management thought that the Justice Department might not be hostile to the merger. And Ashland had a further purpose to serve: It sought to protect its markets from increased competition.

Atlantic Refining's bid for Pure fell in amount somewhere between Union's and Ashland's. Like Union, Atlantic offered to issue convertible preferred stock for the shareholders of Pure, but the stock would pay a higher dividend. This would make the merger tax free. Atlantic's markets overlap in some places with the markets of Pure Oil, raising a serious doubt whether the Justice Department would permit the merger But Atlantic persisted with its bidding nonetheless.

The only offer that held out only cash for the Pure Oil prize came from a syndicate headed by Carl M. Loeb, Rhoades, which, in partnership with Allied Chemical and Consolidation Coal, opened its bidding with an offer of $600 million, or about $60 a share. Later Loeb, Rhoades raised the ante to $625 million. Loeb, Rhoades planned to use borrowed capital for the purchase, which would be repaid from the proceeds of the acquired assets over a maximum of 14 years. This practice of selling oil while it is still in the ground bears considerable resemblance to—though it is technically different from—the methods that Pure's management has followed in recent years to finance operations, but in assessing the Loeb, Rhoades bid they seemed to find it somehow reprehensible.

A recitation of such offers both demonstrates a truth and raises a question. The truth, which may be chipped in stone somewhere, is that value lies in the eye of the beholder. Pure Oil's assets have different values, obviously, when appraised by different buyers. It is possible that everyone who bid for the company made an accurate estimate and an intelligent bid, from his own point of view. In that case, the huge difference of $100 million in the prices that have been proffered may simply reflect the ease, or the difficulty, with which the buyer could put the company's assets to good use. But this suggests another question: Why did the company fail to put its support behind the bid that promised the stockholders the most lucrative deal?

THE PAST IS WITH THEM

The responses of Pure Oil's current management to all offers to purchase the company are inexplicable without some understanding of the company's history. Pure Oil came into existence in 1914 with an unexpected oil strike in Cabin Creek, W. Va. The company was organized by two brothers, Beaman and Henry Dawes, whose conservative leanings in business and politics left a permanent imprint on it. But just as important to Pure Oil's future was the early acquisition it made of the services of a young Houston lawyer, James A. Elkins. Elkins went on to establish a famously successful law firm, to found the First City National Bank of Houston, and to dominate the affairs of Pure Oil for half a century. Even today, at the age of 85, he remains a key, if somewhat shadowy, figure in the important decisions that the company makes—conspicuously including the most important decision of all, when and how to terminate.

In the postwar period a Dawes protégé, Rawleigh Warner, became Pure Oil's chief executive. Warner remains as chairman of the company's executive committee, but his position as chief executive has been taken by Robert Milligan, who started with Pure in 1929 and moved up through the financial side of the business. For 5 years Milligan has been struggling to free the company from the influence of Elkins and Warner. Milligan believes that as a consequence of their influence Pure Oil did not become the modern and efficient corporation that he wanted to create. Notably, Milligan thinks that Pure Oil was pursuing too conservative a policy of exploration for oil. For years there was no carefully planned, long-range program of exploration, a management failure that Milligan worked on but, in the end, was unable to correct.

Milligan was successful, however, in negotiating Pure's merger with Woodley Petroleum in 1960 and with Cascade Petroleum in 1961. The first of those mergers brought into the affairs of Pure Oil, and onto its board of directors, a man who now leads the fight against Milligan. He is Jubal Richard Parten, one of the legionnaires of the oil industry, who has organized production, drilling, and pipeline companies and served with an assortment of oil-industry organizations. Parten and Elkins were at the opposite ends of the Texas political spectrum; and an old associate of Parten's, Marlin Sandlin, had been Elkins' opponent in a few legal fights. Parten was obviously slated to play the role of a vigorous dissenter to the ways of Pure's management—a determination that strengthened when Parten, looking around the Pure Oil directors' table, found the average age of his colleagues to be 70. At that time the executive committee of the company was meeting every 2 months; by contrast, the executive committee of Union Oil meets three times a week.

THE COMING STORM

Gradually, the atmosphere of tension grew. Parten became more outspoken in his criticism of the way the company was being run. Milligan's good intentions were spattered somewhat by disagreements with some of his associates, one of whom fired off a letter of resignation that, among other things, challenged the company's accounting procedures. The refineries of the company were in sore need of modernization. Key markets were located in areas that became the scene of gasoline price wars. Pure's crude reserves were found mostly in States where production was controlled in such a way that the company could not draw upon them to meet its marketing needs. And the company was tapping its reserves very heavily where it could do so: it was drawing down about 25 million barrels annually. In order to keep pace, it ought to have been striking the equivalent of a major field every couple of years or so. But despite heavy expenditures, graphically detailed by a Pure stockholder in the colloquy reported below, Pure's explorations were consistently unable to uncover any such voluminous finds.

Still, everything about the company was by no means bad. For one thing, Pure was successful in its discovery of natural gas. It increased its natural-gas production by 14 percent in 1964, and carried that increase over into 1965. It drilled deep wells and struck geothermal steam in the Imperial Valley of California. It has properties there that may be a valuable source of potash and other chemicals.

Most important among the company's strengths, however, were its marketing facilities. It set up a huge system of truck-stop stations—some 285 of them in all—each of which sold an average of about 100,000 gallons of diesel fuel every month, and some of which had sales ranging as high as 500,000 gallons. In well-chosen locations adjacent to the flow of heavy traffic, Pure combined service stations with franchised motels and restaurants.

AN ANGRY EXCHANGE BETWEEN STOCKHOLDER AND DIRECTOR

(This vigorous and intense dialog took place at Pure Oil's annual meeting this year. The dialog was excerpted from a transcript of the meeting.)

Mr. Bird. I just want to know the information and the time on which this board proposes to dispose of a billion-dollar company. Mr. Dilley, are you aware that in the last 3 years Pure has spent an estimated 15 million in Alaska, $25 million in Honduras and Spanish Sahara, Bolivia, Paraguay, Guatemala, and Colombia, and another $8 million recently in the Middle East and has found no oil?

Mr. Dilley. I am familiar with the fact that we have been exploring for oil in these areas. As to the exact amount, I do not know.

Mr. Bird. Mr. Dilley, are you aware of the fact that from 1960 through 1963 Pure spent $250 million in capital expenditures, expenditures for dry holes, exploratory expense, and things of that kind, and only found 72 million barrels of oil in reserve?

Mr. Dilley. I believe those figures are correct.

Mr. Bird. Were you aware of the fact that this means each one of these 72 million barrels of oil cost Pure approximately $3.50 a barrel, or quite substantially more than they could possibly get out of it?

Mr. Dilley. Yes.

Mr. Bird. Were you aware in pretax earnings per share, Pure, as compared with 13 comparable companies, was next to last, or roughly so?

Mr. Dilley. No, I wasn't aware of that.

Mr. Bird. Were you aware that, in crude production per share for this 10-year period, that Pure was last of these 14 companies? In other words, that under the existing management, Pure found less oil than any of its peers?

Mr. Dilley. I am not aware of these figures that you are reciting, but I am aware of the unfavorable record.

Mr. Bird. Now, my final question, sir. Why does a man of your standing desire to continue as a director of a company whose management has produced records such as I have just indicated?

Mr. Dilley. I have great confidence in this company.

THE FRIENDLY OVERTURE

Those appealing features of the company, combined with the spreading knowledge of its operating and managerial difficulties, made the company both desirable and vulnerable to big-time bidders. First of them was Loeb, Rhoades, which had acquired about 800,000 shares of Pure's common stock at between $30 and $40 a share. Initially, Loeb, Rhoades' overture took a friendly form: Late in 1962, a couple of the firm's partners indicated to Pure's management their interest in improving the company's performance, with an eye to the possibility that Loeb, Rhoades might be represented on the company's board. The response, which came principally from Rawleigh Warner, was cool. Loeb, Rhoades pressed more vigorously. Warner and Milligan finally offered Loeb, Rhoades a single seat on the board; Loeb, Rhoades turned down the offer, insisting on two seats.

During these moves and counters, the performance of Pure continued to decline. Its 1963 earnings, as reported to the shareholders, were disappointing, and the first quarter of 1964 showed the worst results in 20 years. Heavy and fruitless commitments for oil exploration were continually being made. Price wars also were draining off profits.

Just at that moment, Loeb, Rhoades made its effort to acquire Pure's assets. The Wall Street firm stitched together the syndicate that included Allied Chemical Corp. and Consolidation Coal Co., and that made the $600 million offer for Pure's assets. That figures out at $12 to $20 above the range of Pure's common stock per share in the first quarter. The offer was followed within a week by another from Crichton & Co., a Texas oil-engineering firm, allied with some Du Pont family interests, which came to about $65 a share. Other companies and groups rushed to prepare offers of their own.

For Pure's management these sudden moves carried with them a shock of recognition. The men running the company had to face the fact that the curious and complacent years were ended. Their reaction took two forms: Publicly, they defended the company's prospects and potential, but privately they tried to work out a merger of their own choice rather than accept one that might be forced upon them from the outside. The top men—influenced by views of prestige and company dignity that stemmed from the Dawes tradition, carried on by Elkins and Warner—resolved to sell only under what they regarded as the proper conditions: They wanted to pick the buyer, and work out the terms of sale in their own way. Above all, they wanted to fend off what they chose to regard as a raid or takeover of Pure.

Looking at Loeb, Rhoades' offer, Milligan and Warner did not relish the thought that their company might be acquired by a team of smart eastern financiers. So, after a meeting of the board of directors, the board—over the dissent of Parten, the director friendly to Loeb, Rhoades—announced that it could not give a formal response to any bids until a special study of the company's crude reserves was completed. That gave the management a 4-month breather. In that period Milligan gave a masterful performance showing how a determined chief executive, representing a very small fraction of the company's outstanding stock, can frustrate the desires of even the biggest and most sophisticated shareholders.

Some of the bidders withdrew their offers for reasons that were largely based on their own estimates and internal situations, rather than because of the reception that they got from Milligan. Crichton-duPont, for example, drew back, some sources say, because their study of the company demonstrated it to be a viable entity that should be operated instead of merged—a conclusion quite different from the one that Pure's officers had come to. Hercules Powder apparently feared that in any merger the low price-earnings ratio of Pure's common stock (14 to 1) would bring Hercules' stock down from its 22-to-1 level, and it withdrew. Texas oilman John Mecom found, among other things, Pure's accounting practices worrisome, and moved off the scene.

Others, however, were discouraged by Milligan's adamant stand. A favorite device that Milligan used to keep off bidders he thought of as undesirable was his insistence that no offer should hinge on borrowing funds against Pure Oil's assets. Milligan argued that such an arrangement would have meant a yield in cash to Pure's stockholders, and the cash would be immediately taxable; he felt that the shareholders ought to have an alternative besides that kind of settlement. Others point to the fact that Milligan and 104 other members of the Pure management had options on 135,500 shares of Pure stock—options that would have expired in any cash liquidation, but that would be preserved by a stock-swapping merger. Milligan contends that his stand was not influenced by his option holdings, asserting that some potential buyers offered him compensatory benefits in the event of a sale.

In any case, for whatever reasons—and there seems to have been a combination of them—Pure's management rejected the first Loeb, Rhoades bid. And the management clung to that rejection even when Loeb, Rhoades, heading a new syndicate with Lazard Freres and Lehman Bros., raised the offer to $62.50 a share. This group then indicated that it might go even higher if it could examine detailed geologists' reports on Pure holdings, but those reports were never forthcoming. An offer by Atlantic Refining was turned down by Pure's board, according to Milligan, because the convertible preferred stock it offered had too low a conversion rate into common and the $2.95 divided was noncumulative. As another reason, Milligan presented the Pure board with an opinion from Robert Bicks, former head of the Antitrust Division of the Justice Department and now in private practice, that an Atlantic-Pure merger would violate the Sherman and Clayton Acts. Milligan was unconvinced, apparently, by the distinguished legal opinion cited by Atlantic that any antitrust problems created could be solved easily.

THE UNION WITH UNION

Actually, the candidate that suited Milligan best was one of his own choosing. It was at his initiative that Union Oil became interested, and finally made the offer for Pure that met his specifications—both financially and in terms of the promise of a dignified exit that it held out. Union offered a $2.50 convertible cumulative preferred callable in 5 years at $67 a share, or convertible to 1.3 shares of Union common. And Union proffered to Pure's management two seats on the Union board, one of which was to go to Milligan. Pure's board of directors voted 11 to 1 to accept the offer; only Parten, by now a perennial dissenter, and the company's largest single shareholder, objected.

For a while it looked as though Parten's opposition might be successful. Claiming that Union's offer should be raised by at least 10 percent, he threatened a proxy fight at the April 10 annual meeting. But the threat dissipated when Milligan gave a seat on Pure's board to an associate of Parten's. On April 29 a formal contract to recommend the merger to the shareholders of both companies was signed by Union and Pure Oil.

HERE COME THE ACCOUNTANTS

Even so, more complications followed. The Securities and Exchange Commission, noting that there might be a contest for proxies for or against the merger proposal, put a ban on all statements by those advocating or proposing the merger. It also forbade any copies of the transcript of the meeting of Pure shareholders to be sent to other shareholders. This unusual step not only prevented Pure shareholders from enjoying some delightful dialog, but also from gaining an understanding of some of the company's odd accounting moves of the previous years.

Oil-industry accounting, even in the most tranquil circumstances, is difficult to grasp. One of the leading critics of the industry's accounting methods, Leonard Spacek, who ironically is also senior partner of Arthur Anderson & Co., Pure's auditor, says they tend to confuse rather than inform shareholders. (He cites as a glaring example the fact that the major asset of any oil company—its reserve of crude—is not even included in any report.) But so long as the accounting profession and the SEC approve these practices, Spacek defends the right of the oil companies, including Pure, to use them.

Oil companies get special tax advantages from depletion allowances, intangible development costs such as geological surveys, and certain other considerations. Those advantages permit an oil company to run up some sizable profits without having to pay taxes on them. In the case of Pure Oil, however, the company over a period of time had accumulated tax credits—an indication of the fact that, even with its advantageous tax position, the company had operating losses for several years. But those tax credits have a life of only 5 years. The credits have no value unless a company is certain of profits in 1 of 5 succeeding years. Most accountants are unwilling to admit that certainty on the balance sheet.

Like some other oil companies, Pure had to realize a profit in order to make use of its tax credits. To show that profit, the company embarked on a series of complex maneuvers known as "carved-out production payments"—which involve the sale of oil in the ground and usually its later repurchase. The intricacies of this exchange of properties have puzzled many a certified public accountant. Its other effect was to enable the management of Pure to show a new and somewhat peculiar asset on its balance sheet, the asset being the company's Federal income-tax-credit carry-forward. In 1964, Pure entered that asset—it came to $9,800,000—on its balance sheet as an asset just as certain to be realized as an account receivable. That a tax-credit carry-forward should be handled in that way—amounting to a declaration of the company's certainty of future profits—was an unusual accounting step. Knowledgeable people in the field have a hard time recalling any other large public company's handling the item in a similar way. The uncommon nature of the item was not flagged for special attention in the 1964 annual report.

Besides the "carve-out," Pure made other bookkeeping changes. Back in 1961 it switched its policy on exploration costs. Instead of charging off 100 percent of exploratory costs every year, it decided to charge off only 70 percent and capitalize 30 percent, since its rate of successful discoveries ran at about that ratio. The result was a $2,600,000 increase in income, a change that both management and auditors now agree was "material" enough to have warranted an explanatory note. In 1963 the management also wrote off $24 million worth of nonproductive foreign properties. Then it promptly offset these charges by realocating reserves set up for replacement of refineries and other properties. This reassessment also squeezed out an additional $3,600,000 of income.

THE END WITH ASHLAND

Union Oil, even after it understood the intricacies of Pure's accounting, still stood by its offer. At the last moment, almost a month after Pure and Union had signed their contract, Ashland Oil & Refining, allied with the moneyed H. L. Hunt, made public a conditional bid of $70 per share for Pure. This bid, if Pure's debt was assumed by Ashland, put an $800 million tag on Pure's assets. But the present offer seems too late and too complex to upset the Union-Pure arrangement. Like many of the other bids that now belong to history, it is opposed by the members of the board who control Pure's fate.

Really, only two hurdles remain. A decision by a great number of Pure stockholders to insist on their right to cash rather than Union stock in payment for their shares—an eventuality not impossible in view of the current uncertainties in the stock market, but still not probable—could change things. And uncertainty remains about the attitude of the Justice Department toward what would be the largest merger in the history of the U.S. oil industry. Pure and Union have both supplied the Justice Department with a mountain of information on the proposed merger, but have no inkling yet of what the Department's opinion will be.

As it now stands, Union's issue of stock would rank as the largest offering of preferred stock in the history of Wall Street. Some experienced Wall Streeters question how the market for so large an issue would behave. But Union's management, despite some recent and dramatic changes at the top, has succeeded in increasing its profits by an average of 18 percent for each of the past 4 years. It has made important oil and gas discoveries in the Louisiana area, and in Australia. It has made some breakthroughs in refining that added luster to its reputation for research. Viewing the prospect of Union, stretching from coast to coast, after the Pure acquisition, its present president, Fred L. Hartley, thinks he sees plentiful blessings to come. If they do come, they will have had one of the strangest prologs in the history of U.S. business.

PROPOSAL TO REPEAL SECTION 14 (b) OF THE TAFT-HARTLEY ACT

Mr. UDALL. Mr. Speaker, I ask unanimous consent that the gentleman from Georgia [Mr. MACKAY] may extend his remarks at this point in the RECORD and include extraneous matter.

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

There was no objection.

Mr. MACKAY. Mr. Speaker, the proposal to repeal section 14(b) of the Taft-Hartley Act has attracted the interest of many citizens of the Fourth Congressional District of Georgia, and, I am sure, throughout the Nation. I have received many letters from citizens who want to examine the arguments for and against the repeal of this section. Now that the Committee on Education and Labor has made its report setting forth the views of the majority and of the minority, I have requested the Legislative Reference Service of the Library of Congress to digest the committee report.

I include this digest in the body of the CONGRESSIONAL RECORD for the convenience of those who wish to examine arguments on both sides of this controversial question:

DIGEST OF HOUSE REPORT NUMBER 540

MAJORITY REPORT

The Committee on Education and Labor of the United States in House Report No. 540 reports to the House and recommends for passage H.R. 77, 89th Congress, to repeal the provision of the Labor-Management Relations Act of 1947 that permits States to enact "right-to-work" laws which prevail over the National Act. Other technical changes are made to the act to make it conform to the repeal of the pertinent section, section 14(b).

The committee purpose is stated to be "to establish a uniform Federal rule governing union security agreements." Such agreements are arrangements which require that all employees in a bargaining unit represented by a union either belong to that union or contribute financial support as a condition of acquiring or retaining employment. Among such arrangements are the closed shops, under which one must be a member of the union to obtain a job in a unit covered by the agreement, the union shop, under which one need not be a member of the union to obtain a job but must join within a specified time after beginning work, and the agency shop, under which one need not join the union but must pay to the union the equivalent of the initiation fees and dues required of members.

Unions have traditionally sought to strengthen themselves by obtaining the strongest possible union security agreement from employees. The national labor laws have affected this tradition in two principal ways. First, the law provides that the union must represent all the employees in the bargaining unit regardless of the membership or nonmembership of individuals. This has given rise to the "free rider" argument, to the effect that those employees who do not join the union or at least contribute financially to it nonetheless obtain the benefits, in terms of wages, vacations, and the like, that the union gets by bargaining, while these employees contribute nothing in return to the union. This argument now forms the underlying rationale of the arguments in favor of some form of union security arrangement.

Second, the national law has affected the union security tradition by severely limiting the form and effect of the agreements which may be entered into. The closed shop is outlawed. Employers and unions are allowed to negotiate agreements under which "membership" in the union within 30 days of beginning employment or of the date of the agreement, whichever is the later, may be made a condition of employment. The language is drafted in terms of the union shop arrangement and that is what these are normally called.

But the act goes on to place limitations on the arrangement. First, the employer may not discharge an employee for nonmembership in the union unless the union is open to the employee on the same terms and conditions as it is to everyone else. Second, the employer may not discharge an employee for nonmembership in the union if he has been expelled from the union for any reason other than failure or refusal to tender the initiation fees and dues required of everyone uniformly and which the act forbids to be "excessive." In effect, then, the only conditions of "membership" in the union which affect an employee's job status is the condition that he pay the original initiation fee and that he pay his periodic dues. The "union shop" then more closely resembles the "agency shop."

Another limitation is that if 30 percent of the employees in a unit covered by a union security agreement petition the National Labor Relations Board for an election to revoke the agreement, the Board will hold a vote by secret ballot and a majority of the employees can then nullify the agreement.

The Labor-Management Relations Act of 1947, and its union security provisions, cover all industries in interstate commerce. But in section 14(b) of the act, it is provided:

"Nothing in this Act shall be construed as authorizing the execution or application of agreements requiring membership in a labor organization as a condition of employment in any State or Territory in which such execution or application is prohibited by State or Territorial law."

The quoted language changes the normal rule that when Congress constitutionally legislates on a subject, the Federal statute is controlling and prevails over any conflicting State law. All other provisions of the Labor-Management Relations Act accord with the usual rule, but section 14(b) says that if a State passes a law prohibiting any form of union security arrangement permitted by the national act, the State law will be applicable. The converse is not true. If a State authorizes a closed shop—as does New York and California—which is prohibited by the national act, the State law is not controlling.

Presently, 19 States have passed laws which prohibit union security agreements between employers and unions and one other State has such a law which applies only to agricultural workers. These laws are called "right-to-work" laws by their proponents, although the term is disputed by their opponents.

The present bill, H.R. 77, would invalidate these laws. As the report says:

"The committee is satisfied that whatever may have been the basis for the exception in the case of union security to the usual rule that Federal law prevails over conflicting State law, there is no longer sufficient reason to justify its continuation."

The majority of the committee couches its rationale for repeal of section 14(b) in terms of the integral role in collective bargaining that considerations of union security plays. Since enactment of the National Labor Relations Act in 1935 and the Labor-Management Relations Act in 1947, more and more subjects have been included in the area of negotiation of labor-management agreements, such as vacations, subcontracting, insurance, profit-sharing, in addition to the traditional subjects of wages, hours and working conditions. In negotiation on all of these subjects, there is considerable give and take as befits the concept of bargaining. In all these negotiations, union security naturally plays a paramount role in the minds of the union negotiators. Where union security agreements are lawful, these thoughts find outlets in bargaining over whether to have such an agreement and, if so, on its terms. Where such agreements are unlawful, these thoughts must play a more tangential role and find expression indirectly upon lawful subjects of bargaining. Thus, opportunities for friction and unrest are either encouraged or allayed by the presence or absence of "right-to-work" laws.

Closely related to these considerations is the range of Federal regulation of the collective bargaining relationship, both in terms of actual statutory provisions and in terms of administrative and judicial interpretation and application of the statutes. Such subjects as organizational and recognitional picketing, union elections, restrictions on union discipline of members, restrictions on internal affairs of unions, and elaboration of mandatory and voluntary subjects of bargaining have come more and more into the purview of the government.

Many if not all of these subjects are related to the union security issue. To elaborate on just one, the matter of the regulation of picketing has been a particularly controversial one when the States with "right-to-work" laws have attempted to regulate or to prohibit picketing which had, or was alleged to have, the object of instituting a union arrangement in an industry. Numerous court decisions testify that here as with other issues, union security cannot be treated as an isolated and separate issue which a State may treat wholly apart from all other matters.

Too, the majority of the committee is concerned about the conflict between States and between sections aroused by attempts to promote "right-to-work" laws on the grounds that the State with such a law will better be able to attract industry from unionized States with promises of weak unions, low wages, low labor costs—in other words, a "favorable business climate." These campaigns have aroused bitterness and controversy.

In addition, within each State in which a law has been enacted or in which a campaign has been conducted, bitterness between citizens has been aroused.

The report says:

"To permit States to compete for industry on the ground that they will keep unions weak and wages low is contrary to the basic principle established in 1789 that this country must constitute an economic whole. To that policy, and the large internal market which depends on it, economists ascribe America's phenomenal economic growth and prosperity."

The commitee majority further states that to the extent that section 14(b), and the "right-to-work" laws enacted pursuant to the authority contained in section 14(b), contributes to inferior wages and working conditions in some States, it is quite contrary to the principle of national legislation.

The report concludes with a restatement of the principle that the national law should be supreme, that section 14(b) is the sole exception to this principle in our labor laws, that there is no reason to justify this exception, and that national uniformity should be accomplished by repealing section 14(b).

FIRST MINORITY VIEWS

Four members of the committee submitted a minority report totally and unequivocally opposing the repeal of section 14(b). Their views are couched in terms of compulsory unionism and its detrimental effect. The States should continue to regulate this area because the abuses of compulsory unionism are made known to the individual worker at the local level; therefore, essentially local problems are created which may vary from place to place and State to State, and which should be better met by the individual States. There is nothing that makes the subject a "national problem."

An alternative way of reducing the conflict which the majority is concerned about is to enact a national right-to-work law, rather than to make compulsory unionism a national policy. Other free countries outlaw compulsory unionism, and it is anomalous that the United States does not also, in view of our commitment to freedom.

Compulsory unionism is bad because it interferes with the free choice of workers and forces associations and commitments that the individual may prefer to avoid. It clothes a private association with governmental power to tax and require conformance to privately promulgated rules and regulations.

The argument that "right to work" laws restrict the freedom of contract of employers and unions is true, but irrelevant, since the freedom to contract is restricted by numerous other provisions of Federal labor law, most of them sought and defended by unions and other opponents of "right to work" laws. For instance, Federal law prevents an employer and his employees from contracting that they will not join a union; an employee's right to contract out some of his work and to go out of business is restricted by Federal law and interpretation of Federal law. Federal law restricts and regulates the subjects about which employers and unions are required to negotiate.

It is not these restrictions that proponents of repeal of section 14(b) want to do away with; it is only the restriction on the "freedom" to contract away the liberties of individual employees that they are interested in doing away with.

The majority rule argument is also without merit. In the first place, it disregards the fact that we do not have and never have had untrammeled majority rule in this country; it has always been tempered by considerations of minority right. Individuals have basic rights which the Government may not take away, even though a majority may want to do so. Should the Government clothe a private organization with the power to do so?

The majority rule argument is based on a second faulty conclusion. It is premised on the argument that a majority of the employees in a unit have freely decided to have the union representing the employees negotiate for a union security agreement. The available evidence is that compulsory unionism is seldom instituted this way, that usually the agreement is demanded and obtained by union negotiators without ever consulting the members.

The "free rider" argument assumes that employees do not join unions, because they want to avoid paying dues. The evidence indicates that some employees are forbidden by their religious convictions to join unions, that they object strongly to the fact that the union leadership is spending their dues money for political and social causes to which they object. The obverse of the "free rider" matter is that a coerced union member is a "captive passenger," because he may be having his money spent on causes he totally abhors.

If the union is conducting itself properly and serving its members well and effectively, it need not compel people to join. If it is doing a bad job, the union is not strengthened by such compulsion, but the cause of individual freedom of workers is damaged.

All the available evidence does not substantiate that "right-to-work" laws are "bad" economically for the States that have them; indeed, statistically, these States are faring better than States that do not have them. In any event, the argument of the proponents of repeal is without support.

Some would repeal section 14(b) if protective provisions are written into the act. But these provisions are the wrong approach. Say the dissenters:

"These abuses are made possible by the very existence of compulsory unionism, and they cannot be dealt with by patchwork corrections which leave the source of the problem undisturbed."

The problem is compulsory unionism, and its regulation should remain with the individual States.

SECOND MINORITY REPORT

Four additional members of the committee filed the second report which is for qualified repeal of section 14(b). The members note that it has been national labor policy since enactment of the National Labor Relations Act in 1935 to leave to the States power to prohibit or limit union security arrangements and that 12 States had done so before section 14(b) was inserted in the 1947 act. These members would not now take away the power of the States unless Congress at the same time enacted adequate safeguards for the rights of workers.

The report sees merit in the argument for a uniform national policy permitting a limited form of compulsory unionism. At the same time, it is recognized that union security agreements do place restrictions on individual freedom of choice. Both considerations must be kept in mind.

The Government has rightfully asserted in the last few years the power to legislate in regard to the internal affairs of unions and the relationship of union members to the union. This power becomes even more desirable of assumption and effectuation when the Government legislatively grants unions the power to compel membership and the payment of support money by those who prefer to remain nonmembers. When an employee's job depends upon how the union carries out the power granted to it, Congress must insure against abuse of that power.

Present laws do provide some protection. But they are weak and the administration of them has weakened them still further. Their most important function, therefore, is that "they firmly establish the principle that the Federal Government has a legitimate concern in the proper functioning of labor unions, particularly in their relationships with employees and union members, and an obligation to implement its concern in appropriate legislation."

If the power to compel payment of fees—in effect, the power to tax—and power to regulate behavior granted to unions is analogous to the power of government, as it is in a certain sense, then equally analogous are requirements that protect individuals which are applicable to government. These dissenting members would have such requirements enacted.

The first amendment would make it unlawful for a union with a union security agreement to deny, limit or restrict membership or any right or privilege of membership or participation in any apprenticeship or training program on account of race, color, religion or national origin.

The amendment is needed because present laws, including the Civil Rights Act of 1964, while generally applicable, do not afford the greater protection and higher standards necessary when a union may require membership as a condition of employment.

To repeal section 14(b) without such an amendment would restrict the employment and training opportunities of Negroes and other minority groups.

The second amendment would have made it unlawful for a union with a union security agreement to use, directly or indirectly, any portion of dues, assessments, or other moneys collected from members for political purposes or for any other function not directly related to the function of collective bargaining. The amendment would not prohibit use of such funds for lobbying and related activities to promote or defeat legislation directly relating to collective bargaining purposes and the union could maintain a separate fund for voluntary contributions to use for political purposes.

The amendment is needed because, while it may be true that employees who receive the benefits of a union's collective bargaining should contribute to the union's support, it does not follow that they should be required to contribute to all sorts of extraneous causes in which the union may engage. To require an employee to contribute to such causes at the point of losing his job if he does not would be an abuse of power and a derogation of individual rights.

The decisions of the Supreme Court on this subject, while establishing a principle, which this amendment would effectuate, have not established an effective remedy. The amendment would take care of this.

The third amendment would make it unlawful for a union with a union security agreement to fine, suspend, expel, or otherwise penalize or threaten any member for exercising or threatening to exercise any legal or civil right guaranteed by the U.S. Constitution or Federal law.

If the amendment is not enacted, employees who are forced to join a union or lose their jobs will always be under a threat of some sort of discipline by exercising the right of free speech, of petition, of suit in court, of engaging in political activities contrary to the prevailing orthodoxy in the union, or for any number of other things. In other words, the coerced members will be relegated to second-class citizenship. It is true that an employee so disciplined may not be fired from his job—that eventuality being reserved only for nontender of dues—but he is subject to monetary fine for which the union can sue. He can be expelled from the union and have no say-so on how it is to be run or how his money is to be spent. There are all sorts of penalties short of being fined to which he can be subjected.

In trying to insure that the union will be financially supported, we should not give them such additional power over people.

The fourth amendment would exempt from requirements of union security clauses those people whose bona fide religious principles prevented them from joining unions. These people belong to such groups as the Seventh-day Adventists and the Mennonites. Numbers of them have lost jobs rather than sacrifice religious convictions.

Surely, our recognition of the importance of religion and conscience, which we recognize in our conscientious objector provisions of our draft laws, and other laws, should govern us here.

The fifth amendment would tighten up the present law to assure that any union entering into a union security agreement did clearly represent a genuine majority choice of the employees in a bargaining unit. This would be done by requiring a National Labor Relations Board supervised election on the question.

Since the proponents of repeal argue so much about the principle of majority rule, they should not object to this amendment.

The sixth and last amendment would guard American workers against the possibility that their dues might be used to strengthen Communist dominated organizations. No Federal law presently prevents Communists from dominating unions.

Therefore, the amendment would make as a condition of entering into a union security agreement that the union officers execute an affidavit to the effect that they are not Communists or members of Communist organizations.

The need for the amendment is obvious and it should be adopted.

JOHNNY H. KILLIAN,
Legislative Attorney,
American Law Division.

JULY 15, 1965.

ONE MAN, ONE VOTE

Mr. UDALL. Mr. Speaker, I ask unanimous consent that the gentleman from Michigan [Mr. O'HARA] may extend his remarks at this point in the RECORD and include extraneous matter.

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

There was no objection.

Mr. O'HARA of Michigan. Mr. Speaker, when both houses of Michigan's State Legislature were reapportioned last year on the basis of the one-man, one-vote principle enunciated by the U.S. Supreme Court, we in Michigan knew we were in for a change. But how much of a change, we were not sure.

Now we are sure. Michigan's reapportioned legislature has completed its first 6 months, and it has compiled quite a record. Whether one agrees with its accomplishments or not, there is rather general agreement that Michigan's "new look" legislature has been one of the most productive in decades.

In the words of the Grand Rapids Press:

Michigan's first one-man, one-vote legislature carved a big place in State and National history books during its first 6 months.

An article, which appeared in the June 27 issue of the Grand Rapids Press under the headline, "Legislature Is Most Productive in Decades," pointed that the current Michigan Legislature reflects "for the first time the importance and size of the suburbs."

Mr. Speaker, the article from the Grand Rapids Press discussed in some detail the record of the first 6 months under Michigan's one-man, one-vote legislature. Because of the timeliness of this article—appearing at a time when the Congress is again discussing apportionment of State legislatures, I hope all Members will take a few minutes to read it. I believe the article represents a rather convincing argument against tampering with the one-man, one-vote principle in the apportionment of State legislatures.

The article follows:

LEGISLATURE IS MOST PRODUCTIVE IN DECADES—SPENDING RECORDS SET IN BIGGEST SURGE OF LAWMAKING SINCE 1930'S

LANSING.—Michigan's first one-man, one-vote legislature carved a big place in State and National history books during its first 6 months.

It passed more major legislation than any since the 1930's and set new spending records. It broadened and increased State services, protection and benefits for the schoolchild, the worker, the oldster.

It was controlled by Democrats but most votes on major bills were bipartisan, and many measures passed with near unanimous support.

Biggest bipartisan achievement of the session was near unanimous approval of reorganization of the State's 145 sprawling departments, agencies, boards and commissions into 19 principal departments under 12 directors and 7 commissions to be appointed by the Governor. This was the achievement most observers said couldn't be done in this session.

It was the first American legislature fully reapportioned under court orders for districts of population as nearly equal as may be to complete the work of a regular session.

Michigan's 73d Legislature, it reflected for the first time the importance and size of the suburbs; it broke precedent; it literally took over the ground floor of the capitol for its own offices and committee rooms, and sometimes obscured its many solid accomplishments with furious argument or self-serving acts. An example is house passage of the $5,000 legislative pay raise which provoked a storm of criticism and was put in cold storage by the senate.

Biggest fault Republican Governor Romney could find was Democrats were not ready to reform the State tax system (on an income tax cornerstone) and they dipped deeper into the bulging State money surplus than he wished.

Neither Romney nor the Democrats would propose a specific tax revision plan, so the argument ended in a draw. However, Romney got from the legislature most of what he asked and his stature as a presidential possibility was not harmed by the Democrats.

The 110-member house of representatives with 56 rookies was the hotbed of change, the laboratory of social planning, the great debating ground for new ideas such as State approval of birth control.

The senate was the balance wheel with conservative Democrat Garland Lane, of Flint, at the helm of the finance committee. The senate changed the hastily written house bill for senior citizens' tax relief, and killed the house's plan to change the business activities tax into a profits tax even more burdensome to small business than "BAT."

Here is what the legislature did in the major areas that affect the daily lives of almost 8 million Michigan citizens:

BUDGET—STILL SOARING

State spending of all kinds will be more than $1,700 million or enough to pay off 17 "Big Mac" straits bridges. This includes the so-called "earmarked" funds like highway money, Federal grants in aid, etc., as well as the general fund budget which is the one the Governor and legislators really write.

The general funds budget for the fiscal year starting July 1 is another new record. Governor Romney recommended a $788,500,000 total, the legislature has appropriated $820,600,000 and Controller Glenn S. Allen, Jr., says implied spending in nonbudget bills will raise this to an actual $824,600,000.

Biggest single item is the State school aid guarantee of $456 million, which is $71 million more than last year and $36 million more than Romney asked.

Next biggest item is almost $190 million for higher education including the community colleges. Romney recommended $184,600,000 and legislators tacked on $4,900,000 earmarked for salary increases, $1,200,000 for additional students and $750,000 for a bigger aid formula ($275 per pupil) to the mushrooming community colleges.

Other big items are mental health and public welfare, each more than $100 million for the first time in history. The welfare boost, when unemployment is low and jobs plentiful, drives home the point that the "hard core" of unemployables, the aid to dependent children program and medical aid to the aged are costly and growing in size all the time.

Public safety and defense, including State police, went over $30 million for the first time, and prison and corrections system cost went over $20 million for the first time.

Only cut in the Governor's recommended budget was in capital outlay or State building program. Romney asked $67,300,000 and the legislature trimmed the total to $63,500,000. But $4 million in new building is simply deferred to the next calendar year.

Most of that $4 million will be construction on college campuses which cannot be started until early next year.

Education will get the biggest chunk of the capital outlay appropriation, to start new, or finish old projects.

A total of $31,904,978 is set aside for new projects, of which $3 million will go to the University of Michigan for a dental building, a health-science and medical-science unit.

In addition there is $5,205,593 for remodeling of college and university buildings.

Being made available is $26,200,000 to continue construction of the State capitol area development. It will allow construction of two general office buildings, one four stories high, the other seven; a four-story highway department office building, and a two-level parking structure.

New construction at mental-health facilities will get $6,288,000. The welfare department will receive $2,387,250, the bulk of it ($2 million) to continue construction of the W. J. Maxey Boys' Training School at Whitmore Lake.

The conservation department will get $2,544,000, most of that for land acquisition and development of existing facilities.

EDUCATION—THE BUDGET GIANT

Besides appropriating more than ever for education at all levels, the legislature expanded the system and launched new programs within it.

It authorized a 4-year branch of the University of Michigan at Flint (now 2 years); it authorized new Saginaw Bay State College. It passed a law requiring the State to provide to parochial schools all the auxiliary services now provided to regular school districts. These services include everything from remedial reading instruction to street crossing guards, and initial cost is estimated at $1,500,000 but probably will go much higher. Constitutionality of this has been questioned by some critics.

The $456 million payout to school districts includes about $50 million for the special education programs, and results from a revised school aid formula weighted to aid districts poor in taxable property. All districts that now receive State aid will get at least a 7-percent increase but the poorer districts will get considerably more.

The State budget also includes a separate item of $68 million for the teachers' retirement fund, although this still is not enough to meet the new State constitution's requirement to pay in each year the retirement obligation incurred that year. In a few years this will raise a big budget problem.

The community college formula of $275 per student for an estimated 40,000 students, is up from $236.50. Estimated actual total cost is about $600 a year, with local support and tuition payments making up the difference.

LABOR ALSO HIT A JACKPOT

Labor won major goals, notably through revision of the unemployment benefits system and workmen's compensation for job-connected injury and sickness. Also passed were changes in the Hutchinson and Bonine-Tripp acts that restrict right of public employes to organize and bargain. State AFL-CIO President August Scholle says the acts would be virtually repealed. But public employees still could not strike.

The new jobless pay law will make about 100,000 more workers eligible by including all employers, not just those with 4 or more employees as at present. Weekly benefits while laid off jump from $33 a week to $43 for a single person and from $60 to $72 for workers with five or more dependents.

Cost to employers is estimated at $21 million a year in payroll taxes, if 1964 is used as a gage. If a year of much unemployment like 1958 is used, the cost would be about $80 million.

The new act drops the sudden death provisions labor fought since 1947. At present an employed worker who quits or is forced to quit for cause loses his benefits regardless of credit weeks he has accumulated. The new law says only the first 6 weeks may be canceled and the worker may draw jobless pay after waiting 1 additional week.

The jobless pay trust fund from which unemployed draw their weekly checks is maintained by more than 56,000 Michigan employers who are assessed a percentage of payroll. In 1964 the average was 2.6 percent of payroll up to $3,600 a year and this year the tax has averaged 2.4 percent—or about $86.40 a year per worker.

The new compensation law for workers' injuries and job-connected sickness extends coverage to about 100,000 more persons including farmworkers for the first time.

It increases minimum weekly benefits in three steps between now and 1967 to $64 a week, and maximum benefit to $93 a week. Present minimum is $33 and maximum $57, according to number of dependents.

Single workers would get $58 a week September 1, $61 next year, and $63 in 1967.

The $93 maximum would be highest in the Nation except for Alaska's $100. In Ohio it is $49; New York, $65; Indiana, $42; Wisconsin, $64.

Limit of 500 weeks' benefits is eliminated, and injured workers can choose their own doctor after the first 60 days of disability by filing a petition.

Also new is an escalator clause linking benefits to cost of living increases.

Death as a job result will give benefits to dependents for 500 rather than the present 450 weeks and benefits can be extended until all dependents reach age 21.

Farmers with three or more workers will be covered after May 1 next year; if a farmer employs one or more workers for 5 weeks he will be required to pay medical costs in case of injury.

Present ceiling of $10,500 payments for silicosis or dust disease cases has been removed. But if silicosis costs reach $12,500, all costs beyond that will come out of a special fund to which employers will contribute.

Those who have maids, handymen or butlers will come under the law if the employees work 35 or more hours a week for 13 weeks or more a year.

PUBLIC EMPLOYEES TOO

The 1947 Hutchinson Act, which directed immediate dismissal of public employees who go on strike, was overhauled.

The strike ban remains; but without the mandatory firing provision. The act was expanded to give employees of local governments the right to unionize and bargain with public bodies over wages, hours of employment or other conditions of employment.

The measure directs cities, counties, school districts, and other units to bargain and enter into agreements with employee groups. The Labor Mediation Board will administer elections to determine if public employees want to organize.

Another change reduced the workweek for firemen from 73½ hours to 56, effective July 1, 1967.

Machinery to mediate disputes involving hospital or public utility employees was written into the Labor Mediation Act. A ban on strikes by hospital or utility employees was retained—as was the ban on lockouts by hospitals and utilities. However, a $10,000 a day maximum fine for an illegal strike or lockout was eliminated.

TAXES POSTPONED AGAIN

There was much discussion of tax reform, but no action. The next round in the tax marathon will come when the legislature returns in the fall, as promised, and Governor Romney proposes a specific program, as promised.

But the legislature did pass a property tax relief plan for persons over 65 with incomes less than $5,000 and homes with a State valuation below $10,000. The senior citizen can get up to $125 refund on his homestead taxes by filling out an application next year. The average rebate from the State is expected to be $94, and annual cost is from $13,500,000 to $15,500,000, according to the best guesses.

Tax cuts, such as the proposed reduction in the excise on beer, also failed to pass. The existing patchwork system of State taxes continues to pour money into the treasury in amounts that have been increasing every year for the last 3 years.

CONSERVATION BONANZA

Conservationists call this the most productive session in many a year. The conservation department's budget was raised more than $6 million and is a new high of more than $26 million. It got an extra $600,000 for the operation of more park, picnic, and camp sites, and for the first time was authorized to participate in certain Federal programs which can bring in $3 million a year to the State and local communities for outdoor recreational facilities.

The bounty system on the red fox and bobcats—an annual cost of $175,000 without measurable decline in prevalence of foxes—was eliminated.

Wild turkey on a 400-permit basis, quail for a short season November 5–10, will be added to the special elk permit hunting as the list of things to shoot at grows in Michigan. The deer season opener was changed from November 15 to the third Saturday in November for the benefits of weekend hunters, and will come November 20 this year.

The fishing license for persons over 65 will cost only 50 cents instead of $2, in the spirit of making life less costly for oldsters, effective in 1966.

CLEAR, COOL WATER

A water pollution bill with teeth was passed to ban discharge of materials into lakes or streams that would pollute. This is a major change in present law which makes the State prove actual pollution, meaning the damage is done before the State can act. Another provision of the bill prohibits cities, villages, or townships from dumping raw sewage into State waters. The water resources commission remains the policing agency.

A nine-member air pollution control commission was established by a new law—without many teeth. The commission could operate within the health department and adopt rules for controlling or prohibiting air pollution but not in the case of motor vehicle exhaust fumes—which have been shown to be the cause of much air poisoning in Los Angeles.

JUST A LITTLE BIRTH CONTROL

The State got into the birth control business as official policy with two bills. One allows social workers to discuss family planning with persons receiving welfare aid, and refer them to community services for information. The other directs the State Health Department to set up family-planning clinics.

The first bill merely legalizes what some social workers have been doing anyway, but it's the first time it's spelled out in law. Both bills provoked much debate over fundamental issues of religious and social philosophy.

INSURANCE AGAINST OTHER DRIVER

The legislature passed something new in the home of the mass-production auto—the State fund from which to pay for injury and damages by the uninsured driver.

Starting November 1 all drivers would pay $1 a year into the fund and the uninsured driver $25, with revenues expected to reach $10 million a year. A fund director, appointed by the Secretary of State, would be claims manager, and pay out claims up to $10,000 for personal injuries and death, $5,000 for property damage, and the uninsured driver who was at fault would have to pay the money back into the fund, through installments if necessary. If he did not he would lose his driver's license and auto license. There are an estimated 300,000 to 600,000 uninsured vehicles on the road in Michigan.

ELECTIONS MADE EASIER

The legislature passed several measures modernizing or changing the election code. Among the changes:

A person who moves from one State to another can vote for president (only) by absentee ballot if the move cancels his voter registration.

In emergency such as illness a voter can ask for an absentee ballot, after the deadline for applications.

Registration on Sunday or legal holiday is possible by deputy clerks nominated by political parties.

Uniform petitions for election filing have been prescribed and the notarization requirement deleted, but the circulator must still certify honesty and be liable for fraud.

Schools, police and fire stations can be staffed as voter registration points.

Candidates who pay $100 fee rather than filing petitions must do so 3 days ahead of filing deadline.

"Persons over 70 years of age can vote by absentee ballot, if they choose."

Defeat of a Sunday liquor sale bill affecting only Wayne County overshadowed a number of other liquor bills that were quietly passed.

One measure puts $1.8 million of tax revenue into the pockets of Michigan's 2,200 specially designated distributors (SDD) by changing the discount formula used by the Liquor Control Commission.

Another allows the LCC and local units to approve liquor licenses at publicly operated airports in counties of 100,000 or more. The licenses would be over and above existing license quotas.

A House action allows taverns that have operated for at least 5 years to upgrade their licenses to class C (liquor by the glass).

A SMORGASBORD OF OTHER LEGISLATION

The legislature passed many other laws of importance.

Repeal of the old age "lien law" that allowed the State to collect all medical assistance to the aged and old age payments, from any estate left by the person who received the benefits. It yielded only $500,000 a year and was termed a "final indignity" by Gov. Romney.

A bean commission and promotion statute to advertise and raise quality of a product Michigan sells by the thousands of tons.

A ban on cancellation of auto insurance policies solely because the driver has reached age 65.

A ban on denying employment because of age.

Elimination of a requirement that the homestead of an old age assistance recipient be valued at below $6,000 to qualify for aid.

Place 16-year-old traffic violators under the point system.

Require inspection and licensing of slaughterhouses.

THE LATE HONORABLE ADLAI STEVENSON

Mr. UDALL. Mr. Speaker, I ask unanimous consent that the gentleman from Louisiana [Mr. BOGGS] may extend his remarks at this point in the RECORD and include extraneous matter.

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

There was no objection.

Mr. BOGGS. Mr. Speaker, the passing of Adlai Stevenson leaves an ache in the heart of the world. For people everywhere, particularly for the unfortunate of the earth, he symbolized America as the hope of humanity.

My long, close friendship with him was pure enrichment all the way. Someone once said that greatness in a man requires intelligence, courage, and compassion. With all three of these he was abundantly endowed.

All the honors that other men paid him he counted for little. It was the opportunity to help others that counted most with him.

In an age often criticized for its materialism, its callousness and its spiritual rootlessness, his voice was a trumpet calling us back to our ancient faiths and his example was a beacon to guide the wandering and the disillusioned back to their spiritual roots.

Our friend has left us, yet "to live in hearts we leave behind is not to die at all."

As we bid sad farewell to this noble spirit, I think he might well claim for himself the last testament of Mr. Valiant-for-Truth in "Pilgrim's Progress":

My sword I give to him that shall succeed me in my pilgrimage, and my courage and skill to him that can get it. My marks and scars I carry with me, to be a witness for me, that I have fought his battles who now will be my rewarder.

ADVENTURES IN INTERNATIONAL FRIENDSHIP AS PART OF THE PEOPLE-TO-PEOPLE PROGRAM

Mr. HUTCHINSON. Mr. Speaker, I ask unanimous consent that the gentleman from Tennessee [Mr. QUILLEN] may extend his remarks at this point in the RECORD and include extraneous matter.

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

There was no objection.

Mr. QUILLEN. Mr. Speaker, I am proud to take this opportunity today to share with my colleagues and the readers of the RECORD a report of former Mayor May Ross McDowell, of Johnson City, Tenn., entitled "Adventures in International Friendship," together with attachments.

The report is made to the city commission of Johnson City, Tenn.; the city of Guaranda, Ecuador; Bolivar Province, Ecuador, and others interested in town affiliations. It includes some of the activities of Johnson City and its sister city, Guaranda, Ecuador, as a part of the people-to-people program.

This was a most successful undertaking, and it will long be remembered in the hearts of the citizens of both cities, as well as in the hearts of all those who so generously lent a helping hand.

My sincere congratulations to all for such a wonderful job.

The report reads as follows:

ADVENTURES IN INTERNATIONAL FRIENDSHIP

(Report of May Ross McDowell, official representative, Johnson City, Tenn., to City Commission of Johnson City, Tenn.; city of Guaranda, Ecuador; Bolivar Province, Ecuador; and others interested in town affiliations)

Two Johnson City, Tenn., women have returned from a fabulous 10-day trip to Johnson City's sister city, Guaranda, Ecuador, in South America. The preparations which had been made by the sister city were comparable to a reception which might be planned by a big city such as New York for the return of the astronauts.

The trip to the sister city by the two women from Johnson City followed events which began in 1962. May Ross McDowell, then mayor of Johnson City, Tenn., represented her city in the Inter-American Municipal Congress which met in October 1962 in Punta del Este, Uruguay. The municipal officials were entertained at many points en route to Punta del Este including the city of Quito, Ecuador. There had been much talk by the officials up to that point in regard to town affiliation programs and projects under the people-to-people program and Mayor McDowell became convinced that some activity on the part of her city would do a little toward extension of international friendships and contribute something to international peace.

Upon the recommendation of an Ecuadorian attached to the U.S. Embassy in Quito, it was decided to start negotiations toward the forming of a sister-city relationship with Guaranda, Ecuador, as it had been reported that the mayor of that city was the most progressive mayor of any small city in South America. Then began communications with the American Municipal Association, now the National League of Cities, and the mayor of Guaranda. After exchange of questionnaires by the two cities, town affiliation charters were issued to them by the American Municipal Association.

Mrs. McDowell was voted the official representative of the sister-city affiliation by the board of mayor and commissioners of the city of Johnson City, Tenn., as a beginning of activities on the town affiliation program. The official representative appointed a number of committees called the sister-city committees and sent copies of these to the mayor of Guaranda, Ecuador, who then made appointments in Guaranda of people to serve on similar committees. Then began the communications between the committees in an effort to become better acquainted. The affiliation was completed in the fall of 1963.

In October 1964, the Inter-American Municipal Organization was scheduled to hold its 10th congress in Louisville, Ky. Some months before this time the City Commission of Johnson City as well as the sister-city committees had decided that it would be an ideal time to invite visitors from Latin America and especially officials from the sister city of Guaranda, Ecuador. The city commissioners forwarded an invitation requesting that a visit to Johnson City be included in the post-congress tours. They were delighted that the invitation was accepted by 84 officials including the mayor of Guaranda, Ecuador, to come to Johnson City, Tenn.

Many clubs and hundreds of people became active in the preparation for entertaining the guests and the mayor of Guaranda, Ecuador, was honored especially by being presented with the first flag which Johnson City, Tenn., had adopted as its official flag. In addition scrapbooks had been prepared by classes at the East Tennessee State University and by Mayne Williams Library to send to Guaranda to show the people something of the educational, cultural, and industrial background of Johnson City, Tenn. Also a gavel of historic interest was made up to match the gavel used by the city of Johnson City and was presented to Mayor Coloma, of Guaranda. In return the mayor had brought scrapbooks prepared in Guaranda for Johnson City to inform the citizens of that town.

The mayor's visit was the first time that anyone in either one of the two cities had had any personal contacts and it was a thrilling experience. The citizens of Johnson City, Tenn., had entered into the preparations and in the entertainment of the visitors in such a wholehearted way that the report given of the postconvention tour stated that never had there been such a spontaneous, warm, and heart-moving welcome as that of Johnson City, and that the visit to this small inland town and the program which was carried out by the citizens were positive proof of the importance of personal contacts between the U.S. people and those of foreign countries.

The November 1964 issue of the Tennessee Town & City, official magazine of the Tennessee Municipal League, carried a long article on the visit to Johnson City and closed this article with the statement "It was truly a community effort that had been carried out magnificently. Johnson City really did herself—Tennessee, too—proud."

Mayor Coloma, of Guaranda, informed the citizens of Johnson City that soon after his return to Guaranda they would have overseas telephone service. Up to that time Guaranda had a local telephone system only, as it is an inland town isolated to a great extent by reason of mountainous roads. Then began the plan for the second project of the affiliated cities and a time was set up in December 1964 for the first overseas call to go into Guaranda and this was done with the cooperation of the Inter-Mountain Telephone Co. of Johnson City, Tenn. Assembled at city hall were all of the city officials, students with messages in Spanish, other students with songs to sing in Spanish, and several translators. The call went through as scheduled to the mayor and officials of the city of Guaranda.

The March 1965 visit to Guaranda by May Ross McDowell, the city's official representative, and Miss Ada Strong, teacher of Spanish at the East Tennessee State University of Johnson City, Tenn., was simply fantastic. En route to Ecuador a stop was made in Bogotá, Colombia, where word had been received that the two visitors would be en route to visit the sister city, and they were welcomed with flowers and hearty greetings by officials of the Colombian Municipal Association and also by the mayor of Bogotá. After a short stop in Bogotá, they flew to Quito and there were met by every member of the Council of Guaranda as well as by many officials of Quito. The Council of Guaranda had traveled over winding mountainous roads in a hard 6-hour drive to reach Quito. With the council were many of the wives and friends. After an informal reception, the people of Guaranda returned home and the visitors spent 2 days in Quito.

They were graciously received by the president of the Council of Quito, and a reception was given in their honor to which were invited many of the outstanding people in Quito and representatives from the U.S. Embassy.

Following the 2 days of entertainment in Quito the Tennessee visitors, accompanied by friends who had visited in Johnson City the preceding October, drove to Guaranda.

The party from Quito was met about 3 miles from the town of Guaranda and the entry into the town might best be described as a triumphal entry of some hero or emperor. It was an almost indescribable experience for the two women from the east Tennessee hills. Guaranda, capital of the Province of Bolivar, is a city of approximately 15,000 and the main town in the Province of approximately 135,000. All of the schools of the Province had been closed; the children lined the roads; and there were many stops before reaching Guaranda, where flowers were presented and welcomes in both Spanish and English given by officials and students. The Stars and Stripes and the flag of Ecuador with honor guards and escorts were waiting at the edge of town and then began the walk to the city hall where a solemn session was held with new signing of affiliation agreements painted on parchment with heroes of the United States and of

Ecuador painted thereon. From the first ceremony every minute of 2 days' time from early morning to midnight was packed with receptions, festivals, and activities showing the history, traditions, and dreams of the people.

The visitors participated in laying the cornerstone for a new public health building; in the dedication of a technical high school; reviewed parades in two towns in the Province of Bolivar; spoke on radio and at six high schools in the Province; and were entertained by several organized groups in the town, including the Artisan Society and the Choferes Union.

Guaranda is located on a plateau at 9,000 feet and is overshadowed by the fourth highest mountain in the world, Chimborazo. The main crops are wheat, potatoes, and corn. Agriculture is the main source of income. Transportation facilities are limited to trucks and cars and only good drivers can manipulate the mountain roads. The soil is fertile and the scenery beautiful, being green all down the sides of the hills. The water power would be tremendous if the mountain streams were harnessed.

The noble character of the people has evidently been acquired from living so close to the majestic mountains. Education and progress seem to be the aims of everyone. The experience of meeting such people in the heart of Ecuador was truly a rare one.

After 2 days the party left Guaranda and were driven down the mountain to Guayaquil, Ecuador's seaport town. There they were surprised by a reception of people who had migrated from the Province of Bolivar. They were also received by the president of the Council of Guayaquil and put on the plane for home by these new friends.

In the June 1965 issue of the American City, this national magazine carried another long article on the visit of the Latin American visitors which was referred to as "an intercontinental handshake." This article also referred to the telephone exchange between the sister cities in December 1964 as well as the visit of May Ross McDowell and Ada Strong, teacher of Spanish at East Tennessee State University, to the sister city in March 1965. The article summed up the exchanges in the following manner:

"These events are part of a relationship which is proving that successful city affiliations are not limited to big cities, nor frontier cities, nor ports, nor those with a large foreign element. On the contrary, Johnson City's experience indicates that citizen interest and participation couldn't be better although the city is inland, its population 95 percent native born, its size under 50,000, its everyday interest purely local, and its economy not aimed at overseas markets."

The exchange of visits has awakened the citizens of both communities to development of interest in world affairs. As a next step in inter-American friendship the Johnson City Business & Professional Women's Club extended an invitation to a young lady who teaches English in a high school in Guaranda to visit Johnson City, at the expense of the club, and join a group in a trip to Washington, D.C., to attend the International Federation Congress of Business & Professional Women's Clubs. This young lady was contacted when the two Johnson Citians visited Guaranda, and she has been elected a member of the local club until such time as a club may be organized in Guaranda. A scholarship for a graduate of the high school to the East Tennessee State University at Johnson City, Tenn., is also in the formative stage.

Other civic groups have started planning what they may do to further friendships with people in Guaranda and it seems assured that another group will visit there this year, and enter a sister-city float in the Quater-Centenary Celebration in Quito.

A sister-city display may be seen at city hall of gifts brought from Guaranda, and this tends to extend the interest of the people beyond the bounds of local affairs.

The obstacles which face our National Government in dealing with other countries are not encountered in the exchange between individuals. Friendships are formed, problems are discussed sympathetically, and mutual respect and understanding result. Each day in Johnson City, Tenn., the people-to-people program is becoming more realistic and part of the responsibility of each citizen.

(NOTE.—Attached are following reports on the exchange of visits:

(1. Report of Mr. Mario Bermudez, Deputy Secretary General of the Inter-American Municipal Organization.

(2. The November 1964 issue of Tennessee Town & City, publication of Tennessee Municipal League.

(3. The June 1965 issue of the American City.)

REPORT OF MR. MARIO BERMUDEZ, DEPUTY SECRETARY GENERAL OF THE INTER-AMERICAN MUNICIPAL ORGANIZATION

NEW ORLEANS, LA.,
November 20, 1964.

Report to: Mayor William O. Cowger, Louisville, Ky., president, Inter-American Municipal Organization.

From: Mario Bermúdez, Deputy Secretary General, Inter-American Municipal Organization, Director of International Relations, city of New Orleans.

Subject: 10th Inter-American Municipal Congress; and the postconvention Inter-American Municipal Mission.

It is my pleasure to submit herewith a final, official report on my activities in connection with the 10th Inter-American Municipal Congress, held in Louisville, Ky., from October 4 to 8, and the postconvention tour of the United States, known as the Inter-American Municipal Mission.

Congress in Louisville: this was, undoubtedly, the most successful such meeting, especially when you consider the fact that of the 775 delegates registered, 430 were from the Latin American countries, the largest such number ever attending one of these conferences.

One specific point which meant a great deal to the Latin American delegates was the participation of the community of Louisville, privately and individually. As can be seen from the official program of the conference, many organizations sponsored the various social functions; many people voluntarily worked during the entire meeting as guides, interpreters, general assistants, etc. But the highlight of the social program was the evening in the private homes of citizens of the community.

It was a moving experience to see so many Louisvillians waiting eagerly to the very end the evening on which your very capable hospitality chairman, Mrs. Robert Adelberg, was matching the local host couples with the Latin American delegates, in order to go to dinner together; it was heartwarming to see so many waiting, trying to be matched up with those remaining without a sponsor, so that everyone would have a local host. It was with great satisfaction that at the end I saw that not one of the 430 Latin American delegates was left alone in the lobby of the hotel. It was rather like witnessing a mass marriage of people from the entire American continent, for an evening of friendship, in which common interests and affection brought them together. I am sure that this kind of gathering is the most constructive and effective one of its kind.

Postconvention tour Inter-American Municipal Mission: the following part of this report will describe to you in some detail the programs and results in each city visited, and at the end you will find a complete list of the host organizations and individuals in each city responsible for the program and visit.

Johnson City, Tenn.: In this city, where Commissioner May Ross McDowell, and Mayor Ross Spears produced really fantastic results, undoubtedly for 3 or 4 months beforehand everyone in town must have been trying to learn at least one sentence in Spanish, in order to greet their visitors in their native tongue. Even those people who did not actually participate directly in the program took some part. People on the streets waved at the foreign visitors and either said "Viva América latina," or "Como está usted?" The schoolchildren greeted the group on arrival by singing in Spanish; the local press, radio and television went out of their way to give ample and extensive coverage (even by front paging a Spanish lesson every day); at the luncheons and dinners the city's garden clubs produced historical decorations; the industries and businesses sent samples of their products and merchandise as gifts to the delegates; flower arrangements were in all hotel rooms; the Boy Scouts, with the best will in the world, acted as luggage carriers; the airport reception on arrival was truly moving; representatives of the Tricities were on hand, the members of the receiving line each greeted the foreign guests with a Spanish sentence, the colorfully uniformed band played and, although I have been all over the world and been welcomed by all kinds of people, I have never seen such a spontaneous, warm and heartmoving welcome as that of Johnson City.

During their stay here the mission held a morning-long business session at city hall, toured the facilities and installations of the city garage, garbage transfer station and sanitary fill, park and recreation program, urban renewal projects, industry development, visited Boone Lake, and were addressed by TVA officials on project development, toured local educational facilities (with program demonstration of Spanish classes taught by closed-circuit television) and attended a reception and dinner in their honor.

This entire visit and program were positive proof of the importance of personal contacts between U.S. people and those of the foreign countries. Mrs. McDowell, at that time mayor of the city, visited South America 2 years ago with a group of municipal officials and, after having been received warmly in those countries, wanted to reciprocate in some way, if not equal, the hospitality shown her during her visit there.

New Orleans, La.: Here, where the local program was organized by Mayor Victor H. Schiro and his official city international relations committee, the mission stayed from Saturday evening to Monday afternoon.

A local official host committee was organized, so that the delegates were met at the airport by their local hosts and, after welcoming ceremonies including the police band, the sanitation department jazz band and reception by the mayor and the international relations committee, escorted into town in a motorcade, after which the guests were all taken out for private dinners and entertainment that first evening, many of them being guests in their hosts' homes.

Sunday, October 11, was devoted to sightseeing of the historical buildings of the French Quarter, special mass at St. Louis Cathedral, a garden party-luncheon at the homes of Mayor and Mrs. Schiro and their close neighbors and, in the evening, the official city reception at Gallier Hall.

Monday, October 12, was devoted to a morning business session in the council chamber of city hall, where official recognition was made of the mission's visit on Columbus Day, and all delegates participated in a technical, informative session with various key city department heads and the civic leaders of local organizations. Those participating from the city administration were the heads of the police and fire departments, chief administrative office, department of streets, sanitation, and the sewerage and water board, thus affording the visitors an insight into specific operations and administration. Following this a luncheon was hosted by the board of commissioners of the port of New Orleans and the group left at 5 p.m.

Las Vegas, Nev.: The Inter-American Municipal Mission visited this city from Monday evening, October 12, until Wednesday afternoon, the 14th, the official hosts being Mayor Oran K. Gragson and the city of Las Vegas. The group was met at the airport by Mayor Gragson, Commissioner Harry Levy, and the local official hosts. Prior to being escorted to their hotels in a motorcade, the Las Vegas school district band, attired in beautiful uniforms, made a great impression by meeting the group and escorting them, in parade, through the entire airport terminal, the mission members being applauded on all sides by the public.

Both Mayor Gragson and Commissioner Levy were with the delegates full time during their stay and not enough can be said for these officials' constant interest and attention. Tuesday morning, October 13, the mission members participated in a morning session at the Las Vegas City Hall, where they toured the various departments, asked specific questions of staff members and met in a business session which was also attended and addressed by U.S. Senator HOWARD CANNON and Nevada's Lieutenant Governor Paul Laxalt; Senator CANNON spoke on various aspects of the Alliance for Progress. During their stay the group also toured Boulder Dam, gaining much information on the Federal Government's irrigation and land reclamation projects, the local convention center, and outlying districts. The Las Vegas visit was of further importance to the foreign visitors because many of their own cities are located in desert lands also, as is Las Vegas, and they found many common problems, which they discussed with the mayor and officials, pertaining to aridity, soil, irrigation, and water supply, etc. This was in great contrast to the other, more typical cities visited before and after, as Las Vegas' setup is a distinct approach to the municipal needs and problems.

Local host couples had been named for all delegates and were their hosts both evenings during the stay.

San Diego, Calif.: Arriving here the afternoon of Wednesday, October 14, the Inter-American Municipal Mission remained in San Diego until early Friday morning, the 16th, as guests of Mayor Frank Curran and the city of San Diego.

Frank Curran, already familiar to most of the Latin American mayors as he had been in their countries several times and also had been host to the 8th Inter-American Municipal Congress, took a deep personal interest in the mission's visit and welcomed them on arrival, bid them farewell at their 8 a.m. departure, and accompanied the group to all official functions during their visit.

The evening of their arrival the delegates were guests of honor at a banquet in their honor at the Kona Kai Club, at which Mayor Curran presided and the featured speaker was U.S. Ambassador to Mexico Fulton Freeman, who made this occasion an outstanding one by addressing the visitors in Spanish. During their stay here, the mission members had the opportunity to spend a day visiting city facilities, including the new civic center, and an extensive tour of facilities and installations of the port of San Diego, plus a visit to the Western California University facilities, with special emphasis on the foreign language teaching methods and equipment. The mission members were guests of the San Diego Chamber of Commerce, and the Tourist and Convention Bureau at a banquet during which an unusual film was shown on the city and port, and related activities.

Written information had been prepared beforehand and an entire kit of this and technical administration information on the municipality was placed in each hotel room before arrival; this gave the participants the chance to become familiar with the city administration and make constructive remarks during the business meeting.

Los Angeles, Calif.: The mission traveled by bus from San Diego to Los Angeles, thus enabling the visitors to see some of the California coastline and smaller communities, and arrived in Los Angeles late the morning of Friday, October 16, to remain there until Sunday, October 18.

The first event on the program that day was a visit to the birthplace of the city of Los Angeles, the Olvera Street Center, a vivid monument to the background and historic tradition of this city and proof of the tremendous growth of Los Angeles over the years. In this complex, in addition to the historic adobe houses and public market, is located the newly organized Latin American Trade Center. Here are exhibited items from all of the Latin American countries (and even some from Europe) and this was of great interest to the visiting municipal officials as they could thus see foreign trade in action. Items from Peru, Argentina, Mexico, and most of the other Latin American countries are not only exhibited to the millions of annual visitors, but are also for sale.

Undoubtedly this visit to the Olvera Street center and the trade mart allowed the mayors to observe, firsthand, how handicrafts and artwork not only have a good market in this country but tremendous possibilities which, if encouraged by the foreign countries, could be advantageous from an economic viewpoint and a medium for teaching U.S. citizens history, geography, and customs of the respective nations.

During their stay in Los Angeles the group also had the opportunity to tour Disneyland, which in addition to being a magificent tourist attraction for them, also gave the visitors the chance to observe how, in spite of the tremendous economic and financial growth of this huge metropolis, the city is also interested in an undertaking of this kind, at enormous cost, appealing and inspiring to both children and adults.

The city of Los Angeles was an important stop for these visitors also because of its being unique in its complexity both politically and economically, and for the problems peculiar to this municipality such as traffic, smog, etc.

Many social functions were held in the guests' honor, the highlight being a reception given by Mayor and Mrs. Samuel Yorty in their own home, in addition to a reception and banquet hosted by the city of Los Angeles. While in Los Angeles, the mission members were guests of Mayor Yorty and the city of Los Angeles.

Special note: It should be pointed out that during the group's visit to California quite a few of the delegates took the occasion to visit their sister cities, such as Rialto, San Leandro, Santa Barbara, etc., these municipalities sending for their visitors and organizing their visits and programs.

Kansas City, Mo.: The Inter-American Municipal Mission arrived in this midwestern center the evening of Sunday, October 18, and remained until Tuesday the 20th. The first item on their program that evening was a get-acquainted meeting with the city leaders, headed by Mayor and Mrs. Ilus W. Davis, which gave them a chance to discuss city affairs as well as learn many facts about this section of the United States, with which they had not been at all familiar. Probably one of the most rewarding experiences during this meeting was the fact that the Kansas City hosts had made a point of bringing to the gathering the Latin American students (from various countries) attending local colleges; all wore identification sashes, with their country's name, and this gave the visitors the chance to learn about the educational system in the different schools of the area, from students from their own countries.

Monday, October 19, was turned over to a morning visit to the city hall, an afternoon tour of the Ford motor plant, and at the Schlitz brewery headquarters a business meeting took place during which the heads of various city departments gave an informative briefing to the delegates. During the ensuing luncheon there was a long period for questions by the visitors to the speakers.

A separate program was organized for the ladies, under the sponsorship of Plaza Associates.

Monday evening the mission members were guests at the Business Men's Assurance building. This major insurance company is connected with many other insurance firms doing business in Latin America, and the building itself is an outstanding example of the beautiful, modern architectural progress going on in Kansas City, this being of great interest to the foreign visitors. It was noted that a magnificent art exhibit, and indeed the entire interior decoration of the building, were based on the background of Indian civilization of the area, which also gave the Latin American visitors a chance to observe that business and commerce in the United States are not necessarily conducted, as is generally believed, from large impersonal commercial outlets in New York, Chicago, San Francisco but that great international commerce, of a personal interest, also emanates from such important centers as Kansas City.

Later that same evening, following a dinner hosted by the Commerce Trust Co., the delegates all attended the American Royal Cattle and Livestock Exhibit. Cattle from this region of the United States is well known in Latin America and many cattlemen there purchase their horses and livestock from this area. Some of the Latin American delegates have farms and ranches in their own countries and had here the opportunity to make business contacts that will undoubtedly develop in the future.

Washington, D.C.: On arrival here Tuesday afternoon, October 20 (and remaining here until Thursday the 22d), in the evening a large group of Latin American Ambassadors, State Department officials, Inter-American Development Bank and Pan American Union personnel, as well as the local and international press representatives attended a reception and dinner given by the International Relations Director of the city of New Orleans, so that the members of the mission would have the opportunity to meet their own ambassadors and the people in Washington responsible for the mission's visit and the U.S. programs in Latin America. In this way they were able to make individual contacts and appointments for the following 2 days in accordance with their interests and needs.

Wednesday, October 21, included on the program a morning briefing at the U.S. State Department, which was one of the highlights of the entire tour. Assistant Secretary of State for Latin American Affairs Thomas C. Mann (well known to all those present) addressed the visitors, in Spanish, and answered many of their questions. Messrs. Irving Tragen and Robert Elmore, of the Agency for International Development, further conducted the briefing, which was quite extensive and of great interest and importance to the mayors as much definite, specific information was presented, and many new points of view brought forth during the lengthy discussions. Following this a luncheon was given by the American Municipal Association, and the afternoon was devoted to a visit to the different points of interest in Washington, with special guides assisting the group, who were able to give them information about the city setup and organization. During this visit the mission members laid a wreath at the grave of the late President John F. Kennedy in Arlington Cemetery.

That evening most of the foreign ambassadors held functions in honor of the delegations from their respective countries.

Thursday morning, October 22, the delegates were guests at the Pan American Union for a briefing given by Ambassador José A. Mora, Secretary General of the Organization of American States and several heads of the Organization's departments. They then attended a meeting-briefing at the Inter-American Development Bank, where a film was shown of the technical accomplishments of the bank in the various Latin American countries. This was followed by a question-and-answer period, during a luncheon, during which Dr. Felipe Herrera, President of the Bank (and who had appeared on the Congress program in Louisville) welcomed the visitors. This luncheon was organized at individual tables, at which heads of various bank departments were seated, to facilitate mission participants making contacts and asking specific questions with regard to the plans and purposes of the Bank. This was an outstanding event among many notable ones and of great value to the Latin American municipal officials.

New York, N.Y.: The mission visited here from Thursday afternoon, October 22, through Friday the 23d and made the trip by bus from Washington to New York, as this afforded the visitors an opportunity to learn more about the U.S. highway system.

The evening of their arrival the delegates were guests at a magnificent dinner given by the W. R. Grace Co., on board the *Santa Rosa*. The importance of Grace's accomplishments in Latin American industrial development is well known and consequently the visitors were very familiar with Grace and gratified to meet old acquaintances from the Grace staff, most of them speaking Spanish and having, at some time in their lives, been stationed in the various Latin American countries. On this occasion, as during the Bank luncheon in Washington, the dinner arrangements were on the basis of individual tables, with company officials being hosts at each, thus enabling them to discuss business and industrial affairs with their guests.

Friday, October 23, was the last day of the official tour and a full one. In the morning a briefing was given at the United Nations during which Dr. Tavares da Sa, Dr. Roberto Heurtematte, and Dr. Rolz Bennett participated in advising the Latin American leaders on the United Nations and aspects of the International Monetary Fund. After touring the U.N. facilities the group were then guests of the city of New York for a river tour of port and harbor installations. That evening Mayor Robert F. Wagner very graciously hosted a reception for the group at Gracie Mansion, the city's official residence, which was a fitting climax to the mission's visit to this largest city of the United States.

Special notes: It should be pointed out that in each city the members of the Inter-American Municipal Mission received keys to the city and were made honorary citizens of the municipality, a touch which was very gratifying and pleasing to the visitors.

The U.S. State Department covered the cost of air transportation within the United States and in each city visited the Latin American mayors were guests of the mayor and city.

Comments: It was most gratifying to see that of the 70 participants in the Inter-American Municipal Mission, most of them were not from the large cities of Latin America, nor from the oligarchic, powerful classes, but rather were the very people who believe deeply in the municipality as the base of the country and the principles of democracy. Most of the delegates had never been to the United States before; only a handful of them knew any English, and to have participated in a mission of this type would probably never have been possible under other conditions, nor would they have had the opportunity to be exposed to the individual United States citizens, to visit their homes, to eat their food, to meet their families.

I would say that the same holds true for the North American hosts in the various communities visited, many of whom had the same first opportunity to meet a representative group—a cross section—of people from the Latin American countries.

I am confident that on their return to their own cities, the 70 Latin American municipalists who participated in this tour will have a clearer picture of the U.S. political organizations, economic setup, local organizations, and ways of life.

I also have the impression that they were able to appreciate the fact, so often misunderstood by the majority of people of the Latin American countries, that life in the United States is not all riches, not all good or all bad people, and that the economic security found here is the consequence of a will to work together, to tolerate one's associates, to develop a sense of responsibility, to adjust to a life of daily discipline and economic sacrifice; I believe they were able to better realize that people here live a life of much greater hardship than is known among the people of the other American Republics but that finally, when in old age they have financial security, it has been acquired through these years of a responsible life, and that is the economic foundation of the United States.

[From Tennessee Town & City, November 1964]

HOLA (HELLO), ALCALDES (MAYORS); BIENVENIDOS (WELCOME)

Johnson City rolled out the red carpet October 9–10 to 81 Latin American mayors and city officials.

The group had attended the Inter-American Municipal Congress in Louisville and had commenced a tour that would carry them to six other U.S. cities: New Orleans, Las Vegas, Los Angeles, San Diego, Washington, and New York.

The purpose of the visit, sponsored by the U.S. State Department, was to show local government in action and to strengthen the bonds of friendship and cooperation between the peoples of the Western Hemisphere.

The East Tennessee State University band played and a host of schoolchildren and townsmen waved red, white, and blue signs reading "Bienvenidos, Amigos" (welcome, friends) as the TWA Super Constellation bearing the visitors rolled into Tri-City Airport. Friendly handshakes of welcome were extended from a greeting line of local government officials and business and civic leaders.

MAYOR CALLS OCCASION "OUR FINEST HOUR"

The visitors, representing 18 countries in Central and South America and Spain, were visibly impressed by the rousing reception. They applauded Mayor Ross Spears' welcome to them in their own Spanish language. He told them: "Today must go down in the history of Johnson City and all upper east Tennessee as our finest hour.

"This visit will strength the ties of friendship between the municipal authorities and public officials of the United States and Latin American countries. We can talk over our problems and exchange opinions face to face."

Greetings also were extended by Bristol, Va., Mayor O. T. Powell, Bristol, Tenn., Mayor Stacy Grayson, and Kingsport City Manager Charles Marsh.

BOY SCOUTS AND CIVIC GROUPS HELP

Three buses, each sporting signs reading "Latin American Neighbors Visiting Johnson City," and led by white-gloved policemen on motorcycles, carried the Latins and Johnson Citians to the Holiday Inn. There the Boy Scouts, in crisp uniforms, stood at attention, holding another big sign of welcome. The Scouts carried their baggage and directed them to their rooms.

Local civic groups had placed a bud vase of fresh roses and a big box of chocolate candy in each room. The October 9 Johnson City Press-Chronicle lay in a chair, the headline reading: "Hola, alcaldes; bienvenidos" (Hello, mayors; welcome).

Even the manager of the motel, David Temel, welcomed the delegation in Spanish (he is a native of Bogotá, Colombia) as they gathered for a buffet luncheon.

GARDEN CLUBS ADD SPECIAL TOUCH

The careful attention that Johnson City had given to details was evidenced by the flower arrangements on the luncheon tables (approximately 18 were set up, and at least 1 interpreter was at each). Area garden clubs had provided them, and each was different. All were combinations of fresh flowers, leaves, pumpkins, fruits, flags (Johnson City's new one), crests, and various other symbols. Each depicted a theme or event in east Tennessee history. And, with each arrangement, written in Spanish, was a card explaining its significance.

Vice Mayor Edward Backus explained the 2-day schedule. When he concluded his explanation of the day's activities with "and then you will be brought back to your rooms for the night," a distinctly Spanish voice asked, "Alive?"

As the visitors boarded the bus for the afternoon tour, they were presented navy-blue portfolios imprinted "Compliments of Johnson City, Tenn." Inside was a folder of descriptive brochures, pamphlets, the city's 1961–62 annual report, and mimeographed explanations (in Spanish) of various city programs and projects. Also included was, literally, a "capsule" containing a long list of facts about Johnson City.

ABSENT STUDENTS LEAVE GREETING

The first stop on the afternoon tour was at all-electric Science Hill High School. Officials viewed a colorful lowering of the flag ceremony, complete with bugler and uniformed girl drill teams.

Students, who had already left for the day, thoughtfully had tacked posters written in Spanish along the hallways and on bulletin boards. Even the blackboard in one of the home economics classrooms contained a Spanish greeting. One of the Venezuelan delegates wrote an acknowledgement. Typing class bulletin boards displayed poems and songs typed in Spanish.

In the gymnasium the visitors examined the partition which divided it into two separate rooms at the push of a button. The electrical "unstacking" of the bleachers fascinated them. Basketball practice was going on in one end of the gym, and two Latins could not resist taking a couple of shots. They missed.

As the group passed onto the covered walkway leading to the useful arts building, police officers handed them souvenir packets of note cards and envelopes picturing the high school.

PRETTY MUSIC TO THEIR EARS

The highlight of the afternoon came when the officials divided into two groups to observe sixth grade Spanish classes in progress (via closed-circuit television) at Fairmont Elementary School. Latin faces really lit up when the youngsters stood and pledged allegiance to the U.S. flag and sang "America" in Spanish.

Tour Director Mario Bermudez, also director of international affairs for the city of New Orleans, asked the students questions in Spanish, to which they replied in like manner.

Before the class was over, the visitors joined the students in singing "La Cucaracha."

Buses then drove through residential areas. Many residents were flying their flags. Men working on their lawns, housewives hanging out their wash, and children playing on the sidewalks interrupted their activities to wave.

Assistant City Manager Harold Holtz, the official guide for one of the three buses, alerted his passengers that they would pass his house and that his wife and two small sons would be out front to wave to them. This pleased the visitors immensely.

En route back to the motel, the bus passed the juvenile home, the reclaimed sanitary fill land being converted into a park, and a popular park and picnic area. Standing proudly in front of a fire substation on the bus route were all the firemen, smartly dressed in their best uniforms. The big red firetrucks parked in front were shining.

RECEPTION AND BANQUET IN EVENING

Friday evening began with the mayor's reception at the Johnson City Country Club. There each visitor was met by a local couple who served as his host for the rest of the evening.

On the way from the reception to the banquet, which was held on the East Tennessee State University campus, the buses paused long enough for the visitors to catch a glimpse of a high school football game in progress.

Commissioner May Ross McDowell, former Johnson City mayor and the mayor's official representative for the whole occasion, served as toastmistress. (Mrs. McDowell had participated in a similar mission of U.S. mayors to South America 2 years previous. She was instrumental in getting Johnson City on the mission itinerary, and she personally directed local arrangements for the visit.)

Mrs. Burgin Dossett filled in for her husband, president of ETSU, and welcomed the visitors to Tennessee. Dr. Salvador M. Dana Montana of Santa Fe, Argentina, responded.

Following musical entertainment by ETSU students and "Lula Belle and Scotty," Mayor Jose O. Coloma of Guaranda, Ecuador, sister city to Johnson City, delivered (through an interpreter) a stirring address.

MAYORS EXCHANGE GIFTS

He presented Mrs. McDowell and Mrs. Spears, wife of the mayor, scrapbooks of his city. The covers bore likenesses of the Ecuadorian flag and crest. They had been handmade by Mayor Coloma's wife, using sequins, beads, yarns, and ribbons. He presented a gold ring, appropriately inscribed inside, to Mayor Spears.

Mayor Spears presented Mayor Coloma a large gold key to the city. The first Johnson City flag also was given to him. Mrs. McDowell presented him a gavel made from the wood of a famous oak tree, known as Col. Jacob Brown's Treaty Tree, so called because of its significance in the signing of a treaty with the Indians in 1775.

All the visitors were given small gold or silver keys to the city as well as other assorted favors contributed by local merchants.

The presentation the guests appeared to enjoy most, however, was one of hats. Mayor Coloma placed on the heads of Mrs. McDowell and Mayor Spears Ecuadorian straw hats which he said had required 6 months to make.

Mrs. McDowell promptly "crowned" Mayor Coloma and other Latins at the head table with authentic coonskin caps, complete with tails. The American Indians, she said, made them in about 6 hours.

The banquet adjourned with a blending of Spanish and English voices singing "God Bless America."

A REALLY SPECIAL TREAT

Saturday got off to a hospitable start with the serving of breakfast in the guests' rooms. Judging from the expressions of delight voiced when this was announced during the schedule explanation at the Friday luncheon, breakfast in your room is as much of a treat in South America as it is here. Three women's clubs had made the arrangements.

Boy Scouts were again on duty to assist the visitors. Girl Scouts were on the walkways with large silver trays of favors: sewing kits, pencils, matches, perfume samples, cigarettes, and nail files. The Press-Chronicle had placed in plastic bags for safe keeping souvenir copies of the day's paper, which contained more than a dozen pictures taken the day before.

In envelopes which had been delivered by special city messengers to each room were "honorary citizen certificates" and newspaper clippings.

Approximately 1 hour was spent at City Hall, where delegates viewed facilities, slide presentations, and special exhibits. Desk and door signs were printed in Spanish. As the visitors signed the guest register in the newly redecorated Commission Chamber, they were given souvenir fountain pens and miniature Johnson City flags on staffs. Coffee and sweet rolls were served by another local women's club.

EQUIPMENT DEMONSTRATIONS PROVE POPULAR

The next stop on the morning agenda was the city garage. Demonstrations of equipment intrigued both ladies and men: they saw refuse dumped and disposed of in the city's unique collection center; they watched a street liner draw a white line down the parking area; a leaf eater consume a big pile of leaves; a brush chipper make "dust" of limbs and other debris; streets swept, then washed. The big ladder truck swung into action as the guests turned to board the buses for a tour of other city sights.

With guides, assisted by interpreters, to explain the sights outside the windows, the buses drove through the business district, Veterans' Administration Center, ETSU campus, industrial park, municipal golf course, urban renewal area, and new senior citizen housing project. A stop at the Marine Reserve Center completed the tour.

Box lunches were enjoyed at noon at picnic tables overlooking TVA's Boone Dam. The visitors asked dozens of questions and made hasty notes as Walter Arrants, manager of the eastern branch of reservoir properties for TVA, gave an illustrated lecture.

MANY PERSONS HELPED

Before buses were boarded for departure to the airport, City Manager D. A. Burkhalter recognized the many Johnson Citians who had worked to make the visit a pleasant one. He pointed out that—although the visitors probably were not aware of it—the policemen present had not left them since they had arrived. They even had spent the night at the motel. Further, an ambulance equipped for emergencies had been a part of the motorcade at all times.

The high school band was playing when the buses arrived at the airport. Cameras clicked as the Latins hurried to get photographs and movies of the sharply dressed band members and sequin-clad majorettes.

Still there was a note of sadness in voices as "Adios" (goodby) began to fill the air. Several visitors were heard to say (many speaking English for the first time), "I go, but I leave my heart in Johnson City."

As the big plane rolled down the runway, the miniature Johnson City flags waved from every window.

It was truly a community effort that had been carried out magnificently. Johnson City really did herself—Tennessee, too—proud.

[From the American City, June 1965]

THE CITY TELLS ITS STORY: CITY REAPS AT-HOME REWARDS FROM AN INTERCONTINENTAL HANDSHAKE

(By Pan Dodd Eimon)

TV cameras, the press of two continents, and hundreds of people saw Mayor Ross H. Spears, Johnson City, Tenn., put on a handmade Ecuadorian straw hat and Mayor Jose Coloma, Guaranda, Ecuador, adjust his Tennessee coonskin cap. That was October of last year in the United States.

In December, city officials of Guaranda and those of Johnson City gathered in their respective city halls to exchange long-distance holiday greetings. And this March, half the city of Guaranda turned out to welcome Johnson City's lady commissioner, Mrs. May Ross McDowell as she landed there.

These events are part of a relationship which is proving that successful city affiliations are not limited to big cities, nor frontier cities, nor ports, nor those with a large foreign element. On the contrary, Johnson City's experience indicates that citizen interest and participation couldn't be better although the city is inland, its population 95-percent native born, its size under 50,000, its everyday interests purely local, and its economy not aimed at overseas markets.

The big bonus of the affiliation, reasons City Manager David Burkhalter, "is not just the most obvious one—a more personal sense of international relations." Johnson City is noting "increased interest, concern, understanding" on the part of its citizens in local, municipal goals, "somehow put into focus by Johnson City's new international status."

People who didn't care about our multimillion-dollar downtown renewal study, Burkhalter says, "have gotten very interested after seeing it spotlighted for our Latin American visitors. Parents who have taken Science Hill High School for granted, indicate new concern for it after learning our visitors were amazed that a city the size of this one could afford such an elaborate facility. Johnson citizens for whom the sanitary-landfill-to-park conversion was just a way to get rid of garbage, are beginning to share the enthusiasm of our Latin officials."

One reason for the resounding "at home" results was the fact that last fall's Latin-American festival was not limited to a few official groups and committees. Thousands of Johnson City took part in or were touched by the visit: the man who painted his front porch "because those visitors are coming right by this house," the uniformed Scouts who acted as aids, members of dozens of local women's groups who arranged everything from flowers to meals, local civic and business clubs, Spanish language students who sang with and talked to the visiting officials, band members and the high-stepping majorettes who were favorite subjects for Latin cameramen.

IT BEGAN WITH A LADY

Johnson City commissioner and former mayor, Mrs. McDowell, participated in an official visit of U.S. municipal leaders to South America several years ago. It was she who arranged for Johnson City to be on a postconvention tour for delegates to the Inter-American Municipal Congress in Louisville last October.

The tour, sponsored by the U.S. Department of State, included New Orleans, Las Vegas, Los Angeles, San Diego, Washington, New York, and Johnson City. Among the

80 Latin American city officials was Johnson City's affiliate Mayor Coloma.

The fact that it was Johnson City—the municipality—which was of primary interest to the visitors, provided the city government an opportunity to display its operations and services not only to the visitors but in an exciting way to its own citizens.

An oft overheard remark from local people watching any one of the displays or demonstrations was "Well, I've lived here all my life and I didn't know that about Johnson City."

THE CITY AT WORK

During the 2-day visit, Johnson City showed the Latin Americans its business district, veterans' center, industrial park, municipal golf course, urban-renewal area, senior-citizen housing project, residential areas, and Marine Reserve center.

Extended visits were made to the Science Hill High School, city hall, the sanitary-landfill site, and the city garage. At the garage, an equipment demonstration proved as fascinating for lady guests as it did for the men. Visitors saw refuse disposed of, a street liner paint a white stripe, a leaf eater consume a pile of leaves, a brush chipper at work, a street sweeper and washer operating, and a shining red ladder truck in action.

In addition to these municipal sights, visitors enjoyed a Tennessee-style buffet luncheon, banqueted at Johnson City's East Tennessee State University, toured the Tennessee Valley Authority's Boone Dam, and picnicked as they heard the TVA story.

Throughout the trip, instructions, signs, and data were in Spanish. "Bienvenidos, amigos" (welcome, friends) read the signs waved by citizens and schoolchildren at the airport arrival.

"Hola, alcaldes, bienvenidos" (hello, mayors, welcome) was the headline on the arrival day edition of the Johnson City Press-Chronicle.

Mayor Spears made his welcoming remarks in Spanish.

Throughout the Science Hill schools, students left bulletin and blackboard messages in Spanish. Visitors and students joined in a Spanish song in the closed-circuit TV language class which the mayors observed.

For the luncheon, Johnson City's history in flowers and fruits bore Spanish narrative. At the city hall, desk and door signs were in Spanish and the packet of municipal information which each guest was given bore a Spanish language résumé of city facts and figures.

Johnson City managed some hospitable touches that might well be copied by any city hosting an official group.

Visitors traveled within the city in three buses identified by signs which read, "Latin American Neighbors Visiting Johnson City," and escorted by white-gloved motorcycle policemen. A ranking city official served as host and tour guide aboard each bus. A translator was also on board.

Uniformed Boy Scouts directed visitors to their motel rooms, carried luggage, and performed other aid duties. Girl Scouts passed silver trays of local souvenirs provided by Johnson City businesses.

Guests found roses and a box of chocolates in their rooms on arrival along with the welcome edition of the local newspaper.

The Johnson City Press-Chronicle provided plastic-wrapped editions, containing news photos of the tourists and their activities, ready for packing on the final day.

Special city messengers delivered newspaper clippings and honorary citizen certificates to each Latin visitor. At city hall guests were given city flags and fountain pens as mementos of their visit and each signed the Johnson City official guest book. Gold and silver keys were awarded the visiting mayors at the banquet.

A memorable courtesy for the heavily scheduled guests was Saturday morning breakfast in their rooms, arranged by women's clubs.

Police officers and an ambulance unobtrusively stuck with the visitors everywhere. The Latin Americans were not aware of this until departure.

Finally, in addition to the affiliated mayors' exchange of sombreros, there were other gifts: scrapbooks of Guaranda made by Mrs. Coloma for Mrs. Spears and Commissioner McDowell and a gold ring, appropriately inscribed for Mayor Spears. To Ecuadorian Mayor Coloma, Johnson City presented a large gold key to the city and a gavel made from the Treaty Oak under which early Johnson citizens and Indians signed a pact in 1775.

THE BREAD TAX

Mr. HUTCHINSON. Mr. Speaker, I ask unanimous consent that the gentleman from Missouri [Mr. CURTIS] may extend his remarks at this point in the RECORD and include extraneous matter.

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

There was no objection.

Mr. CURTIS. Mr. Speaker, in the summer of 1964, a wheat processing tax was established whereby the processor would pay $0.75 for each bushel of wheat milled. At that time I commented on the substantive matter involved in my May 1964 newsletter, introduced into the CONGRESSIONAL RECORD, volume 110, part 10, pages 13761–13762, by my colleague, Mr. CLEVELAND. My comments on the manner in which this program was handled in this House are contained in this newsletter, and also on pages 6132, 6363, and 6404–6405, volume 110, part 5. Another such proposal is now before Congress, proposing a two-thirds increase in this processing tax established only last year, an increase from $0.75 to $1.25 for each bushel of wheat processed. Since its passage last year was not, in my estimation, accompanied by adequate study and evaluation, I feel that this is the time for a thorough investigation by Congress into the merits and demerits of such a tax. The hearings just concluded by the Committee on Agriculture provides a starting point for such study. I feel that two considerations must be kept in mind. First, the President's farm message last February states:

> Our objective must be for the farmer to get improved income out of the marketplace, with less cost to the Government. We must encourage the private segment of the economy to carry its own inventories, bought from farmers, rather than depending on the Government as a source of supply. We must urge the private sector to perform as many services as possible now performed by Government agencies.

Such admirable objectives, that of returning the agricultural sector of our economy to normal market forces, must serve as the basis for all agriculture legislation. The second consideration is the recent excise tax cut which was recently signed by the President. This action removed a portion of exceptionally regressive and uneconomic taxes which burdened our economy. In light of the President's decision to join the rest of the people of this country in their struggle to end poverty—his war on poverty—this excise tax cut makes sense, the more directed it is to basic necessities. The proposal for an increase in the wheat processing tax, coming from the administration, is entirely inconsistent with both the war on poverty and the recent excise tax cut. Such an increased cost to the processor must ultimately be passed along to the consumer in the form of higher cost of bread. A thorough analysis of this measure was published in the July 1965 issue of the Monthly Economic Letter of the First National City Bank of New York. On July 11 the Secretary of Agriculture charged, in a letter to Mr. George Moore, president of the bank, that this analysis was sheer economic nonsense. I introduce this article, entitled "Poverty and the Farm Program," into the RECORD so that my colleagues can judge for themselves whether this article is economic nonsense. I do this in order to present what I feel is an analysis based on the inconsistency of this processing tax and the President's farm policy declared earlier this year, the recent excise tax cut, and the President's war on poverty. It is my feeling that the processing tax on wheat be thoroughly examined and openly debated in this House before the matter be called to a vote. I introduce this portion of the dialog for my colleagues' perusal: The First National City Bank article and Secretary Freeman's letter of criticism.

[From the Monthly Economic Letter of the First National City Bank of New York, July, 1965]

POVERTY AND THE FARM PROGRAM

Cutting taxes has become popular. Congress took only a month to whoop through legislation sweeping away $4.7 billion of excise taxes. Among those repealed were levies on diamonds, mink coats, pool tables, pinball machines, and admissions to horse races and dog tracks. There were few objections since many of these taxes had been imposed during World War II in order to discourage extravagance and waste of productive resources as well as to raise revenues.

Yet, while these "luxury" taxes are being repealed, the administration is pressing Congress for passage of a new farm bill that would, among other things, impose higher taxes on the processing of wheat and a new tax on rice, thereby boosting the price of bread by 1 to 2 cents a loaf and of rice by 4 to 6 cents a pound. This would result from raising the processing tax on domestic wheat—first imposed in 1964—from 75 cents a bushel to $1.25. A new rice-processing tax would be imposed amounting to about $2.50 per hundredweight.

These actions form a striking contrast. Bread is a daily necessity, particularly among the poor. Taxes on bread and rice are especially regressive because these foods form a much larger portion of the budgets of poor families than of higher income people. The imposition of a heavier "bread tax" is especially incongruous at a time when the administration is trying to step up its war on poverty.

The public has been slow to grasp the full import of the proposed farm bill, but protesting voices are now beginning to be heard. Agricultural programs have become so complicated and divorced from reality that only the affected farm groups can understand them. The new bill would not only add to hardships of poor people but drive the farm economy further out of contact with normal market forces.

CALL FOR A NEW APPROACH

The proposed legislation is all the more disappointing because the President and his top advisers had been stressing the need to restore a free market for commercial agriculture and to adopt a more realistic approach to the problems of rural America. The waste and inconsistencies in existing farm programs were effectively laid bare in a widely applauded Saturday Review article last January by Kermit Gordon, who was then the Budget Director. He called for a reexamination of current policies to "shape them anew in closer correspondence to the facts of today's world."

President Johnson announced a new approach in his farm message last February, in which he specifically recognized that "farmers want freedom to grow and prosper, freedom to operate competitively and profitably in our present economic system." He emphasized the need for change in these words:

"Just as we do in other segments of our economy, we need to separate the social problems of rural America from the economic problems of commercial agriculture. Our objective must be for the farmer to get improved income out of the marketplace, with less cost to the Government.

"To do this, I am asking the Secretary of Agriculture to so utilize the Commodity Credit Corporation as to make the free market system work more effectively for the farmer. We must encourage the private segment of the economy to carry its own inventories, bought from farmers, rather than depending on the Government as a source of supply. We must urge the private sector to perform as many services as possible now performed by Government agencies."

When the detailed program was unveiled on April 5, however, the concrete proposals diverged considerably from the aims set forth earlier. The chief features of the administration's new farm proposals are as follows:

Amend and extend the wheat and feed grain programs now in effect;

Start a new certificate program for rice similar to that for wheat;

Start a program to retire cropland through 5-to-10 year contracts with farm owners;

Permit the selling or leasing of acreage allotments among farmers to encourage retirement of aged farmers and small operators.

Though new cotton legislation is also needed, the administration did not make proposals of its own but is supporting a bill proposed by Representative HAROLD COOLEY, which would lower prices to world market levels and supplement growers' incomes through direct payments.

CONTROVERSY OVER THE "BREAD TAX"

The greatest attention is focused on the programs for the principal grain crops—wheat, rice, and feed grains. The wheat program, in particular, has been in hot water since the 1963 referendum, when growers rejected the Kennedy program of tight controls combined with high price supports. Following this defeat, the administration sponsored temporary legislation for the 1964 and 1965 crops, which requires so-called marketing certificates for wheat. For the 1965 crop, millers and other processors must buy certificates valued at 75 cents a bushel for wheat consumed domestically. Domestic annual consumption of wheat is estimated at about 500 million bushels, thus yielding an estimated take of $375 million, which in turn is paid to wheat growers complying with the program. The 75-cent domestic certificate payment (only 25 cents for export certificates) on top of the $1.25 price support loan provides producers with a total support of $2 per bushel on wheat consumed domestically.

For the 1966 crop, the administration proposes to raise the cost of domestic wheat to $2.50 a bushel by hiking the price of domestic certificates to $1.25 but to discontinue the export certificate. For the same 500 million bushels of wheat made into bread, flour, and other products, consumers would be paying $625 million in processing taxes. Since millers and baking companies already operate on extremely thin margins, there is no question that the cost must ultimately be passed on to consumers in higher prices. This is why opponents of the program have characterized the domestic marketing certificate as a "bread tax."

In fact, the wheat-processing tax is similar to an excise tax. It is interesting to compare what certain excise taxes repealed last month might have yielded in fiscal 1966 compared with an increased wheat tax. The accompanying table shows a list of excises with a total yield roughly equal to the projected 1966 yield of the wheat tax:

Wheat-processing tax versus selected excises now repealed

[Estimated yield [1]]

	Million
Wheat-processing tax	$625
Selected excise taxes	618
Furs	32
Jewelry	215
Toilet preparations	215
Luggage	87
Photographic equipment	38
Coin-operated amusement devices	24
Bowling alleys, pool tables	7

[1] Wheat estimate is for crop year beginning July 1, 1966. Excise estimates are for 1966 fiscal year.

Moreover, while these taxes were typically assessed at rates of 10 to 20 percent, the increased wheat tax would amount to roughly 100 percent of the basic farm price, thus almost doubling the price to the miller. Testifying before the House Agriculture Committee on April 6, Agriculture Secretary Orville Freeman estimated that the new programs for wheat and rice would raise the cost of food "3.6 cents a week or $1.87 a year per capita"—or about one-half of 1 percent for a family of four. He minimized the impact this would have on consumers:

"In the past 4 years, the take-home pay of the average family has sharply increased, we have substantially enlarged the direct food distribution program, we have increased the food purchasing power of families participating in the food stamp program from 25 to 38 percent and we have launched a series of programs designed to help millions escape from poverty. All these developments point to one conclusion: there will be no hardship because of the commodity programs we are proposing today."

These increases are ill-timed from the standpoint of maintaining price stability. In point of fact, rising food prices—mainly meat, fruits and vegetables—have been a prime factor in the upcreep of the consumer price index in recent months. Since food still is a large part of the family budget, increased food prices can trigger higher wage demands and escalator raises in existing union contracts. In any case, the fact that take-home pay has increased hardly justifies price increases in the necessities of life.

No less strange is the notion that consumers should subsidize farmers by paying a 100 percent tax for wheat, while less fortunate consumers are in turn given either commodities or Government food stamps in order to protect them against high food prices. In addition, the administration is now proposing to provide rent subsidies to lower-income families.

Yet, a wheat tax strikes hardest at the poor. Indeed, the lower the family's income, the higher is the consumption of wheat products. The accompanying table, showing figures from the Agricultural Department's survey of household food consumption conducted in 1955, amply confirms this relationship. (A similar survey is being made this year, but results are not yet available.)

Wheat consumption, by family income

Annual income per family	Percent of food budget for wheat products	Home use per person per week
	Percent	*Pounds*
Under $2,000	6.6	3.8
$2,000 to $2,999	5.9	3.2
$3,000 to $3,999	5.8	2.8
$4,000 to $4,999	5.3	2.6
$5,000 to $5,999	5.1	2.6
$6,000 to $7,999	4.8	2.5
$8,000 to $9,999	4.6	2.3
$10,000 and over	3.8	2.2

The incongruity of imposing such a regressive tax at a time when the administration is stressing an antipoverty war needs no emphasis. It also contrasts with the President's promise of additional income tax cuts for "those taxpayers who now live in the shadow of poverty." Even for people above the poverty line, a Government-imposed increase in the price of food is no small matter. State governments that levy general sales taxes typically exempt food expenditures to avoid imposing hardships on people of modest means.

The wheat-processing tax is being increased in the name of providing a better income for farmers. Yet, this approach to improving farmer's income was shown to be wildly misdirected by Kermit Gordon in his Saturday Review article:

"About 80 percent of our assistance goes to the 1 million farmers whose average income exceeds $9,500. The other 20 percent of assistance is spread thinly among the remaining 2,500,000 farmers.

"The farms that produce most of the Nation's food and fiber no longer fall into the lowest one-third of the Nation's income distribution. Most are successful business firms. Their continued success is of course not independent of Government commodity programs, whose elimination would cause a sharp fall in the income of all farmers. But these programs are no longer a means of distributing income to the neediest groups in our population; they are not welfare programs."

Indeed, it seems obvious that the wheat plan is a welfare program in reverse: it primarily improves the welfare of relatively well-to-do farmers while reducing the welfare of lower-income people.

For the administration, however, shifting the wheat subsidy from the taxpayer to the consumer makes it possible to show a reduction in Federal budget outlays for commodity programs, which in recent years have averaged close to $4 billion a year. While Secretary Freeman has said that boosting the wheat tax would raise the price of bread about 1 cent a pound loaf, bakers have put the increase at 2 cents a pound, after allowing for distribution costs and the retailer's markup. Testifying in behalf of the American Bakers Association and the Biscuit and Cracker Manufacturers' Association, Joseph Creed summed up the objections of the industry:

"The plain fact of the matter is that should this high-priced program be enacted, the Congress will be telling the consumer of bread that he is to be saddled with arbitrary price increases to provide a Government-determined level of income for a small group of the citizenry—the wheatgrowers. We believe that if it is to be the declared public policy of Congress that wheat farmers should receive a higher price for each bushel of wheat than the marketplace provides, it would be far more forthright and honest to provide such a return out of the general funds of the Government instead of using the local baker as the tax collector. To tell the consumer that the cost of Government is thereby reduced because the financing of the program is taken from another pocket of the consumer is, in our opinion, a sham."

FEED GRAIN AND OTHER PROGRAMS

The wheat tax is not the only temporary program that threatens to become permanent. The feed grain program, started in 1961 as an emergency measure, is up for a 4-year renewal. While its basic aim has been to divert acreage out of key feed grains, it has proved to be a highly expensive proposition.

The administration has claimed success for the program by pointing out that feed grain stocks have been reduced by some 30 million tons in the past 4 years. Charles B. Shuman, president of the American Farm Bureau Federation, has pointed out, however, that this has been accomplished with the massive expenditure of nearly $3.7 billion, equivalent to about $3.65 for each bushel reduced. He also maintains that feed grain capacity has been actually increased, rather than reduced by the diversion payments. Prices have continued to be supported at levels attractive enough to spur farmers to use more and more fertilizer and other means to boost yields on the remaining acreage.

In both the wheat and feed grain programs, objections have been raised against the power given the Secretary of Agriculture to sell Government surplus stocks at 105 percent of the price-support level, plus carrying charges. Farm groups have charged that this power has been used as a club to force farmers to comply with farm programs by putting a tight lid on market prices. This has also discouraged the private grain trade from carrying its own inventories. While Secretary Freeman has defended the 105 percent rule as necessary for administration of his programs, several farm groups have called for a higher level in order to permit normal price movements and a revitalization of the private grain business.

Among other programs proposed by the administration, the rice certificate plan has met with so much opposition within the trade that its chances of passage are regarded as slim. Extension of the wool program, modified to provide higher subsidies for small producers, has also aroused little enthusiasm.

TIME FOR A CHANGE

The time is ripe for a sweeping change in farm programs. As indicated in the President's farm message last February, the administration itself now recognizes the need to separate the problems of commercial agriculture from the social problems of poor people living in rural areas. This general approach is to be commended. The proposed cropland adjustment program can play a vital role in retiring whole farms out of surplus production, provided that the land is not used for other crops. Efforts toward providing better training for farm people to speed their successful adjustment into industrial or service occupations are in the right direction and need to be expanded.

But somewhere between thinking and acting, the new approach has gone astray. While the President spoke of producing food at "reasonable and stable prices," the proposed program would raise some food prices. Though the President spoke of a more effective "free market" system, farmers would face the same controls and rigged markets as before. And while he spoke of achieving "liberalization" of farm trade in the "Kennedy round" negotiations at Geneva, the proposed legislation would reduce differences between our own policies and the protectionist system of the Common Market that has been so roundly criticized in this country.

Few people believe that producers of price-supported crops, after three decades of Government protection, should suddenly be left to fend for themselves. But any new program should work in the direction of gradually bringing about a shift of resources and an adjustment of farm production to permit the Government to reduce sharply its costly intervention in farm markets. Such an "adaptive" approach was recommended in 1962 by the Committee for Economic Development:

"The adaptive approach seeks to achieve adjustment to economic reality without imposing hardships, by means of programs that promote adjustment but cushion the effects upon people and property. Although the adaptive approach, like the protectionist approach, requires Government action, the objectives of the Government action are entirely different. The adaptive approach calls for action by Government working with the free market, not against it.

"It seeks to achieve the results of the free market more quickly and easily rather than to keep these results from occurring. The adaptive approach works by permitting full production, rather than by limiting production. And, Government adaptive programs applied to particular industries can ordinarily be temporary, whereas protectionist Government actions generate the need for their own indefinite continuance. We believe that if a small fraction of the money, effort, and thought devoted to protecting agriculture in the past decade had been devoted to adapting agriculture, the Nation would be at least in sight of a solution today."

DEPARTMENT OF AGRICULTURE,
OFFICE OF THE SECRETARY,
Washington, July 9, 1965.

Mr. GEORGE S. MOORE,
President, First National City Bank,
New York, N.Y.

DEAR MR. MOORE: Your July newsletter, which you devoted primarily to an attack on the Great Society farm program, has confused consumers, farmers, economists, and the public alike, each for different reasons.

The consumer, viewing your alarm in predicting as much as a 2-cent increase in the price of bread if the Great Society wheat certificate proposal is enacted, is struck by your sudden great sympathy for him. What has brought about this new overwhelming concern for the consumer? The price of bread in the past 18 years has increased by two-thirds, climbing 8 cents a loaf, yet you have raised no objection. Eighteen years ago the farmer was getting 2.7 cents for the wheat in a 1-pound loaf of bread, and consumers were paying about 13 cents for the loaf. Today the farmer is getting the same 2.7 cents for the wheat, and consumers are paying 21 cents for that loaf of bread. So long as the farmer got no increase, you apparently felt no concern for the consumer.

The farmer is asking himself why are you trying to block any consideration for his needs. Does it mean that a bread price increase has your approval if the farmer does not get any part of it, but invites your attack if he is helped? He can only hope that not many other big, powerful financial institutions hold such attitudes.

The wheat certificate program means that the farmer would get 3.4 cents rather than only the 2.7 cents or less than he has received over the last 18 years for the wheat in a loaf of bread. The farmer knows this is very little to cover the increased costs he must pay like everyone else, and he believes the consumer will understand his needs.

The farmer is also puzzled by the assertion in your newsletter that the wheat farmer is well to do. A typical wheat farm in Kansas, for example, which depends on wheat for the primary source of income, provides the farm family a modest income at best.

Last year under the wheat certificate program enacted in 1964, a typical wheat farm netted about $4,200. If there had been no certificate program, the farm family would have netted less than $2,000. This farmer has an investment of at least $80,000. We estimate that the proposed program would increase the net return to about $4,800 a year—perhaps about as much as you pay a typist.

Would your bank, for example, be willing to loan a farmer the credit he needs to carry out his farming operation if you knew his net return would be less than $2,000? I doubt if it would, yet you seem to want to put the farmer in the position of reducing both his profits and his chances to obtain the credit he needs.

Your newsletter certainly must puzzle the agricultural economist just as it amuses the consumer and frightens the farmer. You ought to make it clear when you are playing politics, and when you are making a serious economic analysis. Your July letter is sheer economic nonsense. You made the same alarmist predictions a year ago when the current certificate plan was enacted, and a year's experience has disproved every one of them.

In the first full year of operation with the wheat certificate program, bread prices have remained virtually the same as before the certificate program went into effect. In addition, profits earned by wheat users have increased, the cost of operating the program was $300 million less than in the previous fiscal year, and farmers earned $450 million more than would otherwise have been possible. The program also means that wheat will move at competitive market prices domestically and in world trade—a procedure you have long advocated but now totally ignore.

Finally, your assertion that the agricultural programs are inconsistent with the other Great Society programs of this administration, particularly the excise tax reduction and the poverty program, is a clever play on words, but it doesn't stand up under more than a passing glance. In the first place, there is no bread tax. Instead, the farmer will receive seven-tenths of a cent more for the wheat in a loaf of bread—his first raise in 18 years.

Instead of hindering the poverty program, as you claim, the new wheat program will make more funds available for Great Society programs like the food stamp plan which improves the diet of low-income families by boosting their food budget a third on the average.

I read your letter carefully and profit from it. Won't you please return to serious, carefully thought out articles and get out of "farm politics"? Both the bank and the Nation will be better off.

Sincerely yours,
ORVILLE L. FREEMAN,
Secretary.

WATER SHORTAGES

Mr. HUTCHINSON. Mr. Speaker, I ask unanimous that the gentleman from California [Mr. REINCKE] may extend his remarks at this point in the RECORD and include extraneous matter.

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

There was no objection.

Mr. REINECKE. Mr. Speaker, every day we read of new problems due to severe water shortages in various parts of our country. What is not generally brought out is the fact that a potentially serious health hazard exists due to water contamination by back siphonage every time there is a water pressure failure.

Each year this Nation spends hundreds of millions of dollars to develop new water supplies, to capture natural streams and rivers, and yet, Mr. Speaker, only a pittance is spent and no organized program exists to properly conserve this water after it is incorporated into our municipal water systems. We must stop this terrible waste.

As a result, and in recognition of a true national need, I am introducing a bill today to establish a National Study Commission on Water Conservation and Utilization. The intent of this Commission is to recommend to the President and the Congress a national plan to recommend means by which water purveyors, acting on their own initiative, can take steps to conserve this valuable natural resource and, further, to make grants and contracts to do the required research on uses of water in industry, agriculture, and domestic applications.

As a means of eliminating unnecessary duplication, the bill stipulates that the Commission review existing data, surveys, and research projects. In this regard, I would like to call to the attention of the Commission the long history of research in the field of domestic water conservation by the American Society of Sanitary Engineering. The work of this group is notable and worthy of serious review.

The final product of this 5-year Commission will be to publish and distribute a comprehensive means for all interested Americans to assist in conserving our most crucial natural resource.

CLEAN ELECTIONS AMENDMENT EXPLAINED

Mr. HUTCHINSON. Mr. Speaker, I ask unanimous consent that the gentleman from New Hampshire [Mr. CLEVELAND] may extend his remarks at this point in the RECORD and include extraneous matter.

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

There was no objection.

Mr. CLEVELAND. Mr. Speaker, because a number of my constituents have inquired about the "clean elections" amendment offered by the gentleman from Florida [Mr. CRAMER] and adopted last Friday as part of the voting rights bill, I want to take this opportunity of explaining it. First, I point out that I voted for the amendment, as well as for the voting rights bill. The clean elections amendment fills a gap in the Federal laws governing elections and when it is put into operation will offer substantial protection against fraud at the polls. The majority of the House, in adopting the amendment, recognized clearly that, while the right to vote is vitally important, the right to cast them in honestly conducted elections is just as important. It should be pointed out also that the same provision was approved earlier in the Senate by a unanimous vote.

The amendment is straightforward. It applies to all Federal elections and provides maximum penalties of a $10,000 fine or 5 years' imprisonment or both for anyone who knowingly or willfully gives false information as to his name, address or period of residence in order to be registered, or who conspires with another to register falsely or to vote illegally; or pays or offers to pay or accepts payment either for registration or voting.

This amendment is extremely important. There is no point in registering minorities if we do not take steps to protect their votes. If we permit other persons to come in and register tombstones, to provide false and illegal absentee ballots, to buy and procure votes, to float voters from one district to another, we are not protecting the right to vote and this voting rights bill loses much of its meaning.

Recent elections have produced outrageous evidence of vote-stealing and shenanigans. This is particularly true in machine-run city wards, but not confined to them. The purpose of the clean elections amendment is to serve notice to the Nation and to the world that we mean to have clean elections in this country—not bought votes, not fraudulent elections, but clean elections. I would want every citizen in the country to feel, as he leaves the voting booth, that his ballot has been recorded just as he cast it. This amendment, for the first time at the Federal level, offers such assurance.

I must frankly state, however, that I am sorry the amendment does not go further and cover the problem of counting ballots honestly and the problem of intimidation of voters. Both of these problems were covered in the Ford-McCulloch Republican voting rights bill.

Nevertheless, the Cramer amendment represents a major step forward. It parallels the amendment offered by Senator JOHN WILLIAMS of Delaware, and adopted in the Senate, and I was glad to vote for it.

LI'L ABNER CARTOONS TO LURE DROPOUTS INTO JOB CORPS

Mr. HUTCHINSON. Mr. Speaker, I ask unanimous consent that the gentleman from Ohio [Mr. MINSHALL] may extend his remarks at this point in the RECORD and include extraneous matter.

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

There was no objection.

Mr. MINSHALL. Mr. Speaker, Mr. Speaker, like millions of Americans I follow the adventures of Al Capp's "Li'l Abner." I have been intrigued lately by the devastating job Mr. Capp has done in his comic strip on the administration's so-called antipoverty program. As Dogpatch fans know, Tiny Yokum's misguided efforts to help his impoverished cousins were the subject of some biting social cartoonery.

I was surprised, therefore, when my good friend, Bob Crater, one of Scripps-Howard's best reporters, uncovered the fact that the same Mr. Capp who attacks the poverty program in his syndicated strip has donated "Li'l Abner's" services to the Office of Economic Opportunity for use in a comic book designed to lure recruits to the Job Corps.

It appears confusion is compounding confusion in the Office of Economic Opportunity and Mr. Capp is contributing his share.

Since the taxpayers are footing the $25,000 printing bill for publishing the Job Corps' comic book, they will be interested in the Crater article from the June 14 edition of the Cleveland Press.

LI'L ABNER CARTOONS TO LURE DROPOUTS INTO JOB CORPS

(By Robert Crater)

WASHINGTON.—Undaunted by explosive reaction to the TV spectacular "It's What's Happening, Baby," Federal antipoverty strategists are readying a new gimmick.

Soon to be released by the Office of Economic Opportunity are 500,000 "Li'l Abner" comic books aimed at enlisting men and women aged 16 to 21 in the Job Corps.

OEO's information chief, Holmes Brown, says the comic books cost $25,000 for printing. He said artist Al Capp donated the drawings, valued by OEO at between $150,000 and $200,000.

"Li'l Abner and the Creatures From Drop-Outer Space" features Abner, Danny Driftwood, and Sloppy-Belle, a buxom redhead in skintight stretch pants.

Together the Dogpatch trio illustrates how Danny Driftwood got nowhere with an attractive secretary named Bouncy-Belle until he joined the Job Corps to better himself.

Cast in the beginning as "a nice but undesirable young man desired by Sloppy-Belle, who is unkempt, unemployed, and undated," Danny winds up in the OEO's opus a well-dressed, employed gentleman who wins the hand of Bouncy-Belle.

And Sloppy-Belle, who has learned her lesson, joins the Job Corps, too.

Like the TV 90-minute spectacular by CBS, the comic book is aimed at the Nation's young poverty group and speaks their language.

A letter by Li'l Abner advises readers that artist Al Capp was a school dropout.

Capp, relates Abner, hung around street corners and stole an automobile when he was 16. Placed on probation, Capp remained "the original joovern-ill de-linkwunt" in Bridgeport, Conn., until he got a job, explains Abner.

"If it warnt fur a accidental lucky brake, Capp mite still be a jooven-ill de-linkwunt, which wood be embarassin at his age.

"An so the trooth is it dident take no talent for Capp to rite no story about no young fink, because thats what he was before he got started," concludes Li'l Abner.

WATER, WATER—

The SPEAKER. Under previous order of the House, the gentleman from New York [Mr. McCARTHY] is recognized for 30 minutes.

Mr. McCARTHY. Mr. Speaker, the Nation's water problems mount daily. But answers to water management problems do not come overnight. Indeed, it takes years before the results of poor water planning can be corrected. Yet by 1980—just 15 years from now—the United States will need facilities to supply twice the water we use today.

Let us look at some of the water problems we now face:

First. On July 7 a four-State water emergency was declared for the Delaware River Basin. New York City was directed to reduce its consumption of Delaware water by 75 million gallons a day. The cities of Philadelphia, Pa., and Camden, N.J., faced the imminent threat of their water supplies being contaminated by salt. By unanimous vote of representatives of the four States—New York, New Jersey, Pennsylvania, and Delaware—and the U.S. Department of Interior, it was decided that New York for the subsequent 30 days would have to release 200 million gallons of water a day to help provide a river flow at Montague of 1,025 cubic feet a second. Subsequently, New York City announced that it would activate an emergency pumping plant on the Hudson River and begin purifying the terribly polluted Hudson water and channeling it into the New York system.

Second. The U.S. Weather Bureau early this month forecast "no substantial relief" for the 4-year drought that has plagued most of the Northeast. Secretary Udall charged that the water shortage was primarily the result of a lack of foresight in planning for the drought cycle.

Third. Water levels on the Great Lakes are dangerously low, intensifying the acute pollution of the lakes and forcing heavy losses in potential revenues on shippers who cannot load their vessels to capacity. Lake Erie has been described as a "dying" lake.

Fourth. New York, Ohio, Pennsylvania, Michigan, Wisconsin and Minnesota are seeking in the U.S. Supreme Court to reduce diversion of Great Lakes waters at Chicago.

Fifth. The U.S. District Engineer for the Pittsburgh district has recommended construction of a billion-dollar waterway connecting Lake Erie with the Ohio River which would result initially in the diversion from Lake Erie of over a million acre-feet of water. This action by the Corps of Engineers, it is important to note, does not yet have the approval of the International Joint Commission established by the 1909 Boundary Waters Treaty between the United States and Great Britain.

Sixth. Fast-growing southern California faces a heightening water crisis and looks to quenching the thirst of its parched lands with waters brought many hundreds of miles from the water-rich Northwest.

These are but some of the many water problems the United States faces today.

President Johnson is certainly to be praised for asking for a report on how the Federal Government could help alleviate the urgent water problem in the Northeast but I should like to urge that the scope of this activity be considerably broadened.

The immensity of our water management problems points to the need for action. The staggering scope of our future water problems demands that we begin planning now.

There are many agencies and departments of the Federal Government which now have responsibilities in the planning, development, and conservation of water resources—the Atomic Energy Commission, Interior Department, U.S. Army Corps of Engineers, Agriculture Department, Weather Bureau, State Department, National Science Foundation, Department of Health, Education, and Welfare, and the U.S. Coast Guard among them.

But there is need for improved coordination of the water resources activities of these various entities. And hopefully this will be achieved after the President signs S. 21 which provides for a Cabinet-level Water Resources Council. And I do hope that he soon will sign this measure into law. For the Council will bring to one table all of the programs and activities in the field of water resource planning, development, and conservation.

One of the council's early actions, I believe, should be a start on the development of a comprehensive national water policy.

The policy should not only advance solutions to our current water management problems but long-range planning for future water needs as well.

Certainly this policy should call for a step-up in the Federal Government's already impressive progress in perfecting the desalting of sea water.

The Bechtel Corp. recently made an important report to the Interior Department, the Atomic Energy Commission and the Metropolitan Water District of southern California.

It reported that sea water could be transformed into fresh water with atomic power at about one-fifth of current cost.

That would put the cost—a minimum of 22 cents a thousand gallons—close to what southern California expects to be paying for natural fresh water from inland sources within the next few years.

Such a rate would be favorable for other sections of the country where water is scarce.

The Bechtel report indicated that such low-cost desalinization could be accomplished by a $300 million plant situated south of Los Angeles producing electric power as a byproduct.

The plant would produce 150 million gallons of water a day—enough for a city of 750,000 persons.

The power output would be 1,800 megawatts, enough for a city of 2 million—bigger that the Hoover Dam's capacity of 1,300 megawatts.

The council should press forward with federally-financed research into new methods of water purification. The Rand Development Corp. has developed a startling new water purification system that uses coal and which produces electric power as a byproduct.

Other possibilities that should be considered by the council include use of flood control dams to create reservoirs, civilian use of reservoir system at vacant military installations, and transporting water supplies by tank car to emergency areas.

Another priority item on the Interdepartmental Council's agenda should be early discussions with Canada looking toward the development of a North American water policy.

A plan has been conceived by a distinguished Canadian engineer, Thomas W. Kierans, of Sudbury, Ontario, for diverting Hudson Bay-bound rivers into the Great Lakes.

The plan calls for delivering 24,000 cubic feet per second of new water to the Great Lakes and for dependably managing the levels, flows, and quality of the Great Lakes.

If carried out, the plan could assist in the solution of a number of the problems I cited earlier:

The new water would raise the levels of the Great Lakes.

It would flush out pollutants from the lakes.

It would enable Chicago and Ohio to divert the water they require.

The water could be diverted into either the Hudson or Delaware Rivers watersheds to provide for the increased needs of Atlantic seaboard metropolitan areas.

A start has been made in this general direction.

Private engineering firms are studying the plan's economic feasibility. And the International Joint Commission now is studying the twin problems of water quality and quantity in the Great Lakes.

But I regret that the chairmanship of the U.S. section of the International Joint Commission has been vacant for 1 year—since July 1964, when our colleague, the gentleman from Wyoming, left the post to run for the House of Representatives.

We did, however, have an indication of increased attention to relations with our northern neighbor this week when the White House made public a report recommending close, continuous, and candid consultation between the United States and Canada as the cornerstone of improved relations between the two nations.

President Johnson asked the Secretary of State to take the lead for the United States in a prompt review of the report and its recommendations.

I earnestly hope that Mr. Rusk will indeed take the lead and inaugurate conversations with the Canadian Government on the matter of joint planning of a North American water policy which would include jointly undertaking the huge Great Lakes replenishment project advanced by Mr. Kierans.

The Nation's water problems mount. Fifteen years from now we will need facilities to supply twice as much water as we use today.

Clearly, the time has come to act and to plan.

THE DOMINICAN REPUBLIC AND THE ALLIANCE FOR PROGRESS

The SPEAKER pro tempore (Mr. MATSUNAGA). Under previous order of the House, the gentleman from Illinois [Mr. PUCINSKI] is recognized for 30 minutes.

Mr. PUCINSKI. Mr. Speaker, during the recent tragic events in the Dominican Republic, I am sure a good many Americans acquired the false impression that all of Latin America was up in arms against the United States because of President Johnson's action in sending troops.

There are many reasons why this false impression gained currency. There were, in some Latin American capitals, the usual street demonstrations by the usual small elements. There were the expected outcries from the traditionally anti-American groups. And there were, of course, the usual sensational news reports of student rallies or flag-burnings or overturned cars. Mixed in with these reports were, of course, legitimate protests from responsible elements. I would not suggest that only small bands of vociferous extremists criticized the American action. Indeed, since concern was expressed in many responsible quarters.

But I think it is time to put in perspective the reaction of Latin Americans to the U.S. role in the Dominican crisis.

To begin with, I would like to point out that only two Latin American chiefs of state criticized President Johnson's action. I think we should remember also that in all the voting in the Organization of American States during the crisis the positions taken by the United States were supported on every occasion by two-thirds or more of the member nations. Indeed, in the first crucial test—on the resolution asking the OAS itself to assume the responsibility for restoring order in the Dominican Republic—only five Latin American nations declined to go along.

But perhaps the best measure of Latin American sentiment throughout the crisis is the newspaper editorial reaction throughout the hemisphere.

In the first days of the Dominican crisis, when U.S. troops were landed, there was indeed widespread editorial criticism. Gradually, however, as the picture of utter chaos emerged from the Dominican Republic the editorial tone shifted in many Latin American countries to sympathy, understanding and even support for the decisive action of President Johnson.

Let me give you some examples:

In Rio de Janeiro, the widely read O Jornal declared that:

> The intervention of the American Armed Forces in Santo Domingo * * * was not only urgent but indispensable.

The editorial added that:

> The theoreticians of self-determination and nonintervention protest that the presence of American warships in Santo Domingo constitutes a flagrant violation of U.S. agreements with other hemisphere powers in the treaties of Bogotá and Rio de Janeiro. But it must be admitted that awaiting the formal procedures of those treaties would have sacrificed hundreds, even thousands of innocent persons.

In Colombia, while one liberal newspaper initially called the U.S. action unwarranted intervention, another liberal journal, El Espectador, said President Johnson's reasons for intervening were acceptable in face of the fact that no government existed in the Dominican Republic. In fairness, however, let me add that El Espectador insisted that in form and essence our action was incorrect. But later on, the other leading liberal newspaper, El Tiempo—which at first had condemned our action—declared, and I quote:

> If President Johnson—who is better informed than we are—thinks there is a grave danger of a Castroist invasion of Santo Domingo and that this island could be converted into another Cuba, he was perfectly right in ordering intervention.

In Venezuela, another leading liberal journal, El Mundo of Caracas, decided that:

> The Americans have acted well, with rapidity and foresight. There is no time to lose. Communism acts fast. It is organized and supported. The protest of some Latin American countries against intervention in Santo Domingo should now be choked off.

In Ecuador, the popular newspaperman and poet, Mr. Alejandro Carrion, declared in Guayaquil's El Universo:

> In justice, and without justifying the U.S. action, it must be recognized that the armed intervention came after another armed intervention about which nothing was said, which was not condemned, and which was not interfered with. I refer to the armed intervention of the Communists.

In Mexico, which did not vote with us in the OAS, a leading conservative journal, El Universal, condemned our action in the Dominican Republic. Yet, at the same time, another leading conservative newspaper, Excelsior, found that:

> The possibility that the Dominican Republic can become a second Cuba is something which affects the Dominicans as primary victims, but also all Latin Americans who would feel its weight as a threatening presence and a new center of agitation on a hemispheric scale.

Still another major newspaper in Mexico, the liberal Novedades, declared:

> The landing of U.S. marines is justified by basic humanitarian principles.

This newspaper added that "it cannot be ignored" that "openly Communists armed groups, or persons inspired by such, are trying to establish a regime like Fidel Castro's * * *."

> The Havana regime is intervening in Dominican affairs through [these] armed organizations. The United States cannot permit this without incurring grave danger to hemispheric peace and unity.

I could continue citing favorable editorial reaction in almost every country in the hemisphere. But I think you can see from the examples I have given that the Latin American response to our action was by no means violent or one-sided. At the same time, I would not suggest that there was near-universal support for our action, nor would I intimate that there was little or no criticism. There was, without doubt, a good deal of criticism from nonextremist sources. The tone of that criticism was, however, largely restrained and reasonable. It suggests, in fact, that in Latin America today the specter of American economic imperialism backed up by bayonets has been consigned to its rightful residence—to the dusty pages of old history books. And as Eric Sevareid has pointed out, the new and very real specter in Latin America today is Communist political and paramilitary penetration. There is, I think, a growing realization that the independent American Republics must together take further steps to meet this new danger and this new challenge.

Later this summer, in August in Rio de Janiero, the foreign ministers of the American Republics will meet in formal sessions to decide what measures can and should be taken to meet what the late Adlai Stevenson has aptly described as "camouflaged aggression—subversion so subtle that it can sometimes be exported without a fingerprint."

But there is an additional factor which is relevant here and which, to me, is fundamental in explaining the reactions of Latin America to the Dominican Republic crisis. There is not only an increasing recognition that the American nations must work more closely together to successfully resist this new aggression. There is a recognition of the need to continue the equally vital task of rapidly improving the social and economic circumstances of the American people. This social sensitivity, coinciding with our own, was significantly responsible for the orientation of a series of inter-American declarations of policy reaching their spiritual and operational climax in the Alliance for Progress.

For almost 4 years, under the Alliance, the independent Latin American Republics and the United States have struggled side by side to meet a profound and mounting demand for social justice. There is today in Latin America a new willingness to accept the major responsibility for the success of this democratic, peaceful revolution. There is a growing awareness that long-term economic and social progress requires each nation to reform and modernize many traditional institutions.

Let me cite some instances of such reforms:

All of the 19 Latin American nations have improved their tax administration and 9 have enacted major tax reform programs.

Twelve countries have introduced new land reform programs.

Ten countries have come up with national development plans or sector investment programs. Other country programs are nearing completion.

Education budgets have increased some 13 percent, and 5 million more children are now attending school.

Fifteen countries have established self-help housing programs, and more than 300,000 new dwelling units have been completed or are about to be.

Nine countries have enacted laws fostering the growth of savings and loan associations, and eight countries now have new public or private development banks.

Thus it has become increasingly clear in Latin America that only through self-help can a nation or a people effectively marshal their own resources to meet the challenge of rapid development and to survive and compete in the modern world.

There is also a greater consciousness among the Latin American nations that cooperation with each other—such as we already see in the Central American Common Market and in the Latin American Free Trade Association—makes for the most rapid and solid progress.

The executive direction of the Alliance for Progress today is largely in Latin American hands. Through the Inter-American Committee on the Alliance for Progress, known as CIAP from its initials in Spanish, the Latin Americans themselves keep a vigilant eye on the pace of national development programs and multinational cooperative ventures. CIAP reports that last year Latin America achieved an overall increase of 2½ percent in gross national product. This was the challenging growth target set in mid-1961 when the Alliance was officially launched at Punta del Este, Uruguay. Under CIAP's prodding and intelligent leadership there is a fair chance that this same important goal will be reached again this year.

For its part, the United States continues its vigorous and full support of the Alliance. Early this year President Johnson not only renewed the pledge of the United States to support all the Alliance objectives but also promised increasing participation of the United States in the years ahead. Secretary of State Rusk has suggested that now, in the aftermath of the chaotic and tragic events in the Dominican Republic, all the member nations of the Alliance for Progress face the challenge of building in that battered land the foundations for a modern, democratic life. The Dominican people, he said, "want what the rest of us want for ourselves: representative constitutional government, economic and social progress, hope that their children's lives will be happier and more fruitful than their own."

As for the political content of the Alliance, Secretary Rusk restated the position of the United States simply and clearly:

The United States welcomes change in Latin America. From its inception, the Alliance for Progress has been the cornerstone of our policy in Latin America. The Alliance objectives—of reform and development in democracy—are our objectives. They are our objectives because we have always believed in them, and because of their attainment in each and every country of Latin America is in our national interest.

THE COMMUNIST ASSOCIATIONS OF THURGOOD MARSHALL

The SPEAKER pro tempore (Mr. MATSUNAGA). Under previous order of the House, the gentleman from Louisiana [Mr. WAGGONNER] is recognized for 15 minutes.

Mr. WAGGONNER. Mr. Speaker, inasmuch as the President has nominated Thurgood Marshall to be Solicitor General of the United States and since this nomination does not come before the House for our approval or disapproval, I take this means as the only one available to me to put into the RECORD for permanent reference, the information available to me of the Communist front associations of this man.

This may not be the entire record and, indeed, it probably is not, but at least it is a beginning.

The information I am about to present comes from the public records, files and publications of the House Committee on Un-American Activities.

This material reveals that Thurgood Marshall was a member of the national committee of the International Juridicial Association. The special Committee on Un-American Activities cited the International Juridicial Association as "a Communist front and an offshoot of the International Labor Defense" in Report No. 1311, dated March 29, 1944. Also, in a report on the National Lawyers Guild, prepared and published September 17, 1950, by the Committee on Un-American Activities, the International Juridicial Association was cited as an organization which "actively defended Communists and consistently followed the Communist Party line."

A list of officers of the National Lawyers Guild, as of December 1949 which is printed in the committee's report on the National Lawyers Guild on page 18, contains the name of Thurgood Marshall, New York City, among the members of the executive board. He was shown to be an associate editor of the Lawyer's Guild Review in the issue of May–June 1948 on page 422.

In the Washington Star, on page A–22 of the February 8, 1948, issue and on page A–82 of the February 12, 1948, issue of that same paper, a story shows that Marshall criticized the loyalty program in a public forum held under the auspices of the National Lawyers Guild here in Washington.

As you know, the National Lawyers Guild was cited by the special Committee on Un-American Activities as a Communist front in Report No. 1311 of March 29, 1944, on page 149. In the committee's report on the organization, released in 1950, the guild was cited as a Communist front which "is the foremost legal bulwark of the Communist Party, its front organizations and controlled unions" and which "since its inception has never failed to rally to the legal defense of the Communist Party and individual members thereof, including known espionage agents."

The Communist Daily Worker of November 24, 1947, on page 4, reported that Thurgood Marshall was among a group of attorneys who sent a telegram to New York Congressmen asking them to oppose the contempt citations in the case of the so-called Hollywood 10.

As I say, this is at least a portion of the Communist front activity of the man the President has nominated to be Solicitor General of the United States. It is probable that a search of the files of the FBI, the Attorney General's office, the Senate Internal Security Subcommittee and an exhaustive search of the records of our own Committee on Un-American Activities would reveal more facts of this same nature. Such a search should be undertaken and the results made known to the people before this nomination is voted upon in the Senate.

This man is cited by the President as "a lawyer and judge of very high ability, a patriot of deep convictions, and a gentleman of undisputed integrity."

With his Communist front associations of the past, here only partially revealed, it seems to me that both his integrity and patriotism are open to serious question, a question that must be answered and his Communist front activity explained, if it can be explained, before he is installed in this high post of responsibility.

A LIFETIME OF DEDICATED SERVICE—SPEAKER JOHN McCORMACK

The SPEAKER pro tempore (Mr. MATSUNAGA). Under previous order of the House, the gentleman from Massachusetts [Mr. CONTE] is recognized for 15 minutes.

Mr. CONTE. Mr. Speaker, one of the great satisfactions I have enjoyed since coming to the Congress has been to serve under the able and distinguished leadership of my colleague from Massachusetts, Speaker JOHN McCORMACK. Even though we do not share the same party label, I am proud to esteem him both as a friend and a professional colleague. I am proud that we share the common ground of representation in the Congress for the Commonwealth of Massachusetts.

On a number of occasions this year, attention has been called to our Speaker's manifest capabilities and skills, adding just measure to the lengthening account of awards and citations which have been extended to him throughout his long and distinguished career by some of our finest and proudest instituions. His lifetime of dedicated service to this body have earned him the respect and gratitude of all his countrymen, Republicans and Democrats alike.

I claim the privilege now of directing the attention of my colleagues to just a few of the more recent tributes extended to Speaker McCORMACK.

On March 9, the Veterans of Foreign Wars named Speaker McCORMACK as man of the year for his outstanding leadership in the House of Representatives. Again in March he was given the distinguished service award of the National Postal Union in Boston.

I am certain that our Speaker must count near the top of any list of his citations, the awarding of the Veritas Medal to him this spring by Providence College in our neighbor State of Rhode Island.

It is always a proud moment for any man to be singled out by an institution of higher education in appreciation of his dedication and devoted service to that institution. Such recognition is doubly gratifying when it is conferred upon one who has not graduated from its campus nor even attended classes there, but who nevertheless believes strongly enough in the educational principles and academic integrity of that school to have earned distinction as one of its most beloved benefactors.

The Veritas Medal is the highest recognition conferred by Providence College upon its graduates. By conferring the medal upon our Speaker, Providence College gives an added distinction to both. The gesture is perhaps matched only by the spiritual and material assistance which our Speaker has conferred upon the college.

The Disabled American Veterans, a fine group of loyal Americans whose tributes may never be taken lightly, has most recently taken special note of our Speaker's outstanding career and of his special interest in veterans affairs by conferring on him the national DAV Award for Distinguished Service. This citation was extended only last Saturday, July 10.

Certainly among the most impressive of the citations this year extended to our Speaker has been in recognition of his sincere concern for, and deep commitment to the welfare of our wartime veterans. The National Association of

State Directors of Veterans Affairs in May selected Speaker McCORMACK to receive its coveted National Distinguished Service Award. A letter in regard to this selection was sent to Mr. Charles N. Collatos, commissioner of veterans services for the Commonwealth of Massachusetts. The letter was signed by President Lyndon Johnson.

Since the President's sentiments certainly echo my own and, I am sure all of us in this body on both sides of the aisle, I ask unanimous consent to insert the letter at this point in the RECORD. The letter follows:

THE WHITE HOUSE,
Washington, May 12, 1965.

Mr. CHARLES N. COLLATOS,
Commissioner of Veterans' Services,
The Commonwealth of Massachusetts,
Boston, Mass.

DEAR MR. COLLATOS: I want to congratulate you and your colleagues in the National Association of State Directors of Veterans' Affairs on your selection of Speaker JOHN McCORMACK to receive the National Distinguished Service Award.

Over the years of my long and happy association with this outstanding public servant from your State of Massachusetts, I have known JOHN McCORMACK to be always in the forefront of every effort to strengthen the security of this Nation and to assure protection of the best interests of those men and their families who have borne the burden of America's preparedness.

As this award is presented, please extend to Speaker McCORMACK, my good wishes and admiration for the honor he so richly deserves.

Sincerely,

LYNDON B. JOHNSON.

THE FRAUDULENT POSITION OF THE COAL INDUSTRY ON RESIDUAL OIL IMPORTS

The SPEAKER pro tempore (Mr. MATSUNAGA). Under previous order of the House, the gentleman from Massachusetts [Mr. CONTE] is recognized for 15 minutes.

Mr. CONTE. Mr. Speaker, in a recent statement to the Office of Emergency Planning regarding the OEP's current investigation of residual fuel oil import controls, Prof. M. A. Adelman, of the Massachusetts Institute of Technology, has laid bare the fraudulent position of the coal industry in its fight to deprive New England and other east coast users of necessary fuel supplies at the most favorable prices. Professor Adelman is associated with the Department of Economics and Social Science at MIT and is a highly regarded expert on petroleum matters. His remarks are certainly worthy of consideration in resolving what is a most critical situation for us in New England.

Professor Adelman has charged the coal industry with systematic price discrimination by offering the most favorable coal prices only to those east coast users who are in a position to threaten the use of competitive energy sources.

Professor Adelman points out that the coal industry's chief Washington spokesman, Mr. Joseph Moody, may have uttered the industry's epitaph during recent testimony before the Joint Committee on Atomic Energy which was considering a decision of the Jersey Central Power & Light Co. to build a nuclear plant.

Mr. Moody confessed in part at that time:

If we had believed the Jersey Central people we would have given them a price for combined transportation and coal so that they wouldn't build that Oyster Creek plant, but we didn't believe them.

In castigating the coal industry for its discriminatory price practices, which seem to be clearly implied in Mr. Moody's testimony, Professor Adelman states:

Systematic discrimination is hard to maintain, except where it has the explicit sanction of law, such as the present dollar-plus per ton discrimination against export coal. Otherwise, a wide price spread offers a constant temptation to chisel, and discrimination usually requires overt collusion. The coal trade which is so closed in upon itself and so besest by self-justification, is in danger of drifting into criminal violation of the Sherman Antitrust Act.

Professor Adelman also points out:

If controls (on residual fuel imports) are maintained, the coal industry will be smaller, and poorer. They will overreach, bluff in vain, and lose one market after another, as they lost the Jersey Central bid.

I agree with Professor Adelman completely. As one of the first in this body to oppose mandatory quota restrictions on imports of residual oil, I have sought over and over again to point out to the coal industry the absurdity of its position on this issue. I am deeply gratified that other voices are now being heard in like appeal. I am certain neither I nor they will give up this fight until these senseless, costly controls are lifted.

This program was ridiculous from the outset. With each passing year since it was first invoked in 1959, it has become even more ridiculous. Every study or investigation has borne this out. Each succeeding study yields only a rehash of facts and conclusions which have been reached over and over again. The current OEP study is just a further needless squandering of taxpayer dollars on a matter that should have been, and could have been, resolved long ago.

I might say that in connection with the current OEP study, on June 30, I told Director Ellington that we expected a prompt decision and he promised to let us know something in 30 days.

There can be only one decision, of course: these controls are needless, and are not good for the Nation or for the protection of any industry. It is time the administration accepted these facts along with everyone else who has, except the spokesmen for the coal industry. It is time the President put an end to a program which not only works to the disadvantage of the American consumer, but puts our foreign relations with at least one South American republic, Venezuela, on very shaky ground.

Many of my associates from oil producing States in this country have told me they are no longer concerned in the least with the source of New England's residual fuel oil. They have joined those who see the only possible truth in this matter and they have abandoned the position of stubborn resistance. They realize there is no threat to their product and that continued opposition to the removal of quota controls can only be to everyone's disadvantage. The coal industry now stands alone in its stubborn, self-serving desire to throttle the economy of the east coast, in spite of the overwhelming evidence that there will be no tangible gain for the coal industry, with or without residual oil controls.

I say its high time we resolved this problem in the only way it can be resolved. I say it is time we quit worrying about trying to resurrect a market for the coal industry that just does not and cannot exist.

Inasmuch as Professor Adelman's remarks to the OEP represent a rational, well-documented analysis of this problem, I would like to direct the attention of my colleagues to them and ask unanimous consent that they appear in full with my remarks in the RECORD. Professor Adelman's statement follows:

MASSACHUSETTS INSTITUTE OF TECHOLOGY,
DEPARTMENT OF ECONOMICS AND SOCIAL SCIENCE
June 28, 1965.

Mr. BUFORD ELLINGTON,
Director, Executive Office of the President, Office of Emergency Planning, Washington, D.C.

DEAR MR. ELLINGTON: Thank you for your letter of June 18. I am glad to submit for your consideration a brief statement of reasons for my price forecast together with some supporting documentation.

Enclosure (A), 25 copies enclosed, is the talk to the New England Council, predicting an eventual price of not more than $1.50 per barrel of residual fuel oil. Enclosure (B), letter to Mr. Joseph E. Moody makes it clear that this was not a short-term forecast; a decline of only about 20 cents per barrel was to be expected on the morrow of controls being lifted. One might conclude that (1) since the price reduction will be "only" 20 cents per barrel, little is gained by dropping residual controls; or that (2) since the price reduction will be no less than 50 cents, it will hurt the coal industry, etc. But one cannot have it both ways.

The prepared speech, enclosure (A), concentrated on the supply picture of heavy fuel oil. Because of the low cost of production in the Middle East and Venezuela, even with high royalties, it is remunerative to lay down heavy fuel oil at the U.S. East Coast at $1.50 a barrel, given enough time to make the necessary arrangements and provide the facilities. I can only guess how long it would take to get from the short run price of $1.80 to the long run price of $1.50: say not less than 2 years and not more than 5.

But the supply conditions in oil were only one reason for my forecast. The other blade of the scissors is domestic demand, which in turn depends on the prices at which coal will be available to electric utilities at the U.S. east coast. I pointed out that at present it was being sold at approximately 25 cents per million B.t.u.

This statement has been challenged (NCPC Newsletter, Jan. 21, 1965) and by those in the best of all possible positions to know the prices in recent contracts, including fringe benefits and retroactive adjustments. But they are unwilling to make those contracts part of the public record. Quite aside from their interest in having us believe that prices are higher their unsupported statements are not worthy of belief, since they will not bring forth the relevant documents, which they have.

My own belief that coal is now being sold around 25 cents rests altogether on the public record. A year ago, the president of Virginia Electric & Power Co. demanded that the coal to their newly-planned plant, which will begin operating in 1969, be made available at not more than 25 cents per million B.t.u. (Electrical World, June 20, 1964) The freight rate reported in the public press (Electrical World, Nov. 16, 1964) when added to the average minehead price in the area where the coal originates (National Power Survey, vol. II. pp. 351–352), is approximately 26 cents. But part of the package was a reduction in freight rates on deliveries to existing plants, worth around $3 million per year (Saward's Journal, May 22, 1965). When account is taken of this fringe benefit, it is clear that even though the net price of the coal for the new plant cannot be precisely calculated, it is clearly below 25 cents per million B.t.u.

The second fact of public record is that when Jersey Central Power & Light was contemplating a nuclear plant, they received offers of a delivered coal price of 26 cents per million B.t.u.. Moreover:

"If we had believed the Jersey Central people we probably would have given them a price for combined transportation and coal so that they wouldn't build that Oyster Creek plant. But we didn't believe them." (Mr. Joseph E. Moody, president, National Coal Policy Conference, in hearings before the Joint Committee on Atomic Energy: AEC authorizing legislation fiscal year 1965 (1964) p. 673.)

Thus we can take it from Mr. Moody that coal is available in New Jersey at about 25 cents per million, provided there is competition to bring it forth. In large plants, say over 500 megawatts, nuclear power provides that competition. Jersey Central threatened, and was not believed. When Vepco threatened, they were believed. Several others have done the same, most recently Florida Power (see Nucleonics, June 1965, p. 26; New York Times, June 18, 1965, p. 45).

Since coal is now available to electric utilities at around 25 cents per B.t.u. on the U.S. east coast, heavy fuel oil cannot sell to them for any more than the equivalent $1.50 per barrel.

The coal industry (including the coal-carrying railroads) has predicted a price of 23 cents per million B.t.u. by 1970 (fuel oil $1.38). In view of the rapidly advancing technology, they are doubtless correct. The National Power Survey, Advisory Committee Report No. 21, points out that not only is new machinery built to be used in existing mines, but:

"New mines built specifically for the new types of machinery that are being developed * * * will have high rates of productivity, as already has been demonstrated by some of the newer mines that have come into production within the past few years. Also, there is an increasing concentration of production in highly mechanized mines, of which there are relatively few compared to the total number of mines in the country."

For the reason just cited, national averages are plainly misleading or useless. In 1960, the largest 10 percent of the mines produced nearly 80 percent of the output, and averaged nearly half a million tons apiece, 10 times the national average. The 50 largest mines in 1962 produced about 22 percent of the total coal, averaging over 2 million tons each. Half of these mines had been opened since 1950. (Report of the National Fuels and Energy Study Group, 87th Cong., 2d sess., Committee on Interior and Insular Affairs (1962); Bituminous Coal Facts 1964, p. 73; N.C.A., Coal News, Dec. 14, 1962.) The employment figures for these 50 largest mines could easily be furnished by the National Coal Policy Conference, to give us essential facts on productivity which we do not have now.

It is these big new highly productive mines, loading on to unit trains, who are taking over the coal business. The days of "doghole mines" are numbered, now that they have lost the subsidy they had received through carload rates for very unequal transport costs.

In round numbers; new large underground mines of the type being opened for utility business have a productivity per man-day of around 30 tons, strip mines have 40, and auger mines 50. Exact figures could easily be tabulated and published by the Bureau of Mines.

Because the productivity of the new large mines now getting the utility contracts is so much greater than the average, the usual estimates for the number of jobs created by such a contract are ridiculously exaggerated. A million tons a year requires only 150 miners producing 28 tons during 240 working days (a 5-day week, 4 weeks' vacation). Estimates based on 13 tons and 205 days are an abuse of national averages.

The industry's prediction of 23 cents may perhaps have a proviso that fuel oil imports be curtailed or stopped. Lower prices through less competition, would be a miracle which I have never seen and do not expect to see. It is irrelevant in any case. If coal will be sold at 23 to 25 cents, then control or no control residual fuel oil must come down to that price or lose the market. The question is whether this price of 25 cents per million B.t.u., which today holds only under the most favorable competitive circumstances, will be spread to all comparable purchasers or not.

Decontrol of residual fuel oil imports would prevent discrimination in delivered coal prices. The volume of residual imports will not be much affected by decontrol, nor the volume of coal sales. But the prices of coal will be more nearly uniform and the average will be lower. The burden of adjustment will be largely on railroad rate structures, which will be less discriminatory; and on domestic refining of residual fuel, to a minor degree. The effect of control or decontrol on coal mining jobs—which will keep right on declining in any case—will be imperceptible in the statistical record.

If heavy fuel oil imports were decontrolled, then residual oil would be available, after the time lag mentioned earlier, at 25 cents ($1.50 per barrel) or less, and there would be little systematic discrimination on the coast, because any coastal buyers would have access to oil. If residual import controls remain, coal prices will be at or near 25 cents for only those fortunate buyers who can threaten the competition of nuclear power, long range extra-high voltage (EKV) transmission, or slurry pipelines. Those who cannot threaten will be forced to pay higher prices. There is evidence that the coal industry hopes to see higher prices in the near future (Wall Street Journal, July 31, 1963, p. 1)—a belief quite dangerous to them. Systematic discrimination is hard to maintain, except where it has the explicit sanction of law, such as the present dollar-plus per ton discrimination against export coal. Otherwise, a wide price spread offers a constant temptation to chisel, and discrimination usually requires overt collusion. The coal trade, which is so closed in upon itself and so beset by self-justification, is in danger of drifting into criminal violations of the Sherman Antitrust Act.

In the end, if controls are maintained, the coal industry will be smaller and poorer. They will overreach, bluff in vain, and lose one market after another as they lost the Jersey Central bid. Mr. Moody has already written the epitaph: If we had only realized there was competition, but we did not believe it.

Yours sincerely,

M. A. ADELMAN.

KEEP FLAT GLASS INDUSTRY FROM BECOMING EXTINCT

The SPEAKER pro tempore (Mr. MATSUNAGA). Under previous order of the House, the gentleman from Pennsylvania [Mr. DENT] is recognized for 30 minutes.

Mr. DENT. Mr. Speaker, I take this time to acquaint the House with the latest developments in the fight to keep the flat glass industry from becoming extinct.

The Tariff Commission after many years of futile protest finally recognized the seriousness of the foreign import impact upon the industry and in the early years of the Kennedy administration some relief was granted in the form of a tariff increase.

Now with the ink hardly dry on the official papers the Tariff Commission by a 3-to-2 vote has recommended that this increase be rescinded.

The logic of the majority members of the Commission defies all human comprehension or understanding.

They admit injury, they admit increased rather than decreased foreign imports in spite of the increased tariff which incidentally can only be called protective by stretching the imagination or putting new construction on the meaning of "protective tariff."

While admitting to the worth and need of international trade we must in good conscious also admit to the idiocy of unprotected trade in items of competitive production between unlike economies.

I will not take the time of the House to lecture on the weakness of our trade policies of the past decade but rather will give the logic of our position in presenting the case for the producers and workers in the glass industry, the stake our Nation is gambling with if we give any consideration to the unsound conclusion reached by the 3-to-2 decision by the Tariff Commission.

I speak at this time specifically for Members of Congress whose districts have within them the manufacture, processing and distribution of this vital domestic product.

I speak for the glassworkers, their families, their communities, and even more so their country.

Members of Congress, to name a few who are vitally interested and share my concern are such stalwart Members of Congress as Representative EDMONDSON of Oklahoma, Representative SISK of California, Representative SAYLOR of Pennsylvania, Representative SLACK of West Virginia, Representative MOORE of West Virginia, and many, many others, too numerous to list at this point.

This much I do know that if a vote is polled in this House we will have an opportunity to make our position known so that the Tariff Commission will awaken to the changes that have and are taking place in the international competitive world.

I present, Mr. Speaker, for insertion in the RECORD, the case for the glass industry:

SHEET GLASS: NECESSITY FOR MAINTENANCE OF U.S. TARIFF DUTIES AT PRESENT LEVEL

INTRODUCTION

The U.S. Tariff Commission instituted an escape-clause investigation on sheet glass on November 17, 1960, under section 7 of the Trade Agreements Extension Act of 1951 as amended. The investigation grew out of evidence gathered by the Commission earlier under section 3(b)(1) to advise the President what rates might be negotiated with other countries in the so-called Dillon round.

Following a hearing held in March 1961, the Commission on May 17, 1961, unanimously reported to the President that in part as a result of the then existing low rates of duty the domestic industry was being injured and recommended increases in the rates of duty. On June 29, 1961, the President asked the Commission to obtain further information for him and this was embodied in a supplemental report to the President on January 10, 1962.

The President, acting on the Commission's recommendation of May 17, 1961, made the increased rates of duty effective at the close of business on June 17, 1962.

Subsequently, the Commission reported on September 27, 1963, the results of its review under section 351(d)(1) of the Trade Expansion Act. This report gave no cause to assume that duties might be reduced.

On March 30, 1964, the President asked the Commission to advise him as to the probable economic effects of a reduction or termination of the increases in the duties on sheet glass.

On the same date the Commission instituted an investigation under section 351 (d)(2) of the Trade Expansion Act to fulfill the report to the President, held a hearing, and on June 11, 1965, made a report to the President on its findings and on its conclusions as to the probable economic effects of the restoration of the concession rates of duty on sheet glass.

The majority (Commissioners Dorfman, Fenn, and Culliton) stated that "restoration of the concession rates of duty would probably have only a slight effect in the present and immediately foreseeable future." However, they noted that among the effects of a duty reduction there would probably be "some increased pressure on older plants and smaller companies, somewhat softer prices, a tendency for imports to increase, some lessening of confidence of the domestic industry, and a tendency, by making competition more severe, to concentrate domestic production in the stronger and more modern establishments." Furthermore, the majority also noted that the task of predicting the probable economic effect of a reduction in duties is complicated by the consideration that the increased duties have only been in effect for a brief period of time (since 1962).

The minority (Commissioners Talbot and Sutton) in their opinion noted that the industry will probably be a static or declining one, that the import share of the market had not been reduced by increased duties and that more than half of the U.S. production comes from Appalachia. They also took emphatic note of the recent price reductions on imported glass and concluded that a reduction of duties would enlarge the importers' share of the market and lead to a decline in employment, profits and the amount of productive capacity operated. In addition, they emphasized the need of the industry to be able in times of strong demand to increase profits and build up reserves necessary to sustain a cyclical industry through periods of low demand.

Although the majority findings would appear to indicate that a reduction in duty would have only a "slight effect in the present and immediately foreseeable future" one could infer from the anticipated symptoms they enumerate that more severe or (for some companies) even disastrous results would eventuate. The minority opinion is relatively unqualified and categorical about the likelihood of severely injurious results.

The purpose of this statement is to emphasize or enlarge upon certain points in the Tariff Commission report of June 1965 and to some degree to supplement the information contained in that report. To these ends we shall discuss the trends in the domestic industry and trade in sheet glass. We shall also discuss the growth of the foreign sheet glass industry and its export trade, its competitive strength vis-a-vis the domestic industry, the compelling factors which have driven it and will continue to drive it toward even greater penetration of the U.S. market, and the startling evidence, in the form of large price cuts, of a current renewal of its drive to expand its share of this market.

Finally, we review briefly the adverse effects of a reduction in duties on sheet glass in relation to the antipoverty program especially in Appalachia, the balance-of-payments problem and the Government's policy of preventing concentration in the flat glass industry.

TRENDS IN U.S. SHEET GLASS INDUSTRY AND TRADE SHOW STRONG NEED FOR CONTINUING PRESENT RATES OF DUTY

The June 1965 Report of the Tariff Commission notes significantly that the trend in sheet glass consumption has been relatively static, that imports have continued to hold their formerly established share of the market since the increase in duties and that a reduction in the duties would probably increase imports of sheet glass. As will be demonstrated later, it appears that imports are going to increase substantially whether the duties are reduced or not.

The following table briefly sums up data appearing in the 1965 Tariff Commission report bearing on trends in the sheet glass industry and trade in the United States:

Trends in the U.S. sheet glass industry and trade, 1955 and 1959–64

	1955	1959	1960	1961	1962	1963	1964
	Million pounds						
Domestic shipments	1,590	1,580	1,266	1,274	1,443	1,556	1,530
Domestic inventories	55	124	145	102	160	132	164
Imports:							
Total	245	507	410	375	471	394	479
MFN	239	491	391	350	435	376	446
Apparent domestic consumption	1,830	2,084	1,672	1,646	1,910	1,946	2,005
	Percent						
Ratio of MFN imports to apparent consumption	13.0	23.6	23.4	21.3	22.8	19.3	22.3
Percent of theoretical capacity operated [1]	72.0	64.0	50.0	46.0	56.0	54.0	56.0
Ratio of net operating profit to sales	23.3	13.4	[2] (1.3)	1.3	2.7	9.5	(3)
Estimated profit ratio after taxes	11.6	6.7	(4)	.7	1.4	4.8	(3)

[1] Derived from 1965 Tariff Commission report, p. 20. Theoretical capacity probably overstates practical capacity by 10 to 15 percent.
[2] From Tariff Commission report of May 1961.
[3] Not available.
[4] Deficit.

Source: Tables 4, 6, and 12 of 1965 Tariff Commission report except as noted.

DOMESTIC SHIPMENTS AND CONSUMPTION ARE STAGNANT

As may be noted from the above data, the domestic industry is presently shipping less sheet glass than it shipped 10 years ago. [Chart 1 not printed in the RECORD.] This is true even though the industry has incurred large additional investment in the increased capacity which it has necessarily created in the course of modernizing its plant. The market for its product has not shown the growth characteristic of most U.S. industry. As noted in the recent Tariff Commission report, "Apparent consumption in 1962–64 was high and it demonstrated an upward movement but, even so, the 1964 figure did not surpass the 1959 peak.

"It is also significant that domestic shipments do not reflect even the gradual increase in consumption.

"The Commission does not foresee large and sustained increases in demand for sheet glass or in domestic shipments."

IMPORTS HAVE REMAINED HIGH AND RETAINED THEIR SHARE OF U.S. MARKET

As the Tariff Commission notes in its recent report, imports "in 1962 and 1964, roughly maintained the share of the market (approximately one-fourth) that they had achieved prior to the increase in duties." Imports from most-favored-nation countries were higher in 1964 than in any other year except 1959 when the effects of a severe strike in the domestic industry caused imports to be extremely heavy. As a result of the heavy increase in most-favored-nation imports in recent years these imports have not only supplied all the increase in demand but they have taken over some of the market formerly supplied by domestic producers.

CAPACITY OPERATED HAS DECLINED AND PROFITS HAVE BEEN LOW

Over the 10-year period, 1955–64, the proportion of capacity operated has dropped and profits on average have been lean since 1959. In 1963 and 1964 the domestic industry made a modest profit as compared with its barely marginal operation in 1961 and 1962, but this increase in profits was not shared by every member of the industry. The primary cause for this improvement in profits was the relatively firm prices for glass plus some increase in volume.

Chart 2 [not printed in the RECORD] shows graphically the impact of imports on profits which have been relatively depressed since 1959 when imports first attained nearly a fourth of the U.S. market, a position which they continued to maintain in 1964.

PRODUCTIVITY HAS BEEN OUTPACED BY WAGE INCREASES

Comparatively, wages have risen faster than the increase in output per man-hour over the 1955–64 period. The following data illustrate this condition:

[1957–59=100]

	Output per man-hour [1]	Hourly wages [2]
1955	103	89
1964	115	115

[1] See p. 32 of Tariff Commission report of June 1965.
[2] Average annual hourly wage rates for the flat glass industry. See "Employment and Earnings," Bureau of Labor Standards, U.S. Department of Labor.

The average annual increase in wages and fringe benefits has been about 3 percent in the 1960's and it is anticipated that this or a greater rate of increase will prevail in 1965 and 1966. In 1966 there will also be added to labor costs the increased taxes for medicare and unemployment compensation and also the added cost of double time instead of time and a half for overtime and, probably, there will be some impact from higher minimum wage provisions. All these factors could add as much as 2 to 2.5 percent to wage costs in 1966 apart from the increases arising from union contracts.

The only offset to such increased labor cost lies in an increase in output per man-hour. Any such increase in production must come primarily from an expansion of output and the prospect for such expansion is extremely dubious.[1]

IMPORTS HAVE SEVERELY REDUCED EMPLOYMENT

The data below show the employment situation in the domestic industry since 1959. The average number of sheet glass employees in 1964 was still 12 percent below the 1959 level notwithstanding the increase in rates of duty in 1962. It will be observed that employment measured in man-hours showed a decline of about the same proportion as that shown by the average number of employees:

	Average number of employees		Man-hours worked	
	Number	Index (1959=100)	1,000 man-hours	Index (1959=100)
1959	8,209	100	16,364	100
1960	6,874	84	13,593	83
1961	6,420	78	12,775	78
1962	7,385	90	14,994	92
1963	7,110	87	14,542	88
1964	7,261	88	14,301	87

Source: Table 9, Tariff Commission Report 158.

The drop in employment can be attributed in part to increasing productivity which was some 8 percent higher in 1964 than in 1959, and in part to declining production which declined some 5 percent in the same period. In 1964, imports, notwithstanding the increased rates of duty and notwithstanding the increased efficiency of the domestic industry, as the Tariff Commission reports, "roughly maintained the percentage of the market that they had achieved prior to the increase in duties." It should be added that labor had hoped for a decline in the market share supplied by imports because it foresaw the necessity of increasing domestic production if the employment levels of 1959 were to be maintained. The result has been a disappointment since production has actually declined and with it employment. Any reduction in duties, we believe, would bring further severe declines in employment in the domestic sheet glass industry.

CURRENT PROSPECTS IN SHEET GLASS INDUSTRY UNPROMISING

The industry entered 1965 with inventories at a new peak and with shipments by the noncaptive producers in the first quarter substantially under those in the first quarter of 1964.[2]

The industry is also finding that the foreign producers are cutting prices to such a degree that domestic producers are being forced to cut prices heavily in an effort to avert a large loss of their market.[3] As a result, the "somewhat softer prices" which the Commission foresaw as a result of reducing present duties are already here with a vengeance. Under such conditions the industry will probably face a much less satisfactory year in 1965 especially in view of the likelihood that there will probably not be any ameliorating increase in consumption.[4]

In view of the less promising prospects in 1965 and later, the domestic producers must depend on the relatively modest profits of the last 2 years to sustain the already large investment they have made to modernize their plants and to provide the wherewithal to continue to improve productivity and to finance research and market development in order to maintain some degree of competitiveness with imports.

As the Tariff Commission observes in its recent report:

"The task of predicting the probable effect of a restoration of the concessions on this industry is complicated by the consideration that the increased duties have been imposed only recently (1962). Furthermore the first full year (1963) was distorted by a number of extraneous factors. This difficulty is meaningful for the managers in the industry just as it is for the Government because they have to make their business decisions in view of the brevity of the period of added protection and the scheduled expiration date (1967) of the duty increases."

Obviously the modest degree of recovery experienced by the industry is not enough to underwrite its future efforts to stay in business and this is especially true of the smaller firms. It is also clear that the time during which the increased duties have been applied is entirely too short to permit any maturing of the domestic industry's development of sufficient strength to hold its own against the very strong competition from imports.

FOREIGN PRODUCERS ARE INCREASING CAPACITY, PRODUCTION, AND EXPORTS

A complete census of the sheet glass capacity, newly operating, or being planned by foreign producers is not readily available, but large new plants or plant additions have recently been brought into production in the Netherlands, Spain, Belgium and West Germany and three new plants are being built or are in production in Italy. Saint Gobain announced in 1964 that it was going to build a new sheet glass plant in Spain and Hsinchu Glass Works is planning a new sheet glass plant in Taiwan to be completed in 1966. Foreign producers, like those in the United States are also modernizing their plants, which in most cases results in increased capacity.[5]

The impressive growth of foreign production and exports is demonstrated by the data shown in the next column which summarizes appendix tables 1 and 2.

The above data indicate not only the magnitudes of the increase in production and total exports but also the tremendous rate at which exports to the United States have expanded compared to the large increase in total exports. As may be noted, Belgium, the world's largest exporter of sheet glass, has increased its exports to the United States at a much greater rate than to other export markets. However, even Belgium's rate of increase in exports to the United States has been greatly exceeded by Japan, France, and the United Kingdom.[6] The data also show the impact of the foreign competition on the U.S. industry which has had a very small growth in production and has been able to achieve no significant increase in exports during the 1954–64 period. The tremendous increase in U.S. imports has not only arrested the growth in domestic production but foreign producers because of their tremendous cost advantage have stopped any expansion of U.S. exports.

Country	Million pounds		Percent of increase
	1954	1964	
Production:			
Belgium	(1)	(1)	(1)
West Germany	531.3	767.2	45
France	177.0	401.2	127
Japan	454.2	909.0	100
United States	1,297.9	1,530.0	18
Exports to all countries:			
Belgium	317.9	642.2	102
West Germany	86.6	178.6	106
France	59.7	135.3	127
Japan	79.6	152.1	91
United Kingdom	81.0	111.1	37
United States	3.4	3.8	12
Imports into United States:			
Belgium	49.8	148.0	197
West Germany	20.9	46.2	121
France	6.5	30.9	376
Japan	3.5	78.4	2,141
United Kingdom	6.4	25.5	299

1 Not available.

Unfortunately the above data do not disclose another important development regarding the imports of sheet glass into the United States. This is the large increase in the proportion of sheet glass entering at MFN rates which comes from suppliers other than the large European exporters. The rapid growth of Japanese participation in the American market has already been shown but there has also been a considerable increase in the aggregate supplied by smaller countries among which are Taiwan and Korea both in the very low-wage Orient. The data below show the marked increase in relative market share attained by Japan and other MFN countries.

Period	Ratios (percent) to total reduced-duty imports		
	Japan	Other 1	Japan and other
1954	3.2	20.5	23.7
1959	14.1	11.0	25.1
1963	17.8	22.3	40.1
1964	17.6	26.2	43.8

1 Except Belgium, France, Italy, West Germany, and United Kingdom.

FOREIGN PRODUCERS ARE COMPELLED TO INCREASE EXPORTS TO THE UNITED STATES

There are a number of factors which are stimulating foreign efforts to increase exports to the United States. First there is, of course, the attractiveness of the largest single market in the world for sheet glass. The bulk of U.S. consumption is in the coastal areas and markets adjacent thereto. Besides this there is a considerable interior market accessible from Great Lake ports.[7]

Another factor which pushes foreign glass exporters toward the American market is the

[1] Appendix chart 1 showing decline in housing starts during 1965 not printed in the RECORD.

[2] Information relative to April and May indicate no improvement in shipments of noncaptive producers over April and May of 1964 and possibly some lag.

[3] See table after heading: "Foreign Producers Are Embarking."

[4] The Department of Commerce reports that in the very important consuming industry, residential building, housing starts have been lower in the first 5 months of 1965 than in the same period of 1964.

[5] The above information has been obtained chiefly from various issues of the Glass Digest and from domestic glass producers.

[6] Average annual U.S. imports from Belgium in 1960–62 were 137,000,000 pounds compared with 148,000,000 in 1964.

[7] It is worth noting that in 1959 imports entering through noncoastal customs districts amounted to 68 million pounds or 13.5 percent of total imports as compared with 71 million pounds or 14.9 percent in 1964.

contraction of other export markets because of increasing domestic production in such markets. Thus in the past few years new or additional facilities have been constructed in Austrialia, New Zealand, Brazil, Argentina, Mexico, and several Asiatic countries and this has merely been the continuation of a trend toward self-sufficiency in former export markets which has been going on for at least a decade.[8]

Russia and satellite countries have been increasing their capacity and have also been competing with the major free world suppliers for export markets. The Japanese were in 1962 attributing their declining exports of sheet glass into Asiatic markets to intense competition from Czechoslovakia, Poland, and the Soviet Union.[9] The effect of increasing self-sufficiency of former export markets plus the growing competition from Iron Curtain sources goes far to explain the extremely rapid growth of sheet glass exports to the United States as compared with the overall growth in sheet glass exports.

A further development which is characteristic of the major sheet glass exporting countries is the slowing down of their home economies.[10] This is taking the bloom off the home markets for sheet glass and with their ever-expanding capacity to produce, the foreign producers are further impelled to look to the United States as an outlet.

FOREIGN PRODUCERS HAVE A LARGE COMPETITIVE MARGIN OVER U.S. PRODUCERS

Labor is the major element in the cost of producing sheet glass in the United States running around 50 percent of the total cost of production. This is understandable because wage rates in the sheet glass industry are as high or higher than those paid in any other manufacturing industry.[11]

Foreign producers are equally as efficient as U.S. producers in the utilization of manpower, and with their much lower wage rates in Europe and extremely low rates in Asia they enjoy a tremendous cost advantage. Claim is often made that in respect to other costs foreigners are at a disadvantage but in reality it appears that collectively other costs also are markedly lower than in the United States. In addition to all this, foreign producers are not subject to the heavy promotional expenses borne by the U.S. producers in building the market and stimulating demand for sheet glass in the U.S. market. Another heavy expense to which the importers are not subject consists in the use of technical staff in cooperation with private, State, and Federal bodies in establishing standards, codes, and particularly, in developing safety standards and products meeting such standards.

The proof of any pudding, of course, lies in the eating and, certainly, as the Tariff Commission notes in its report, the foreign producers have demonstrated their ability to maintain their share in the U.S. market in the face of increased rates of duty. The duties were approximately doubled by the President's proclamation on all categories except heavy sheet over 16⅔ square feet in area; on this they were tripled.[12] This has not deterred the foreign producers, however, and their continuing exploitation of this market proves they have found it profitable in the face of this tripled duty to expand exports rapidly as shown below.

Year	Total MFN imports	MFN imports of sheet over 28 oz. and over 16⅔ sq. ft.	Ratio (percent) sheet over 28 oz. and over 16⅔ sq. ft. to total imports
		Million pounds	
1959	491	61	12.3
1960	391	47	11.9
1961	350	43	12.2
1963	376	85	22.6
1964	444	98	22.1

When the foreign producers expand their market penetration so substantially over a duty in excess of 50 percent in ad valorem terms what must one suppose they can do against duties on other sheet glass classifications which ranged in ad valorem equivalent from 18 to 27 percent in 1964? The very strong implication is that when they find it expedient they can and will appropriate a larger share of the American market to themselves.

With the passage of time the foreign producers have had their product accepted much more readily in the American market than was the case when they first began exporting to the United States on a large scale. Table 11 of the Tariff Commission report shows the downward trend in discounts on imported sheet glass in the 1960's. The margins shown in table 11 are based on published prices and cannot take account of price concessions which are not published. Conceivably the margins might be appreciably greater if such concessions could be reflected. However, it is believed that reflection of such price concessions would not alter the downward trend exhibited in table 11. In the 1950's the discounts under domestic prices were larger than in the 1960's because the foreign producers were busy establishing a broad massive foothold in the American market and they overcame sales resistance with greater price concessions. In the course of time with growing customer acceptance of their product the foreign producers were able to make their sales at smaller price concessions which, of course, is another supplement to their competitive strength in the American market. It appears that only when they want to expand their penetration of the American market will they need to use the price discount aggressively as they presently are doing. Otherwise they could probably look forward to the further erosion of the difference between their price and the price for domestic glass to a point where it was no more than a nominal 2 or 3 percent.

FOREIGN PRODUCERS ARE EMBARKING ON DRIVE TO EXPAND THEIR SHARE OF U.S. MARKET

As may be observed from the data shown below there was a decline in the discounts at which imported glass was sold between November 1960 and May 1963. Thereafter a relatively small increase occurred in the discounts. In May 1964 however, a rather sharp increase occurred in the margins owing to a generous increase of 2 percent in terms-of-payment discounts on imported glass against a 1-percent increase in the discount offered by U.S. producers.

Date	Percent by which European glass was lower in delivered price than the domestic: Single strength "B" 19 ounce	Percent by which European glass was lower in delivered price than the domestic: Heavy sheet "B" 16⅔ not over 25 square feet
Nov. 1, 1960	7.9	8.9
May 1, 1963	5.4	4.6
Nov. 1, 1963	5.6	4.7
May 1, 1964	5.9	4.7
Nov. 1, 1964	5.9	4.7
May 1, 1965	6.8	5.6

Source: Excerpted from table 11 of the Tariff Commission report.

The above data cannot take account of additional price discounts of 2 percent on imports of 18- and 24-ounce[13] glass which have recently occurred nor can they reflect a quantity discount of 3 percent on shipments of 75,000 pounds or more of one thickness and 4 sizes.[14] This latter discount is addressed primarily to sash door, storm window, and other manufacturing consumers of sheet glass as well as to most jobbers of sheet glass, and all the above-mentioned discounts affect large proportions of the American market.

Some measure of the importance of the discount on imported 18-ounce glass is gained from the fact that total imports of glass weighing from 16 to 18½ ounces in 1964 amounted to 144 million pounds or more than 30 percent of total imports of sheet glass. Most of this volume was 18-ounce glass. Imports of sheet glass weighing from 23 to 28 ounces per square foot in 1964 amounted to 50 million pounds or more than 10 percent of total imports. While the weight range here is less definitive, it is reasonable to assume that most of this double-strength glass probably qualified as 24-ounce glass. In all, it appears that between 30 and 40 percent of imports could be affected by the recent 2-percent increase in the light glass discount.

Apart from indicating the large importance of the discount, the above figures also indicate that the importers' sales of light glass have not been substantially altered by FHA requirements for the use of 19- and 26-ounce glass in construction which it finances.[15]

The discount of 3 percent on shipments of 75,000 pounds or larger described above may well embrace from 60 to 70 percent of the shipments of noncaptive domestic sheet glass producers. The Tariff Commission Report of May 1961 shows that of total domestic shipments and transfers in 1959, 21.4 percent went to sash and door manufacturers, 4.2 percent went to mirror manufacturers, and 41.4 percent went to distributors, jobbers, etc.[16] The latest Tariff Commission report does not contain a similar analysis of shipments but partial data indicate the percentages going to the above manufacturers and distributors have been maintained.

[8] New producers in what were formerly export markets usually establish themselves behind high tariff barriers and often become exporters themselves as they increase output.

[9] Department of State Airgram A137 Nagoya, Apr. 5, 1963.

[10] E.E.C. Press release IP (65) 10, Jan. 19, 1965, Brussels; E.E.C. Information Memo P–5/65, Jan. 19, 1965, Brussels; International Commerce, January 1965; Journal of Commerce, Apr. 13, 1965; European Community, May 1965, vol. 81.

[11] Gross average hourly earnings which exclude most fringe benefits were $3.44 for the flat glass industry in 1964 and exceeded the level of any other manufacturing industry. (See p. 42 of report to the President on steel prices, April 1965.)

[12] See table 2 of Tariff Commission Publication 158 of June 1965.

[13] Glass in the 18 to 19 ounces per square foot range is generally referred to as single-strength and that in the 24 to 26 ounces per square foot range as double strength.

[14] As many as 12 sizes are sometimes permitted in the assortment according to reliable trade information.

[15] General Services Administration has under consideration a revision of Federal specifications which would increase tolerances for single-strength glass sufficiently to include weights as low as 18 ounces.

[16] This does not take into account temperers and laminators who account for about 6 percent of shipments in 1959.

Thus this discount on the part of the importers involves a large segment of the American sheet glass trade.

The new discounts on 18- and 24-ounce glass have been published by importers for some weeks now. The 3-percent discount on 75,000-pound shipments was common knowledge in the trade prior to publication on June 7, 1965 (see appendix exhibit 1). We are also informed by trade sources we have long regarded as reliable that other discounts and rebates are being increasingly employed to secure more business. All this adds up currently to what appears to be a mounting drive on the part of the foreign producers to increase their presently large share of the American market. As has been previously explained, they have the manufacturing capacity, the urge and the competitive power to do so.

At the hearing before the Tariff Commission in July 1964 the importers were unanimous in their statement that a reduction in sheet glass duties would bring about no (or at least no significant) reduction in their prices. However, the importers' prognostications were rather poor, because in early 1965, the foreigners, in the absence of any reduction in duties, reduced their prices on sheet glass substantially. Some of these decreases were published and others were unpublished. If the foreigners are able to reduce their prices in spite of the existing increased duties, they certainly will be able to reduce their prices to an even greater extent if the escape-clause duties are rescinded. If the domestic producers are forced to reduce their prices in order to meet this foreign competition (and one large domestic manufacturer has already done so),[17] it probably will put the domestic industry right back in the marginal or deficit profit position that it was in prior to the escape-clause action.

REDUCTION OF PRESENT DUTIES COULD ADVERSELY AFFECT THE STRUCTURE OF THE U.S. SHEET GLASS INDUSTRY

In reaching the conclusion that "restoration of the concession rates of duty would probably have only a slight effect on the domestic sheet glass industry in the present and the immediately foreseeable future," the majority statement of the Tariff Commission noted that such restoration would probably result in "some increased pressure on older plants and smaller companies * * * a tendency for imports to increase * * * and a tendency, by making competition more severe, to concentrate domestic production in the stronger and more modern establishments where output per man-hour may be expected to rise."

In short, if their prediction comes about and the older plants and smaller companies are forced out of business, presumably this is an acceptable result under the current tariff policy of this country.

It is submitted that the antitrust policy considerations applicable to the domestic sheet glass industry do not support such a result.

Most of the members of the domestic industry are operating under the terms of a consent judgment entered in a Government antitrust case in 1948. That judgment makes it apparent that economic concentration was a significant factor in the case and the judgment contains a number of provisions designed to deal with that problem. Since the entry of that judgment, the competition in the sheet glass industry has been intense.

The competition provided by the smaller producers is significant and should be encouraged. From a long range point of view, antitrust policy clearly dictates encouraging and strengthening the smaller producers, not their demise. Certainly, with world conditions continuing to be uncertain, the Government should not look solely to foreign producers to provide the continuing spur of competition in this market. Ideally, Government policy should be directed to retaining and even enhancing the competitive strength and position of each domestic producer and at the same time maintaining rates of duty that permit strong competition from abroad. This can best be accomplished, we submit, by maintaining the existing sheet glass rates of duty.

REDUCTION OF DUTIES ON SHEET GLASS WOULD HAVE AN ADVERSE EFFECT ON ANTIPOVERTY AND APPALACHIA PROGRAMS

The Tariff Commission in its report of June 1965 notes that "the six plants in Appalachia employ about half of the total number of workers in the (sheet glass) industry." It further notes that four of the plants in Appalachia and two in Oklahoma "are located in areas of persistent unemployment" and that these six plants also account for about half of the employment in the sheet glass industry. It should be added, of course, that, since the wage rates in the sheet glass industry are the highest of any in manufacturing industry, the sheet glass payroll assumes even greater importance in these unprosperous areas than mere numbers of employees would indicate.

The Federal Government is engaged in a massive program to eliminate poverty and to rebuild the economy of Appalachia and other areas subject to economic stagnation. The program includes construction of highways and other public works, inducements to attract new industrial activity, retraining programs for the unemployed and other measures for rehabilitating and stimulating the economy all of which entail large appropriations on the part of the Federal Government and a large measure of cooperation on the part of the States and communities affected.

Under such circumstances, it is of great importance to retain all viable existing industry in these unfortunate areas. This is particularly true of industries employing skilled labor at high wages. The necessity for maintaining the sheet glass plants involved is obvious and the maintenance of the present rates of duty on sheet glass is well justified by this necessity.

It would be senseless for the Government to pour billions of dollars into Appalachia with one hand, and then ruin, or jeopardize a key Appalachian industry through a tariff reduction with the other hand.

THE LARGE IMPORTS OF SHEET GLASS HAVE AN ADVERSE EFFECT ON OUR BALANCE OF PAYMENTS

Our gold stocks declined from a level of $21.5 billion in 1957 to $19.7 billion in 1958 marking the beginning of a large and continuous drain which in June 1965 had reduced U.S. gold stocks to $14.3 billion. This became a matter of grave concern to the U.S. Government and a number of steps have been taken to stem the outflow of bullion.

The data below take note of the adverse balance in our sheet glass trade with the rest of the world. It may be argued that the adverse trade balance in sheet glass is not great enough to warrant consideration but the Government has taken account of many minor items in its efforts to cut down the gold drain. For example, there is legislation recently enacted to reduce the tourist exemption. It is estimated that the legislation will result in favorable adjustment in our balance of payments of only $40 million per year, whereas the presently existing unfavorable balance of payments in sheet glass amounts to approximately $30 million per year.

In view of the importance so justifiably attached to the gold drain it is submitted that any reduction in duties on sheet glass, when they are so necessary to the welfare of the domestic industry, would seem doubly ill advised in the context of our present international payments situation.

[In millions of dollars]

Year	Sheet glass			Gold stock
	Imports	Exports	Net adverse balance	
1958	19.9	1.0	18.9	21,356
1959	34.4	1.0	33.4	19,705
1960	28.2	1.3	26.9	19,322
1961	27.0	1.0	26.0	17,550
1962	30.5	.9	29.6	16,435
1963	24.5	1.0	23.5	15,733
1964	30.7	1.0	29.7	15,388
1965 (June)				14,292
7-year total	195.2	7.2	189.0	

Source: Official statistics of U.S. Department of Commerce.

REPORT TO THE PRESIDENT ON STEEL PRICES—RELEVANCE TO SHEET GLASS SITUATION

In April 1965 the Council of Economic Advisers issued a report to the President concerning conditions in the steel industry. Coincidentally, the steel report cites a number of comparisons between the steel industry and the flat glass industry. Some of these comparisons may be interesting.

Like steel, sheet glass is a capital intensive industry in which the capital cost of a plant of efficient size is large. Therefore, satisfactory return on investment is conditioned on the ability to operate at high levels. The rate of return on investment in the steel industry, and in the sheet glass industry, is considerably below the average for all manufacturing industry.

Like steel, sheet glass is a high wage industry and, in keeping with the flat glass industry as a whole, probably has the highest wage rate in the American manufacturing industry. The steel report has this to say on this subject (p. 42):

"In 1964, gross average hourly earnings in steel, which exclude most fringe benefits, were $3.36, as reported by the Bureau of Labor Statistics. This exceeded average earnings of manufacturing by 83 cents an hour and of durable goods manufacturing by 65 cents. In only three major high-wage manufacturing industries did employees earn more than in steel, and then only by slight amounts—flat glass (8 cents), tires and tubes (5 cents), and petroleum refining (1 cent)."

The steel report also commented on the unfortunate fact that, "Employment costs comprise about 39 percent of total costs in the steel industry." In view of this statement, it is interesting to note that employment costs comprise about 50 percent of the total costs in the sheet glass industry.

The steel report further notes on page 3 that, "the loss of domestic steel markets to imports has been large and is still continuing in 1965." In this connection, it should be pointed out that steel imports supplied only 7 percent of the U.S. market in 1964, and the President's economic advisers categorized this 7 percent as "large." This categorization is very interesting in view of the fact that foreign sheet glass imports supplied more than 23 percent of the U.S. market in 1965. (This comparison becomes even more amazing when it is realized that the domestic steel industry exported about half as much steel as this country imported in 1964, whereas the sheet glass industry exported an insignificantly small amount of sheet glass.)

CONCLUSION

The Tariff Commission in its conclusions as to the effect of a restoration of the concession rates of duty emphasizes the short time during which the present rates of duty have been operative and the difficulties of predicting

[17] See appendix exhibit 2.

the results of a reduction in duties based on such a limited period of application. Although the majority believes the effects of duty reduction would be slight over the immediately foreseeable future, in general, the entire Commission points to probable long-range results that would be injurious to the industry as a whole and disastrous to a substantial part of it.

The Tariff Commission in its report of June 1965 clearly shows that importers have held their share of the American sheet glass market notwithstanding the increase in rates of duty, and that their response has been to increase their exports sharply in heavy sheet glass of large size where the increased duties were more than double those on other weights and sizes.

Increased duties have permitted the domestic industry to obtain better profit margins because prices, at least until recently, could be kept at a level which yielded modest profits in contrast to the very poor profits of 1960–62. This was probably due in part to the moderating influence of the increased duties on the competitive behavior of the foreign producers.

However, the foreign producers have the capacity, the competitive margin over and above present duties, and compelling reasons for increasing their share of the U.S. market.

Lately they have been demonstrating through their heavy price reductions their determination to enlarge their market share and any reduction in duties would stimulate that effort immeasurably.

The results of present price cuts may well reduce the domestic industry as a whole to its former marginal status. A restoration of concession rates would result in major distress and liquidation of much of the industry and would also bring added unemployment to areas already in the throes of a stagnant economy.

Based on the information in the Tariff Commission report, on factors not covered in the Tariff Commission report, and on developments which have occurred since the issuance of the Tariff Commission report we submit that the present rates of duty on sheet glass should not be reduced.

STATEMENT OF JAMES M. ASHLEY, VICE PRESIDENT, LIBBEY-OWENS-FORD GLASS CO., MADE JUNE 29, 1965, AT INDUSTRY MEETING WITH SECRETARY OF COMMERCE JOHN T. CONNOR

I think that copies of the Tariff Commission's report on sheet glass will serve a good reference purpose to guide this discussion. It is not often that a protagonist has so thoroughly documented an official paper to serve as a basis for his presentation—let alone so many arguments in his favor and so few against.

You will note that I have inked in numbers to designate the lines on each page. As I make a point, I'll try to remember to give the reference page and line numbers. And if you have questions about any points I may overlook, please feel free to interrupt at any time.

It seems logical that the President had two things in mind in taking action with respect to sheet glass tariffs in 1962.

First was to arrest the rapidly growing foreign penetration of this market, and to provide domestic industry with a breathing period adequate to regroup its forces. The Escape Clause hearing had established that, due to import pressures, the domestic industry had suffered significant losses in employment and was operating at a net loss.

Second, and again logically, his objective was to grant a measure of relief which would not preclude most-favored-nations' manufacturers from selling in this market.

Escape Clause testimony had established (1) that the machinery which melts and forms sheet glass is the same the world over, (2) that direct labor costs amount to about half the manufacturing cost of sheet glass, and (3) that domestic wages were from three to seven times higher than foreign wage rates, depending on the country compared. In other words, it seemed apparent that selling prices here resulted in a very long profit margin for foreign producers.

Nevertheless, to determine an exact measure of relief which would arrest further loss of market by domestic producers, restore profitable operations and reverse the employment trend—all without imposing a barrier which would act as an embargo—was a delicate balance to strike. Let's see how well these conflicting objectives were served.

On page 28 of the report, the history of prices in the industry establishes some background for the profit and loss performance achieved by the industry subsequent to the Escape Clause action. Beginning on line 4, we see that, in 1960, domestic producers, in order to try to resist import competition at its point of greatest impact, shifted from a freight equalized basis to a delivered price basis. As you see on line 9, this reduced the U.S. producers' realization on sales by about 7 percent. Footnote No. 3, lines 29 and 30, explain why this price move was the most effective that could be undertaken to meet foreign competition.

Step-by-step price increases are likewise detailed on page 28. Those subsequent to the Escape Clause action appear on lines 14, 15, and 19, and on line 2 of page 29. All in all, as appears on page 29, line 5, the prices of sheet glass were 16 percent higher at the end of 1964 than they were in 1959. This price increase was one of the factors which enabled the industry to write its figures in black ink rather than red.

Another important result of the President's action was the slowing down of the rate of increasing foreign market penetration. To be sure, the report tells us on page 6, line 3, that "domestic shipments of sheet glass do not reflect even the gradual increase of total consumption." And, same page, line 25, that even in the case of heavy sheet glass, on which the duty increase was greatest, "imports of such glass increased both absolutely and as a percentage of the market."

But even so, the rate of penetration increase was slowed from its former pace. In the table on page 41, we see that the domestic producers' share of the market had fallen from 86.6 percent in 1955 to 77.2 percent in 1961. A rate of market loss calculated to inspire defeatism in the industry. Since 1962, the domestic share of market has deteriorated more slowly.

The fact is, the President's decision put spurs to this industry. His action was not accepted simply as a stay of execution. Expenditures to improve efficiencies, which in the climate of severe price pressures might have been shelved, were made and are being made. No one underestimated the job of trying to overcome so great a disadvantage in labor costs. The industry felt, in the 5-year period of relief which had been proclaimed, that it had been given a chance to prove whether or not the whole thing was an exercise in futility. If demonstrable progress could be made in that 5-year period, it seemed logical that relief would be extended beyond 1967.

Improvement in efficiency is slow. New methods must be invented, new ideas tested. And always, unions must be persuaded that increased efficiency is in the workers' long-range interest. But the table on page 32 shows that there has been improvement. With 1957–59 as 100, the output per man-hour rose to 111 in 1963 and to 115 in 1964. No one can say where that index will go in 1966 or 1967, any more than a time limit can be set on the germination of a new idea. But on the record, the industry has responded to the impetus the President provided.

Better prices, slower decline in share of market and improved efficiencies have combined to enable the industry to turn net overall loss to net overall profit. On page 34, line 4, we see that there was an aggregate net loss in 1960, and, on line 6, subsequently improved aggregate net profits in 1963. On line 7, we see that the four firms reporting showed further improvement in 1964, even though, as noted on lines 9 through 12, the four reporting firms benefited from the suspended operations of the nonreporting firms.

On page 35, lines 1 through 4, we see that four of the six firms showed losses in 1960, three showed losess in 1961, but that in 1963, following the President's action, all six realized net operating profits.

Further, returning to the table on page 32, we see that with 1957–59 as 100, and despite the improved efficiencies documented under "Output Per Man-Hour," employment, expressed in man-hours worked, remained above 100 since the President's action.

We submit that the measure of relief which was extended accomplished at least some of what was hoped to accomplish for the domestic industry. It has turned a net aggregate loss into a net aggregate profit, and there has been no further erosion in employment. To be sure, the situation is still shaky. The industry is by no means in the healthy situation it was before the foreigners preempted so large a share of this market. But, without question, the helping hand extended by the Government has not proved a futile gesture.

That's one side of the coin. Now how about the effect it has had on the foreigners? On page 25, line 8, we see that the escape action has not had a substantial effect on the share of market supplied by MFN imports. On lines 14 and 15, the report says that the share of apparent consumption of MFN imports in 1964 was 22 percent—about the same as in the 1959–62 period.

When the President proclaimed the increases in duty in 1962, the newspapers were full of publicity releases about their anticipated effect. MFN imports would be excluded. There was special outcry about the duty increase on heavy sheet glass which, in the larger sizes, was subject to 57 percent ad valorem. Notwithstanding this publicity barrage on page 26, lines 6, 7, and 8, we see that imports of thin sheet glass were successively higher in most of the last 10 years and reached a peak of 52 million pounds in 1964. Lines 9 through 12 take note of the relative stability of imports of single and double strength window glass. And lines 13 through 16 show that imports of heavy sheet glass, despite being subjected to the greatest duty increase reached an alltime peak in 1964. Quite obviously, the escape action has not proved to be at prejudice to the share of market MFN glass had captured prior to 1962. Foreign producers have absorbed the duty increase and have maintained price differentials in their favor sufficient to hold this business, indicating that, under existing tariffs, this market remains attractive to them.

Page 31, lines 1 through 12, indicates that the price differential in favor of West European single strength glass since 1962 has generally been between 5 and 7 percent, whereas, during the 2 years prior to 1962 it was almost 8 percent. On heavy sheet, the differential is now between 4 and 6 percent whereas it was about 9 percent.

A gradual diminishing of price differentials is to be expected. In the first phase of exploring a new market, the greatest price advantage is offered. When a product has won acceptance, it is understandable that a lesser differential will hold established business.

The report's statement of price differentials, however, does not set forth the actual differentials which have influenced buying decisions. U.S. Government specifications call for single strength glass to weigh 19 ounces per square foot, and for double strength glass to weigh 26 ounces per square foot. All U.S. producers abide by this specification.

And here is the rub. Until this spring, all foreign producers have offered an extra 3-percent discount from their 19- and 26-ounce lists for glass weighing 18 and 24 ounces per square foot.

True, such glass is thinner than the 19 and 26 ounces specified by this Government. But the difference is very difficult to detect, not only because the thicknesses are almost equal, but because of allowable thickness tolerances. Importers have therefore bought and use 18- and 24-ounce imported glass as single and double strength, taking advantage of the extra 3-percent discount. More than 85 percent of the glass imported in this thickness range has been 18- or 24-ounce glass, on which the extra 3-percent discount applied. In actual practice, therefore, the glass that competes with American-made single and double strength glass has been not 5 to 7 percent cheaper, but 8 to 10 percent cheaper.

I say "has been" because a price move by the foreigners, so recent that it almost escaped mention in the Report, has increased the extra discount on 18- and 24-ounce glass from 3 to 5 percent under their prices for 19- and 26-ounce glass. This is shown on page 10, lines 26, 27, and 28. I remind you that this widens the effective price differential in the range of sheet glass that accounts for more than half of total sheet glass imports.

Those mysterious asterisks following line 28 represent the deletion of still another price move which has not been published but which has been reported throughout the trade. An extra discount of 3 percent will be allowed on any order of 75,000 pounds more involving one thickness and no more than four sizes.

At first thought, this offer might seem to be directed to manufacturers whose size needs are predetermined and comparatively few in number. This offer will certainly be attractive to them. But his offer influences a much broader segment of market even than that.

We have a jobbing customer in the East whose purchases equate to 200 American carloads per year. An American carload in his case, contains 50,000 pounds. If he buys half his glass in Europe—and I am sorry to say he does—he can place 66 different orders for 75,000 pounds. Obviously, the individual orders' limitation on thickness and number of sizes would have no meaning for him.

In fact, any medium-sized jobber of window glass can order his fast movers on this special 75,000 pounds basis and buy his slow-moving sizes from the domestic manufacturers—at a serious prejudice, I might add, to the domestic manufacturers' operations which goes far beyond even the loss of volume. We have suffered before from a plethora of odd-size orders.

Nor does this extra 3 percent for orders of 75,000 pounds apply only to 18- and 24-ounce thicknesses. It does include those thicknesses but applies across the board from thin glass to heavy sheet. Domestic producers' sales to fabricators of automobile glass, tempered glass for doors, and double glass insulating units must now face this suddenly widened differential in price. In a word, our entire market. On the important 18- and 24-ounce thicknesses this extra 3 percent amounts to a differential of 13 to 15 percent.

As I indicated earlier, it is natural to expect price differentials to narrow when a seller has established his target position in a market. Natural, that is, unless the seller determines to gain further penetration. That, to me, is the significance of these current price moves, and bears directly on the question the President asks: "What would be the probable economic effect on the American sheet glass industry of the restoration of the concession rates of duty?"

These recent price reductions, made under present rates of duty, confirm the pressure on foreign manufacturers to expand their sales in this market. Window glass production capacity has greatly expanded throughout the world. Countries which used to import glass are now unable to consume what they produce and have a surplus for export. In 1963–64, the United States imported sheet glass from such unfamiliar sources as Turkey, Israel, Mexico, Korea, Taiwan, Netherlands, Pakistan, Syria, and even Iceland. The established producing countries which formerly supplied the Middle East and South America—Belgium, Japan, West Germany, France, and the United Kingdom, to name a few—are seeking new markets for their own expanded glassmaking capacities. These recent price reductions confirm the pressure they feel.

At last year's Tariff Commission hearing, foreign producers testified that they would not materially reduce sheet glass prices in this market if U.S. rates of duty were lowered. Those statements, in view of across-the-board price reductions made without tariff reductions, hardly ring with sincerity. Nor do the improvements realized by the domestic industry in the brief period since the escape action constitute an adequate defense against the kind of price pressures that will be applied if our Government, by restoring the concession rates of duty, presents our foreign competitors with a wide latitude in which to make further price reductions at no cost to them.

A final word, and I am done. Three Tariff Commissioners found that restoration of the concession rates of duty "would probably have only a slight effect on the domestic industry." Two Commissioners found that the effect would be severe. The statements of the three and the two appear on Pages 8, 9, 10, and 11 of the report. A comparison of these statements provides food for thought.

The statement of the two who share the views of the domestic industry goes into more detail and makes several points not mentioned by the three. On page 9, lines 22 to 28, they say, "The focal point of competition in sheet glass is price, and the termination of the increases in duty would equate to 4 percent to 20 percent of the present duty paid prices of imported glass." On page 9, line 29 and following, they emphasize that imports retained the same share of market as before the escape action. On page 10, line 6, they note that more than half of U.S. sheet glass is made in Appalachia. On page 10, line 11, they note that U.S. producers' inventories were at an alltime high at the close of 1964. And on page 10, line 29, that shipments of U.S. producers in 1963 and 1964 were lower than in any of the years 1955, 1956, and 1959.

Interestingly enough, the three make a point not mentioned by the two. On page 9, line 3, they point out the brevity of the period of added protection, and go on to say that the industry "would probably interpret a decrease now as indicating a less favorable set of conditions thrust upon them earlier than they expected and definitely earlier than they had hoped." To which, amen.

With a number of points specially emphasized by the two, the three agree. On page 10, lines 13 through 28, the two cite details of softening prices. On page 8, line 16, the three "note the recent reductions in the prices of imported sheet glass."

On page 11, line 1, the two would expect a reduction in duty to "lead to an increased share of consumption by imports." On page 8, line 7, the three expect "imports to increase because of additional price advantage."

On page 11, line 3, the two would expect a reduction in duty to contribute to a decline in employment and profits. On page 8, line 11, the three expect "domestic production to be concentrated in stronger establishments."

On page 11, line 5, the two would expect that a reduction in duty would "idle production facilities." On page 8, line 5, the three anticipate "increased pressure on older plants and smaller companies."

Very significantly, the three offer no arguments to offset the bad effects on the domestic industry they say they anticipate except, on page 8, line 3, to categorize those anticipated effects as having "some slight impact." This industry cannot agree that to suffer price decline, loss of share of market, declining employment and profits, and idle production facilities is to suffer "some slight impact."

We submit that this report of the Tariff Commission, in its total content and in the statements of both majority and minority opinion, clearly indicates that the result of restoring the concession rates of duty would be extremely severe, not so say calamitous.

APPENDIX EXHIBIT 1

PACIFIC MANUFACTURERS EXPORT CO.,
Long Beach, Calif., June 7, 1965.

Mr. HAROLD WITKIN,
Havlin Witkin Corp.,
Santa Clara, Calif.

DEAR HAROLD: Asahi Glass Co. today announced that they are pleased to offer the following special discounts:

1. For orders of sheet glass totaling 75,000 pounds or more when not in excess of four sizes, 3-percent discount.

2. For window glass, in thicknesses of 18 and/or 24 ounces, a special 2-percent discount.

These special discounts to be effected against all shipments made after June 1, 1965.

We hope that you will be able to take advantage of these special concessions.

Yours very truly,

R. K. ANDRIESSE.

APPENDIX EXHIBIT 2

PITTSBURGH PLATE GLASS CO.,
Pittsburgh, Pa., June 25, 1965.

To the Trade:

Recently we have learned that foreign producers of window glass are offering discounts and other concessions—both published and unpublished—from their current U.S. price schedules. Those competitive offers have had the effect of widening even more severely than before the differentials in price between our product and the products produced abroad. This is a situation that neither we nor our loyal Pennvernon customers can tolerate. Accordingly, to meet existing competitive conditions, we are pleased to supplement our current Pennvernon clear glass quotations as follows:

1. A discount of 2 percent will be accorded on all orders of Pennvernon in single strength and double strength thicknesses.

2. An additional discount of 3 percent will be accorded on all orders consisting of a minimum of 75,000 pounds with a maximum of four sizes (including fractional sizes) in one thickness which are shipped to one destination at one time.

PITTSBURGH PLATE GLASS CO.

APPENDIX TABLE 1.—*Sheet glass—Production and trade of principal producers*

	1954 (million pounds)	Index: 1954=100 1954	1955	1959	1960	1961	1962	1963	1964
Total exports to all countries:									
Belgium	317.9	100	127	187	162	165	204	174	202
West Germany	86.6	100	115	163	170	171	221	215	206
France	59.7	100	141	182	141	140	160	176	227
Japan	79.6	100	104	186	194	196	156	173	191
United Kingdom	81.0	100	122	152	141	111	158	134	137
United States	3.4	100	156	94	127	88	103	115	112
Exports to the United States:									
Belgium	49.8	100	185	375	301	217	309	230	297
West Germany	20.9	100	99	238	204	189	235	213	221
France	6.5	100	443	787	530	477	549	486	476
Japan	3.5	100	641	1,982	1,659	1,657	1,697	1,914	2,241
United Kingdom	6.4	100	332	1,040	675	697	805	473	399
Production:									
West Germany	531.3	100	110	126	149	137	149	149	145
France	177.0	100	139	168	187	167	191	200	227
Japan	454.2	100	105	157	177	172	192	185	200
United States	1,297.9	100	122	122	98	98	111	119	118

Source: Appendix table 2.

APPENDIX TABLE 2.—*Sheet glass—Production, total exports of specific countries and U.S. imports therefrom*

[In thousands of dollars]

	1954	1955	1959	1960	1961	1962	1963 (revised)	1964 Period	Amount	Annual rate
Belgium: [1]										
Exports	317,943	404,467	595,570	515,206	523,698	648,233	551,840	January-June	321,120	642,240
U.S. imports	49,849	92,060	186,768	150,009	107,846	153,650	114,315	January-December	148,037	148,037
West Germany:										
Production	531,308	582,014	670,198	793,656	729,723	793,656	791,451	January-August	511,467	767,200
Exports	86,550	99,403	141,588	146,781	148,107	191,688	186,006	January-September	133,967	178,618
U.S. imports	20,917	20,608	49,730	42,658	39,599	49,204	44,463	January-December	46,198	46,198
France:										
Production	176,985	245,372	297,885	331,219	295,240	337,833	354,500	January-October	334,184	401,208
Exports	59,698	84,394	108,815	84,143	83,598	95,803	105,263	January-June	67,640	135,280
U.S. imports	6,509	28,792	51,140	34,453	30,993	35,684	31,625	January-December	30,947	30,947
Japan:										
Production	454,168	476,589	712,106	804,269	780,856	872,722	842,663	January-July	530,260	909,000
Exports	79,586	86,672	147,708	154,762	156,306	123,898	138,007	January-October	126,765	152,118
U.S. imports	3,484	22,421	69,375	58,042	58,008	59,357	67,045	January-December	78,416	78,416
United Kingdom: [2]										
Exports	81,018	98,784	123,312	114,576	90,048	127,904	108,304	January-October	92,551	111,061
U.S. imports	6,426	21,274	66,538	43,213	44,636	51,511	30,339	January-December	25,527	25,527
United States:										
Total shipments	1,297,900	1,590,000	1,580,000	1,265,700	1,273,800	1,443,200	1,552,900	do	1,530,000	1,530,000
Exports	3,400	5,300	3,200	4,300	3,000	3,500	3,900	do	3,800	3,800

NOTE.—The annual rate shown for 1964 is, with the exception of the United States, the annual rate based on the fraction of the year for which data are shown. For Japan, export data in 1964 were expressed only in square meters. These were converted to pounds on the basis of the 1962–63 average weight per square meters. Japanese production in 1963 and 1964 was given for all sheet glass processed and ordinary. The ordinary glass was estimated on the basis of the average ratio of ordinary sheet glass to all sheet glass in 1960, 1961, and 1962.

[1] Production statistics for sheet glass not available; indexes of flat glass production show output to have been 229 in 1962 as compared with 100 in 1953. (See Institut National de Statistique, Bulletin de Statistique, March 1964.)

[2] Data on production not available.

Sources:

Belgium: "Bulletin Mensuel du Commerce Exterieur de l'Union Economique Belgo-Luxembourgeoise," Institut National de Statistique, Ministere des Affaires Economiques et de l'Energie.

West Germany: "Statistiches Bundesamt Wiesbaden, Aussenhandel," Reihe 2' Speziahandel Nach Waren und handern und Industrie und Handwerk, Reihe 3 (1962).

France: "Statistiques du Commerce Exterieur de la France," Ministere des Finances et des Affaires Economiques and Groupement Professionel des Industries du Verre, Annuaire de Statistique Industrielle.

Japan: "Annual Return of the Foreign Trade of Japan," the Ministry of Finance, published by Japan Tariff Association; "Japanese Industry," Foreign Capital Research Society; "Japanese Economic Statistics," prepared by the Japanese Ministry of International Trade and Industry.

United Kingdom: "Annual Statement of the Trade of the United Kingdom With Commonwealth Countries and Foreign Countries, 1961 and 1962."

United States: U.S. imports from official statistics of the U.S. Department of Commerce. U.S. total shipments and exports 1954–1962 from table 3 of Tariff Commission Publication 110; 1963, total shipments estimated; 1963 exports from official statistics of the U.S. Department of Commerce.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. MAILLIARD (at the request of Mr. SMITH of California), from July 14, 1965, for 1 week, on account of illness.

Mr. SMITH of New York (at the request of Mr. GERALD R. FORD), for today, on account of official business.

Mr. REINECKE (at the request of Mr. GERALD R. FORD), for today, on account of official business.

Mr. SAYLOR, for Thursday, July 15, 1965, on account of official business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. GALLAGHER, for 30 minutes, on July 15.

Mr. DENT, for 30 minutes, on July 15.

Mr. PUCINSKI, for 30 minutes, today.

Mr. WAGGONNER, for 15 minutes, today; to revise and extend his remarks and to include extraneous matter.

Mr. CAHILL (at the request of Mr. HUTCHINSON), for 1 hour, on Tuesday, July 20; to revise and extend his remarks and to include extraneous matter.

Mr. CONTE (at the request of Mr. HUTCHINSON), for 15 minutes, today; to revise and extend his remarks and to include extraneous matter.

Mr. CONTE (at the request of Mr. HUTCHINSON), for 15 minutes, today; to revise and extend his remarks and to include extraneous matter.

The following Members (at the request of Mr. UDALL) to revise and extend their remarks and to include extraneous matter:

Mr. GALLAGHER, for 30 minutes, today.

Mr. DENT, for 30 minutes, today.

Mr. O'HARA of Michigan, for 30 minutes, on Monday, July 19.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the CONGRESSIONAL RECORD, or to revise and extend remarks was granted to:

Mr. GRAY and to include extraneous matter.

(The following Members (at the request of Mr. HUTCHINSON) and to include extraneous matter:)

Mr. GROVER.

Mr. HANSEN of Idaho in two instances.

(The following Members (at the request of Mr. UDALL) and to include extraneous matter:)

Mr. MCGRATH.

Mr. MONAGAN.

Mr. VANIK.

Mr. SICKLES.

Mr. CALLAN.

Mr. HANNA.

Mr. ROONEY of Pennsylvania in two instances.

Mr. PATTEN.

ENROLLED BILL SIGNED

Mr. BURLESON, from the Committee on House Administration, reported that the committee had examined and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker:

H.R. 4526. An act to extend the provisions of title XII of the Merchant Marine Act, 1936, relating to war risk insurance, for an additional 5 years, ending September 7, 1970.

SENATE ENROLLED BILL SIGNED

The SPEAKER announced his signature to an enrolled bill of the Senate of the following title:

S. 21. An act to provide for the optimum development of the Nation's natural resources through the coordinated planning of water and related land resources, through the establishment of a water resources council and river basin commissions, and by providing financial assistance to the States in order to increase the participation in such planning.

BILLS PRESENTED TO THE PRESIDENT

Mr. BURLESON, from the Committee on House Administration, reported that that committee did on July 14, 1965 present to the President, for his approval, bills of the House of the following titles:

H.R. 2. An act to protect the public health and safety by amending the Federal Food, Drug and Cosmetic Act to establish special controls for depressant and stimulant drugs and counterfeit drugs, and for other purposes;

H.R. 4185. An act to fix the fees payable to the Patent Office, and for other purposes;

H.R. 5246. An act to amend sections 20a and 214 of the Interstate Commerce Act; and

H.R. 9497. An act to extend the time for conducting the referendum with respect to the national marketing quota for wheat for the marketing year beginning July 1, 1966.

ADJOURNMENT

Mr. UDALL. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 58 minutes p.m.), under its previous order, the House adjourned until Monday, July 19, 1965, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1340. A letter from the Acting Comptroller General of the United States, transmitting a report of failure to recover needed aircraft parts previously determined to be Government surplus, Department of the Army; to the Committee on Government Operations.

1341. A letter from the Administrator, General Services Administration, transmitting a draft of proposed legislation to amend section 202(b) of the Federal Property and Administrative Services Act of 1949; to the Committee on Government Operations.

1342. A letter from the Archivist of the United States, transmitting a report on records proposed for disposal in accordance with the provisions of the act approved July 7, 1943 (57 Stat. 380), as amended; to the Committee on House Administration.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. RIVERS of South Carolina: Committee on Armed Services. H.R. 7811. A bill to authorize the sale or loan of naval vessels to friendly Latin American countries, and for other purposes; without amendment (Rept. No. 622). Referred to the Committee of the Whole House on the State of the Union.

Mr. RIVERS of South Carolina: Committee on Armed Services. H.R. 7812. A bill to authorize the loan of naval vessels to friendly foreign countries, and for other purposes; without amendment (Rept. No. 623). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BROOMFIELD:

H.R. 9864. A bill to nullify certain rules of the Federal Communications Commission relating to the citizens radio service; to the Committee on Interstate and Foreign Commerce.

H.R. 9865. A bill to amend title 10 of the United States Code so as to provide free postage for members of the Armed Forces serving in Vietnam and other combat zones designated by the President; to the Committee on Post Office and Civil Service.

By Mr. BURLESON:

H.R. 9866. A bill to authorize the Board of Commissioners of the District of Columbia to request the assignment of U.S. Marines to assist in law enforcement in the District of Columbia; to the Committee on Armed Services.

By Mr. CELLER:

H.R. 9867. A bill to provide penalties for the use of the interstate route marker for commercial purposes; to the Committee on the Judiciary.

By Mr. DOW:

H.R. 9868. A bill to direct the Secretary of the Interior to study the action that should be taken to preserve, develop, and make accessible for public use a portion of the Hudson River and related lands in the States of New Jersey and New York, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. HELSTOSKI:

H.R. 9869. A bill to authorize the Secretary of Agriculture to regulate the transportation, sale, and handling of dogs and cats intended to be used for purposes of research or experimentation, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. HERLONG:

H.R. 9870. A bill to provide for judicial review of administrative findings of the Secretary of Labor under title III of the Social Security Act, as amended, and chapter 23 (Federal Unemployment Tax Act) of the Internal Revenue Code of 1954, as amended, and for other purposes; to the Committee on Ways and Means.

By Mr. MORRIS:

H.R. 9871. A bill to amend the act of May 11, 1954 (ch. 199, sec. 1, 68 Stat. 81; 41 U.S.C. 321), to provide for full adjudication of rights of Government contractors in courts of law; to the Committee on the Judiciary.

By Mr. REDLIN:

H.R. 9872. A bill to establish a Federal sabbatical program to improve the quality of teaching in the Nation's elementary or secondary schools; to the Committee on Education and Labor.

By Mr. RYAN:

H.R. 9873. A bill to provide for the establishment of the National Foundation on the Arts and the Humanities to promote progress and scholarship in the humanities and the arts in the United States, and for other purposes; to the Committee on Education and Labor.

By Mr. WHITE of Idaho:

H.R. 9874. A bill to require the Secretary of the Army to pay certain severance damages relating to Dworshak project, Idaho; to the Committee on Public Works.

By Mr. WOLFF:

H.R. 9875. A bill to authorize the Secretary of Agriculture to regulate the transportation, sale, and handling of dogs and cats intended to be used for purposes of research or experimentation, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. BROYHILL of Virginia:

H.R. 9876. A bill to amend the District of Columbia Teachers' Salary Act of 1955 to provide a new schedule of salaries, and for other purposes; to the Committee on the District of Columbia.

By Mr. CELLER:

H.R. 9877. A bill to amend the act of January 30, 1913, as amended, to remove certain restrictions on the American Hospital of Paris; to the Committee on the Judiciary.

By Mr. GALLAGHER:

H.R. 9878. A bill to amend the Administrative Expenses Act of 1946 to prohibit, except in certain instances, the expenditure of any funds by any executive department or agency of the United States for the acquisition or use of a polygraph (lie detector) machine; to the Committee on Government Operations.

By Mr. GILLIGAN:

H.R. 9879. A bill to provide for a National Teacher Corps to attract and train able teachers for the children in the Nation's most deprived urban and rural schools; to the Committee on Education and Labor.

By Mr. MACHEN:

H.R. 9880. A bill to amend titles 10 and 37, United States Code, to provide career incentives for certain professionally trained officers of the Armed Forces; to the Committee on Armed Services.

By Mr. PRICE:

H.R. 9881. A bill to provide for a 3-month extension of certain rights reserved by the former owners of the subsurface estate of certain real property acquired by the United States for the Carlyle Reservoir, Ill.; to the Committee on Public Works.

By Mr. TALCOTT:

H.R. 9882. A bill to provide for reduced postage rates for the air shipment of small parcels to members of the Armed Forces in Vietnam; to the Committee on Post Office and Civil Service.

By Mr. THOMPSON of Texas:

H.R. 9883. A bill to amend section 1373(c) and section 316(b) of the Internal Revenue Code of 1954; to the Committee on Ways and Means.

By Mr. VIVIAN:

H.R. 9884. A bill to establish a Federal sabbatical program to improve the quality of teaching in the Nation's elementary or secondary schools; to the Committee on Education and Labor.

By Mr. ASPINALL:

H.R. 9885. A bill to provide additional assistance for areas suffering a major disaster; to the Committee on Public Works.

By Mr. GILBERT:

H.R. 9886. A bill to amend title 18 of the United States Code with respect to criminal procedures and sentencing, and for other purposes; to the Committee on the Judiciary.

By Mr. HOLLAND:

H.R. 9887. A bill to provide fellowships for graduate study leading to a master's degree or doctor's degree for elementary and secondary schoolteachers and those who train, guide, or supervise such teachers; to the Committee on Education and Labor.

By Mr. McVICKER:

H.R. 9888. A bill to provide additional assistance for areas suffering a major disaster; to the Committee on Public Works.

By Mr. MATSUNAGA:

H.R. 9889. A bill to establish an Academy of Criminal Justice and to provide for the establishment of such other Academies of Criminal Justice as the Congress may hereafter authorize; to the Committee on the Judiciary.

By Mr. ROGERS of Colorado:

H.R. 9890. A bill to provide additional assistance for areas suffering a major disaster; to the Committee on Public Works.

By Mr. ST. ONGE:

H.R. 9891. A bill to amend titles 10 and 37, United States Code, to provide career incentives for certain professionally trained officers of the Armed Forces; to the Committee on Armed Services.

By Mr. BENNETT:

H.R. 9892. A bill to provide for a National Teachers Corps to attract and train able teachers for the children in the Nation's most deprived urban and rural schools and to provide employment opportunities for displaced teachers; to the Committee on Education and Labor.

By Mr. MOELLER:

H.R. 9893. A bill to amend the Consolidated Farmers Home Administration Act of 1961 to authorize the Secretary of Agriculture to make or insure loans to public and quasi-public agencies and corporations not operated for profit with respect to water supply and water systems serving rural areas and to make grants to aid in rural community development planning and in connection with the construction of such community facilities, to increase the annual aggregate of insured loans thereunder, and for other purposes; to the Committee on Agriculture.

H.R. 9894. A bill to incorporate Jesus Christ Salvation Revival Center, Inc.; to the Committee on the Judiciary.

By Mr. REINECKE:

H.R. 9895. A bill to establish a National Study Commission on Water Conservation and Utilization; to the Committee on Interior and Insular Affairs.

By Mr. ROYBAL:

H.R. 9896. A bill to add a new title XI to the National Defense Education Act of 1958; to the Committee on Education and Labor.

By Mr. TUNNEY:

H.R. 9897. A bill to repeal the House Employees Position Classification Act; to the Committee on House Administration.

By Mr. ULLMAN:

H.J. Res. 580. Joint resolution authorizing and requesting the President to extend through 1966 his proclamation of a period to "See the United States," and for other purposes; to the Committee on the Judiciary.

By Mr. PHILBIN:

H. Res. 476. Resolution that it is the sense of the House of Representatives that oppression of minorities in Rumania through a systematic plan launched by the Communist regime in control of Rumania be condemned and the President of the United States is requested to take appropriate steps in our relations with the Rumanian Government as are likely to bring relief to the persecuted minorities in the controversial Transylvania region of that country; to the Committee on Foreign Affairs.

By Mr. POWELL:

H. Res. 477. Resolution providing for the consideration of the bill (H.R. 8989) to promote health and safety in metal and nonmetallic mineral industries, and for other purposes; to the Committee on Rules.

H. Res. 478. Resolution providing for the consideration of the bill (H.R. 9460) to provide for the establishment of the National Foundation on the Arts and the Humanities to promote progress and scholarship in the humanities and the arts in the United States, and for other purposes; to the Committee on Rules.

H. Res. 479. Resolution providing for the consideration of the bill (H.R. 9567) to strengthen the educational resources of our colleges and universities and to provide financial assistance for students in postsecondary and higher education; to the Committee on Rules.

H. Res. 480. Resolution providing for the consideration of H.R. 9022, to amend Public Laws 815 and 874, 81st Congress, to provide financial assistance in the construction and operation of public elementary and secondary schools in areas affected by a major disaster; to eliminate inequities in the application of Public Law 815 in certain military base closings; to make uniform eligibility requirements for school districts in Public Law 874; and for other purposes; to the Committee on Rules.

MEMORIALS

Under clause 4 of rule XXII,

340. The SPEAKER presented a memorial of the Legislature of the State of Nebraska, ratifying a proposed amendment to the Constitution of the United States relating to succession to the Presidency and Vice-Presidency and to cases where the President is unable to discharge the power and duties of his office, which was referred to the Committee on the Judiciary.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ADDABBO:

H.R. 9898. A bill for the relief of Arax Hovanesian (Arax Ter Hovanesiantz) and minor sons, Edwin and Alfred Hovanesian; to the Committee on the Judiciary.

H.R. 9899. A bill for the relief of Giovanni Maranzano; to the Committee on the Judiciary.

By Mr. DONOHUE:

H.R. 9900. A bill for the relief of Janina Podgorska; to the Committee on the Judiciary.

By Mr. EDWARDS of Alabama:

H.R. 9901. A bill to provide for the conveyance of certain public land held under color of title to Mrs. Jessie L. Gaines of Mobile, Ala.; to the Committee on Interior and Insular Affairs.

By Mr. FINO:

H.R. 9902. A bill for the relief of Carmelo Ricotta; to the Committee on the Judiciary.

By Mr. GIAIMO:

H.R. 9903. A bill to provide for the free entry of one multigap magnetic spectrograph for the use of Yale University; to the Committee on Ways and Means.

By Mr. GREIGG:

H.R. 9904. A bill for the relief of Mohamed Bousseta; to the Committee on the Judiciary.

By Mr. O'NEILL of Massachusetts:

H.R. 9905. A bill for the relief of Panagiotis A. Perlengas; to the Committee on the Judiciary.

By Mr. POLANCO-ABREU:

H.R. 9906. A bill to authorize the transportation of passengers by certain foreign vessels between Puerto Rico and Port Everglades, Fla.; to the Committee on Merchant Marine and Fisheries.

By Mr. ROYBAL:

H.R. 9907. A bill for the relief of Chong Chul Choi; to the Committee on the Judiciary.

By Mr. RYAN:

H.R. 9908. A bill for the relief of Diana Leung; to the Committee on the Judiciary.

H.R. 9909. A bill for the relief of Han The Tung; to the Committee on the Judiciary.

EXTENSIONS OF REMARKS

Twentieth Anniversary of the United Nations

EXTENSION OF REMARKS
OF
HON. EDWARD J. PATTEN
OF NEW JERSEY
IN THE HOUSE OF REPRESENTATIVES
Thursday, July 15, 1965

Mr. PATTEN. Mr. Speaker, as we commemorate the 20th anniversary of the United Nations we cannot help but look in retrospect at the state of the world 20 years after World War I and 20 years after World War II. It is necessary to compare the war-ravaged, totalitarian-ensconced world of 1939 with the prosperous and flourishing free world of today. In this way the effectiveness of the United Nations as a peacekeeping, world-stabilizing organization will be crystal clear. It is evident that the world is today troubled in southeast Asia and in the Carribean. However, one must look at the world in 1939 to see the marked difference in international affairs since the inception of the world organization.

The powers never really straightened themselves out after Versailles at the conclusion of the war that was fought "to end all wars." A lack of cooperation both at home and abroad doomed the Versailles settlement to failure and American refusal to cooperate transformed a potentially powerful League of Nations into a floundering and ineffec-