subject to qualification thereof as provided by law:

Chief warrant officer, W–2

Lewis, John A.

Chief warrant officer, W–3

Brown, Albert L., Jr.
Carl, Charles L., Jr.
Foster, Albert W., Jr.
Gohrband, Howard F., Jr.
Hardin, Billie R.
Nichols, William E.

Chief warrant officer, W–4

Adams, George C.
Adkins, Wilbur L.
Austin, Ellis E.
Carpenter, Charles P.
Carruthers, Morris E.
Carter, Charles S.
Childers, Virgil R.
Conway, Lonnie E.
Davis, George R.
Dedering, Kenneth C.
Droddy, Donald F.
Foust, Frank R.
Gimmel, Daniel G.
Glover, Fred B.
Guthrie, William C.
Holland, Muscoe C., Jr.
Jeffra, Arthur J.
Leone, Theresa
Meeler, William F., Jr.
Moore, James A.
Morgan, Ottis N.
Reed, Abner D.
Riley, Joseph F.
Rouse, Leo G.
Scalise, Raymond A.
Scharschan, Stephen J.
Schroeder, Philip W.
Sharpe, Virgil G.
Shrum, Wayne A.
Slaughter, Arthur R.
Sloan, Wallace V.
Spain, John H.
Tarver, Carroll L.
Uhlhorn, Elmer C.
Waller, George E.
Werts, Glenn E.
White, Charles R.
White, Theordore L.
Whitt, William F.
Whyte, George L.

Lt. Cmdr. Donald R. Feeley, Medical Corps, for temporary promotion to the grade of commander in the Medical Corps of the U.S. Navy, subject to qualification therefor as provided by law.

Lt. (jg.) Roger A. Beauchane, Supply Corps, for temporary promotion to the grade of lieutenant in the Supply Corps of the U.S. Navy, subject to qualification therefor as provided by law.

Lt. (jg.) Freda G. Smith, for permanent promotion to the grade of lieutenant in the line of the U.S. Navy, subject to qualification therefor as provided by law.

Lt. John A. Henry, Jr., for permanent promotion to the grade of lieutenant in the line of the U.S. Navy, subject to qualification therefor as provided by law.

The following-named officers of the U.S. Navy for permanent promotion to the grade of lieutenant (junior grade) in the line and staff corps, as indicated, subject to qualification therefor as provided by law:

LINE

Amundsen, Richard O., Jr.
Andrews, James R.
Benington, George A.
Carter, Clyde L.
Colthurst, Wallace R.
Cook, Raymond L.
Creighton, Carolyn C.
Defries, Melton E.
Deklever, Vaughn G.
Dick, Albert G.
Dyches, Fred D.
Faddis, Jack H.
Ferguson, Gary W.
Godbehere, Richard G.
Hamilton, Susan F.
Hobbs, Marvin E.
Hoffman, Calhoun E., III
Hoffman, Carl W.
Jenkins, Alan K.
Johnson, Allan E.
Kafka, William J.
Kalember, Glen A.
Keith, Roy E.
Lemon, Frank M.
Liston, Danon D.
Marlowe, Gilbert M.
Marshall, John R.
Mueller, James W.
Nichols, Donald F.
Parker, Charles L., Jr.
Rainey, Peter G.
Rogers, Beverly J.
Segal, Harold W.
Sloan, Robert E.
Smith, Kenneth R.
Smith, Marion J.
Spangler, John C.
Stamper, Russell C.
Streit, Raymond S., Jr.
Sullivan, George E., III
Timby, William H.
Tucker, Ronald D.
Waa, Norma J.
Yonov, Serge A.

SUPPLY CORPS

Black, Bill H.
Blondin, Peter W.
Ceo, Jerome J.
Donahue, John R.
Eadie, Paul W.
Erdahl, Eugene S.
Flint, Ralph Q.
Green, William T.
Hobbs, Wilbur N.
Jenson, Ronald L.
Manson, Walter B., III
Spiller, James T.
Walton, Joseph L.

CIVIL ENGINEER CORPS

Hatter, William H., Jr.
Henley, John S.
Jones, Ernest L.
Stamm, John A.

NURSE CORPS

Whitman, Judith M.

Michael G. Lynch, U.S. Navy, for transfer to and appointment in the Supply Corps of the Navy in the permanent grade of lieutenant (junior grade) and in the temporary grade of lieutenant.

William R. Rosenfelt, U.S. Navy, for transfer to and appointment in the Supply Corps of the Navy in the permanent grade of lieutenant (junior grade).

The following-named line officers of the Navy for transfer to and appointment in the Supply Corps of the Navy in the permanent grade of ensign:

Edward E. Brighton, Jr.
Terry L. Earhart
Howard H. Hamilton
William T. Lee
Fred L. Meyer
Joseph Molishus, Jr.
Douglas E. Veum
Charles L. Wilde

James W. Goodspeed, U.S. Navy, for transfer to and appointment in the Civil Engineer Corps of the Navy in the permanent grade of lieutenant (junior grade).

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 ensign:

William E. Free III
James W. Goodspeed
Richard Guglielmino
Ronald S. Hadbavny
Louis W. Hennings III
Stephen F. Lotterhand
Charles P. O'Neill, Jr.
David F. Sheaff

The following-named candidates to be permanent ensigns in the line of the Navy, subject to the qualifications therefor as provided by law:

Mark W. Alexander
Donald E. Angstead
Dennis J. Bielicki
Gary L. Bier
James C. Burger
Stanley J. Coley
Marshall G. Cooper
Kenneth H. Delano
Gene A. Douglass
William N. Edwards
Thomas C. Ellis
John R. Estes
Betty J. Gabryshak
Larkin E. Garcia
William A. Gouslin
William A. Gunkel
Charles T. Hardy
Marilyn J. Hatch
Gary R. Henry
Lovell K. Henson
Robert L. Heustis
Robert A. Iselin
Richard B. Leenstra
Dennis R. Moss
Thomas C. Naile
Francis E. Othic
Richard B. Reynolds
James T. Sanders
Frederick A. Seely
Alan J. Shapiro
William A. Shower, Jr.
Karl C. Shumaker
John G. Strohaker
Richard H. Taylor
Thomas C. Voight
Robert C. Waite
Marshall R. Weir
Roger E. Wenschlag
Daniel L. Wojtkowiak

The following-named candidates to be permanent ensigns in the Supply Corps of the Navy, subject to the qualifications therefor as provided by law:

John C. Beckett
Timothy G. Custer
Richard A. Evanoff
Mohsen Kamel
Jerry A. Kane
Merlyn M. Masters
Billy R. Shelton

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:

Gerald P. Corcoran
Frederic H. Gerber
Andrew J. Lanier, Jr.

Arnold E. Catron, midshipman (Naval Academy) to be a permanent ensign in the line of the Navy, subject to the qualifications therefor as provided by law.

Adrian T. Doryland (Navy Enlisted Scientific Education Program) to be a permanent ensign in the line of the Navy, subject to the qualifications therefor as provided by law.

Anderson R. Williams (Civilian College Graduate) to be a permanent lieutenant (junior grade) and a temporary lieutenant in the Medical 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:

Jerald J. Archer
Michael T. Cornell
Milton R. Felger

Collis O. Marshall, U.S. Navy retired officer, to be a permanent commander in the line of the Navy, subject to the qualifications therefor as provided by law.

CONFIRMATIONS

Executive nominations confirmed by the Senate June 20, 1966:

DEPARTMENT OF JUSTICE

Alvin Grossman, of New York, to be U.S. marshal for the western district of New York for the term of 4 years.

IN THE PUBLIC HEALTH SERVICE

The nominations beginning John H. Waite, to be medical director, and ending Stanley J. Kissel, Jr., to be senior assistant health services officer, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD on June 8, 1966.

HOUSE OF REPRESENTATIVES

MONDAY, JUNE 20, 1966

The House met at 12 o'clock noon.

Rabbi Jacob A. Max, Liberty Jewish Center, Baltimore, Md., offered the following prayer:

And nations shall walk at Thy light And kings at the brightness of Thy rising

Mayest Thou guide us, O Heavenly Father, in our striving to become more like Thee, for Thou hast implanted in each one of us a spark of the divine.

Endow the President and elected Representatives of our beloved country with wisdom and vision for they are charged with guiding the destinies of this citadel of democracy. Grant them the courage and self-confidence to act upon the urgent issues that confront us, so that all of mankind may see in our free commonwealth Thy handiwork.

Aid us to preserve our traditions of justice for all men. Help us to dedicate ourselves to strive for liberty under law for all in our beloved country.

May we be worthy to continue the noble heritage of the founders of our Nation that Thy blessing may rest upon us and upon all Thy children. Amen.

THE JOURNAL

The Journal of the proceedings of Thursday, June 16, 1966, 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. 6438. An act to authorize any executive department or independent establish-

ment of the Government, or any bureau or office thereof, to make appropriate accounting adjustment or reimbursement between the respective appropriations available to such departments and establishments, or any bureau or office thereof;

H.R. 10357. An act to provide for the striking of medals in commemoration of the 100th anniversary of the founding of the U.S. Secret Service; and

H.R. 15202. An act to provide, for the period beginning on July 1, 1966, and ending on June 30, 1967, a temporary increase in the public debt limit set forth in section 21 of the Second Liberty Bond Act.

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

H.R. 12270. An act to authorize the Secretary of Defense to lend certain Army, Navy, and Air Force equipment and to provide transportation and other services to the Boy Scouts of America in connection with the 12th Boy Scouts World Jamboree and 21st Boy Scouts World Conference to be held in the United States of America in 1967, and for other purposes.

The message also announced that the Senate insists upon its amendments to the bill (H.R. 12322) entitled "An act to enable cottongrowers to establish, finance, and carry out a coordinated program of research and promotion to improve the competitive position of, and to expand markets for, cotton," 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. TALMADGE, Mr. EASTLAND, Mr. JORDAN of North Carolina, Mr. AIKEN, and Mr. YOUNG of North Dakota to be the conferees on the part of the Senate.

The message also announced that the Senate had passed a bill, a concurrent resolution, and a joint resolution of the following titles, in which the concurrence of the House is requested:

S. 3150. An act to make further provision for the retirement of the Comptroller General;

S. Con. Res. 88. Concurrent resolution relative to parity prices for agricultural commodities; and

S.J. Res. 153. Joint resolution to provide for the striking of medals in commemoration of the 50th anniversary of the Federal land bank system in the United States.

The message also announced that the Presiding Officer of the Senate, pursuant to Public Law 115, 78th Congress, entitled "An act to provide for the disposal of certain records of the U.S. Government," appointed Mr. MONRONEY and Mr. CARLSON members of the joint select committee on the part of the Senate for the disposition of executive papers referred to in the report of the Archivist of the United States numbered 66–16.

SWEARING IN OF A MEMBER

The SPEAKER. The Chair lays before the House a communication which the Clerk will read.

The Clerk read as follows:

JUNE 20, 1966.

The Honorable the SPEAKER,
House of Representatives.

SIR: A certificate in due form of law showing the election of JEROME R. WALDIE as a Representative-elect to the 89th Congress from the 14th Congressional District of the State of California, to fill the unexpired term, ending January 3, 1967.

Respectively yours,

RALPH R. ROBERTS,
Clerk, U.S. House of Representatives.

The SPEAKER. The Representative-elect will present himself at the bar of the House for the purpose of having the oath of office administered to him.

Mr. WALDIE presented himself at the bar of the House and took the oath of office.

TRIBUTE TO RABBI JACOB A. MAX

Mr. LONG of Maryland. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

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

There was no objection.

Mr. LONG of Maryland. Mr. Speaker, it gives me great pleasure to welcome Rabbi Jacob A. Max, guest of my distinguished colleague, SAM FRIEDEL, who has offered an inspiring prayer before this Chamber this morning.

Rabbi Max has had a distinguished career as a spiritual leader in Baltimore County and Baltimore City. For 13 years he has served the greater Baltimore area as spiritual leader of the Anshe Emanuel Aitz Chaim congregation—Liberty Jewish Center—which is located at 1 Liberty Heights Avenue in Baltimore City and at 8615 Church Lane in Randallstown, Baltimore County.

Rabbi Max holds an undergraduate degree from the Johns Hopkins University, and did graduate work at the Johns Hopkins University, the University of Maryland, and Yeshiva University. He also studied at the Talmudical Academy, and was ordained at Ner Israel Rabbinical College in Baltimore.

Rabbi Max has served on many boards of various educational institutions in Baltimore, and is presently educational consultant for the Hebrew Education Association of Baltimore City.

I am proud to say that he is also serving on the Governor's committee of the clergy for mental health for the State of Maryland.

This Chamber is indeed honored by the presence of Rabbi Max and will benefit from his invocation.

FORMATION OF NATIONAL COMMITTEE OF ONE MILLION TO SAVE THE UNITED STATES CAPITOL

Mr. STRATTON. 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. STRATTON. Mr. Speaker, I take this time to advise my colleagues that applications are now being accepted in my office, for charter membership in the new National Committee of One Million To Save the United States Capitol. I cordially invite the support of all my colleagues who favor our retaining a portion of the original Capitol structure for the enjoyment and education of our citizens rather than covering it up with a costly 7-acre marble facade housing a new Capitol restaurant, two movie houses, and 109 additional congressional office spaces at a currently estimated cost of $34 million.

It was little more than a week ago that we had before us the legislative appropriation bill for 1967, the proper vehicle for taking any further action on the controversial matter of extending the west front of the Capitol. We were assured at that time that no further action was planned and no funds for the west front were included. That bill is presently in the Senate. Yet we are told the Architect will not request funds now but will wait for the supplemental bill which will come to us in the closing hours of the session when there will be no time for debate on a sweeping change in a historic national monument.

I hope we can stop this action until the House as a whole can study the matter as fully as it deserves. But we need to hear from the people themselves, and that is the job this new national committee can do.

The Nation's schoolchildren, with their pennies, once saved the great historic U.S.S. *Constitution, Old Ironsides.* Patriotic and educational groups across the country, with their letters and their telephone calls, can surely preserve the Nation's Capitol for generations still to come.

CONSENT CALENDAR

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

ARKANSAS POST NATIONAL MEMORIAL

The Clerk called the bill (H.R. 12389) to increase the amount authorized to be appropriated for the development of the Arkansas Post National Memorial.

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

H.R. 12389

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 3 of the Act entitled "An Act to provide for the establishment of the Arkansas Post National Memorial, in the State of Arkansas", approved July 6, 1960 (74 Stat. 334; Public Law 86–595), is amended by striking out "$125,000" and inserting in lieu thereof "$550,000".

Mr. ASPINALL. 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 Colorado?

There was no objection

Mr. ASPINALL. Mr. Speaker, the bill now before us, H.R. 12389, is not a complex one. Its sole purpose is to increase the amount of funds authorized to be appropriated for development of the Arkansas Post National Memorial to $550,000.

As most of the Members of this House are well aware, I am sure, the Committee on Interior and Insular Affairs has recommended, in recent years, that the amounts of money authorized to be appropriated be specifically limited. We feel that this is an important check on the executive branch of the Government, because it has the effect of prohibiting the extension of a project beyond the expectations of Congress at the time of its authorization. By placing such limitations in the authorizing legislation, we help the Committee on Appropriations to understand the scope of the program contemplated so that it can make its recommendations accordingly.

The increased authorization contained in H.R. 12389 does not significantly expand the development plan presented to Congress by the National Park Service before the enactment of Public Law 86–595. At that time, the cost of the development work contemplated was estimated at $344,000; subsequent construction cost increases and unforeseen work which was necessary would bring the present costs to about $430,000. The remaining $120,000 authorized by H.R. 12389, then, represents the cost of proposed additions to the project as it was originally undertaken.

Mr. Speaker, the land at this site—some 220 acres—was donated to the Government for the establishment of the Arkansas Post National Memorial. We, in Congress, have appropriated $117,400 for development of the area; however, if the plan is to be completed, as it was originally proposed, then it is necessary to provide this new authority.

Having conducted hearings on this legislation, your committee feels that this increase is justified. It has been a pleasure to work with our colleague the gentleman from Arkansas [Mr. MILLS] on this matter and, as chairman of your committee, I urge its adoption.

Mr. SAYLOR. 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 Pennsylvania?

There was no objection.

Mr. SAYLOR. Mr. Speaker, the bill, H.R. 12389, seeks to increase the amount authorized to be appropriated for the development of the Arkansas Post National Memorial.

The act of July 6, 1960—74 Stat. 333—authorized the Secretary of the Interior to establish the Arkansas Post National Memorial to commemorate the first permanent European settlement west of the Mississippi River. The act of July 6, 1960, limited the amount appropriated for land acquisition and development to $125,000, of which not more than $25,000 was to be used for land acquisition. The State of Arkansas has donated to the United States 221 acres of land, all of the land needed for the national monument.

H.R. 12389 will increase the amount authorized to be appropriated for the development of the Arkansas Post National Memorial to $550,000. To date, Congress has appropriated $117,400 of the $125,000 authorized for appropriation by the act of July 6, 1960. By the end of fiscal 1966 most, or all, of this amount will be spent or obligated.

The additional $425,000 requested by H.R. 12389 will enable the National Park Service to complete its plans for the development of the Arkansas Post National Memorial.

Mr. Speaker, I urge the passage of H.R. 12389.

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

THE NATIONAL MUSEUM OF THE SMITHSONIAN INSTITUTION

The Clerk called the bill (H.R. 7315) relating to the National Museum of the Smithsonian Institution.

Mr. HALL. Mr. Speaker, I ask unanimous consent that this bill may be passed over without prejudice.

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

There was no objection.

AMENDING THE ACTS OF MARCH 3, 1931, AND OCTOBER 19, 1962, RELATING TO THE FURNISHING OF BOOKS AND OTHER MATERIALS TO THE BLIND SO AS TO AUTHORIZE THE FURNISHING OF SUCH BOOKS AND OTHER MATERIALS TO OTHER HANDICAPPED PERSONS

The Clerk called the bill (H.R. 13783) to amend the acts of March 3, 1931, and October 19, 1962, relating to the furnishing of books and other materials to the blind so as to authorize the furnishing of such books and other materials to other handicapped persons.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. PELLY. Mr. Speaker, in view of the fact that the cost of this bill exceeds the cost set by the bipartisan committee, I ask unanimous consent that this bill be passed over without prejudice.

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

There was no objection.

AMEND SECTION 502 OF THE MERCHANT MARINE ACT, 1936, RELATING TO CONSTRUCTION DIFFERENTIAL SUBSIDIES

The Clerk called the bill (H.R. 12591) to amend section 502 of the Merchant Marine Act, 1936, relating to construction differential subsidies.

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

H.R. 12591

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the proviso in the second sentence of subsection (b) of section 502 of the Merchant Marine Act, 1936, as amended (46 U.S.C. 1152(b)), is amended by striking out "June 30, 1966", and inserting in lieu thereof "June 30, 1968".

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

Mr. GARMATZ. Mr. Speaker, I ask unanimous consent for the immediate consideration of S. 2858, a similar bill.

The Clerk read the title of the bill.

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

Mr. GROSS. Mr. Speaker, reserving the right to object, does the bill the gentleman seeks to have considered provide for 1 year, and 1 year only?

Mr. GARMATZ. For 1 year only; yes.

Mr. GROSS. For 1 year. I thank the gentleman.

Mr. Speaker, I withdraw my reservation of objection.

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

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

S. 2858

An act to amend section 502 of the Merchant Marine Act, 1936, relating to construction differential subsidies

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the proviso in the second sentence of subsection (b) of section 502 of the Merchant Marine Act, 1936, as amended (46 U.S.C. 1152(b)), is amended by striking out "June 30, 1966", and inserting in lieu thereof "June 30, 1967".

AMENDMENT OFFERED BY MR. GARMATZ

Mr. GARMATZ. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. GARMATZ: Strike out all after the enacting clause of S. 2858 and substitute the following:

"Be it enacted by the Senate and House of Representatives of the United States of American in Congress assembled, That the proviso in the second sentence of subsection (b) of section 502 of the Merchant Marine Act, 1936, as amended (46 U.S.C. 1152(b)), is amended by striking out 'June 30, 1966', and inserting in lieu thereof 'June 30, 1968'."

The amendment was agreed to.

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

A similar House bill (H.R. 12591) was laid on the table.

ADMEASUREMENT OF SMALL VESSELS

The Clerk called the bill S. 2142, to simplify the admeasurement of small vessels.

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

S. 2142

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 4148 of the Revised Statutes (46 U.S.C. 71) is amended to read as follows:

"SEC. 4148. (a) Before a vessel is documented under the laws of the United States or issued a certificate of record she shall be admeasured by the Secretary of the Treas-

ury as provided in subsection (b) or (c) of this section. A vessel which has been admeasured need not be readmeasured solely to obtain another document, unless it is a vessel admeasured under subsection (b) which is required to be readmeasured under subsection (c); but a vessel which is intended to be used exclusively as a pleasure vessel may at the owner's option be readmeasured under subsection (b).

"(b) Subject to the owner's option to have his vessel admeasured under subsection (c) of this section, a vessel which is intended to be used exclusively as a pleasure vessel shall be assigned gross and net tonnages which are the product of its length, breadth, and depth in feet and appropriate coefficients. The Secretary of the Treasury shall prescribe the manner in which the length, breadth, and depth shall be measured and the appropriate coefficients to be applied, taking due account of variations in vessel construction, to the end that, taken as a group and so far as practicable, the resulting gross tonnages shall reasonably reflect the relative internal volumes of the vessels admeasured and the resulting net tonnages shall be in the same ratio to the corresponding gross tonnages as the net and gross tonnages of comparable vessels if admeasured under subsection (c) of this section.

"(c) A vessel not admeasured under subsection (b) of this section, or a vessel admeasured under subsection (b) which is thereafter to be documented for use other than exclusively as a pleasure vessel, shall be admeasured as prescribed in sections 4150, 4151, and 4153 of the Revised Statutes, as amended (46 U.S.C. 74, 75, 77).

"(d) Whenever a vessel documented under the laws of the United States undergoes a change affecting tonnage, or its owner or the Secretary of the Treasury alleges error in its tonnage, it shall be readmeasured to the extent necessary and its tonnage redetermined under this section.

"(e) The tonnage of a vessel for which a document or certificate of record has been issued before the effective date of this subsection need not be redetermined solely because of amendments to Federal law enacted at the same time as this subsection; but if it is eligible for admeasurement under subsection (b)of this section its owner shall have the option of having it readmeasured under that subsection.

"(f) The Secretary of the Treasury shall make such regulations as may be necessary to carry out the provisions and intent of this section and of sections 4149, 4150, 4151, and 4153 of the Revised Statutes, as amended (46 U.S.C. 72, 74, 75, 77)."

SEC. 2. The following statutes and parts of statutes are repealed:

(a) Section 4152 of the Revised Statutes (46 U.S.C. 76).

(b) The second and third paragraphs following paragraph (i), and the first sentence of the last paragraph, reading "The register of the vessel shall express the number of decks, the tonnage under the tonnage deck, that of the between decks, above the tonnage decks; also that of the poop or other enclosed spaces above the deck, each separately.", of section 4153 of the Revised Statutes, as amended (46 U.S.C. 77).

(c) Section 4181 of the Revised Statutes (46 U.S.C. 73).

(d) Section 4331 of the Revised Statutes (46 U.S.C. 273).

(e) Section 2 of the Act of March 2, 1895 (ch. 173, 28 Stat. 743; 46 U.S.C. 78).

(f) Section 4 of the Act of March 2, 1895 (ch. 173, 28 Stat. 743), as amended (46 U.S.C. 79).

SEC. 3. This Act shall take effect upon the expiration of ninety days after the date of its enactment.

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

IMPLEMENTING PROVISIONS OF THE INTERNATIONAL CONVENTION FOR THE PREVENTION OF THE POLLUTION OF THE SEA BY OIL, 1954

The Clerk called the bill (H.R. 8760), to amend the provisions of the Oil Pollution Act, 7961 (33 U.S.C. 1001–1015), to implement the provisions of the International Convention for the Prevention of the Pollution of the Sea by Oil, 1954, as amended, and for other purposes.

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

H.R. 8760

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the "Oil Pollution Act, 1961" approved August 30, 1961 (33 U.S.C. 1001–1015), is amended as follows:

(1) Section 1 is amended by inserting after the title "International Convention for the Prevention of the Pollution of the Sea by Oil, 1954" the phrase "as amended," and by changing the designation of the Act from "Oil Pollution Act, 1961" to "Oil Pollution Act, 1961, as amended,".

(2) Section 2 (33 U.S.C. 1001) is amended—

(A) in subsection (a) by changing the semicolon to a comma at the end thereof and by adding "as amended;";

(B) in subsection (c) by changing the reference at the end thereof from "D. 158/53;" to "D. 86/59;";

(C) by amending subsection (e) to read as follows:

"(e) The term 'oil' means crude oil, fuel oil, heavy diesel oil, and lubricating oil, and 'oily' shall be construed accordingly. An 'oily mixture' means a mixture with an oil content of one hundred parts or more in one million parts of mixture."

(D) by amending subsection (i) to read as follows:

"(i) The term 'ship', subject to the exceptions provided in paragraph (1) of this subsection, means any seagoing vessel of any type whatsoever of American registry or nationality, including floating craft, whether self-propelled or towed by another vessel making a sea voyage; and 'tanker', as a type included within the term 'ship', means a ship in which the greater part of the cargo space is constructed or adapted for the carriage of liquid cargoes in bulk and which is not, for the time being, carrying a cargo other than oil in that part of its cargo space.

"(1) The following categories of vessels are excepted from all provisions of the Act:

"(i) tankers of under one hundred and fifty tons gross tonnage and other ships of under five hundred tons gross tonnage.

"(ii) ships for the time being engaged in the whaling industry when actually employed on whaling operations.

"(iii) ships for the time being navigating the Great Lakes of North America and their connecting and tributary waters as far east as the lower exit of Saint Lambert lock at Montreal in the Province of Quebec, Canada.

"(iv) naval ships and ships for the time being used as naval auxiliaries."

(E) by adding a new subsection (j) reading as follows:

"(j) The term 'from the nearest land' means from the baseline from which the territorial sea of the territory in question is established in accordance with the Geneva Convention on the Territorial Sea and the Contiguous Zone, 1958."

(3) Section 3 (33 U.S.C. 1002) is amended to read as follows:

"SEC. 3. Subject to the provisions of sections 4 and 5, it shall be unlawful for any person to discharge oil or oily mixture from:

"(a) a tanker within any of the prohibited zones.

"(b) a ship, other than a tanker, within any of the prohibited zones except when the ship is proceeding to a port not provided with facilities adequate for the reception, without causing undue delay, it may discharge such residues and oily mixture as would remain for disposal if the bulk of the water had been separated from the mixture: *Provided,* such discharge is made as far as practicable from land.

"(c) a ship of twenty thousand tons gross tonnage or more, including a tanker, for which the building contract is placed on or after the effective date of this Act. However, if in the opinion of the master, special circumstances make it neither reasonable nor practicable to retail the oil or oily mixture on board, it may be discharged outside the prohibited zones. The reasons for such discharge shall be reported in accordance with the regulations prescribed by the Secretary."

(4) Section 4 (33 U.S.C. 1003) is amended to read as follows:

"SEC. 4. Section 3 shall not apply to—

"(a) the discharge of oil or oily mixture from a ship for the purpose of securing the safety of a ship, preventing damage to a ship or cargo, or saving life at sea; or

"(b) the escape of oil, or of oily mixture, resulting from damage to a ship or unavoidable leakage, if all reasonable precautions have been taken after the occurrence of the damage or discovery of the leakage for the purpose of preventing or minimizing the escape;

"(c) the discharge of residue arising from the purification or clarification of fuel oil or lubricating oil: *Provided,* That such discharge is made as far from land as practicable."

(5) Section 5 (33 U.S.C. 1004) is amended to read as follows:

"SEC. 5. Section 3 shall not apply to the discharge from the bilges of a ship of an oily mixture containing no oil other than lubricating oil which has drained or leaked from machinery spaces."

(6) Section 9 (33 U.S.C. 1008) is amended to read as follows:

"SEC. 9. (a) The Secretary shall have printed separate oil record books, containing instructions and spaces for inserting information in the form prescribed by the Convention, which shall be published in regulations prescribed by the Secretary.

"(b) If subject to this Act, every ship using oil fuel and every tanker shall be provided, without charge, an oil record book which shall be carried on board. The provisions of section 140 of title 5, United States Code, shall not apply. The ownership of the booklet shall remain in the United States Government. This book shall be available for inspection as provided in this Act and for surrender to the United States Government pursuant to regulations of the Secretary.

"(c) The oil record book shall be completed on each occasion, whenever any of the following operations takes place in the ship:

"(1) ballasting of and discharge of ballast from cargo tanks of tankers;

"(2) cleaning of cargo tanks of tankers;

"(3) settling in slop tanks and discharge of water from tankers;

"(4) disposal from tankers of oily residues from slop tanks or other sources;

"(5) ballasting, or cleaning during voyage, of bunker fuel tanks of ships other than tankers;

"(6) disposal from ships other than tankers of oily residues from bunker fuel tanks or other sources;

"(7) accidental or other exceptional discharges or escapes of oil from tankers or ships other than tankers.

"In the event of such discharge or escape of oil or oily mixture, as is referred to in subsection 3(c) and section 4 of this Act, a statement shall be made in the oil record book of the circumstances of, and reason for, the discharge or escape.

"(d) Each operation described in subsection 9(c) of the Act shall be fully recorded without delay in the oil record book so that all the entries in the book appropriate to that operation are completed. Each page of the book shall be signed by the officer or officers in charge of the operations concerned and, when the ship is manned, by the master of the ship.

"(e) Oil record books shall be kept in such manner and for such length of time as set forth in the regulations prescribed by the Secretary.

"(f) If any person fails to comply with the requirements imposed by or under this section, he shall be liable on conviction to a fine not exceeding $1,000 nor less than $500 and if any person makes an entry in any records kept in accordance with this Act or regulations prescribed thereunder by the Secretary which is to his knowledge false or misleading in any material particular, he shall be liable on conviction to a fine not exceeding $1,000 nor less than $500 or imprisonment for a term not exceeding six months, or both."

(7) Section 10 (33 U.S.C. 1009) is amended by changing the phrase at the end thereof from "and 9" to "9, and 12."

(8) Section 12 (33 U.S.C. 1011) is amended to read as follows:

"SEC. 12. (a) All sea areas within fifty miles from the nearest land shall be prohibited zones, subject to extensions or reduction effectuated in accordance with the terms of the Convention, which shall be published in regulations prescribed by the Secretary.

"(b) With respect to the reduction or extension of the zones described under the terms of the Convention, the Secretary shall give notice thereof by publication of such information in Notices to Mariners issued by the United States Coast Guard and United States Navy."

(9) Section 13 (33 U.S.C. 1012) is repealed.

(10) Section 17 (33 U.S.C. 1015) is amended to read as follows:

"SEC. 17. (a) This Act shall become effective upon the date of its enactment or upon the date the amended Convention becomes effective as to the United States, whichever is the later date.

"(b) Any rights or liabilities existing on the effective date of this Act shall not be affected by the enactment of this Act. Any procedures or rules or regulations in effect on the effective date of this Act shall remain in effect until modified or superseded under the authority of this Act. Any reference in any other law or rule or regulation prescribed pursuant to law to the "International Convention for the Prevention of the Pollution of the Sea by Oil, 1954," shall be deemed to be a reference to that Convention as revised by the "Amendments of the International Convention for the Prevention of Pollution of the Sea by Oil, 1954," which were adopted by a Conference of Contracting Governments convened at London on April 11, 1962. Any reference in any other law or rule or regulation prescribed pursuant to law to the "Oil Pollution Act, 1961," approved August 30, 1961 (33 U.S.C. 1001–1015), shall be deemed to be a reference to that Act as amended by this Act."

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

PROVIDING FOR THE ADMINISTRATION AND DEVELOPMENT OF PENNSYLVANIA AVENUE AS A NATIONAL HISTORIC SITE

The Clerk called the joint resolution (H.J. Res. 1030) to provide for the administration and development of Pennsylvania Avenue as a national historic site, and for other purposes.

Mr. JOHNSON of Pennsylvania. Mr. Speaker, reserving the right to object, I would like to have an explanation of the bill from the key sponsor, and interrogate the gentleman.

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

Mr. JOHNSON of Pennsylvania. I yield to the gentleman from Pennsylvania.

Mr. SAYLOR. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

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

There was no objection.

VARIATION OF 40-HOUR WORKWEEK OF FEDERAL EMPLOYEES FOR EDUCATIONAL PURPOSES

The Clerk called the bill (S. 1495) to permit variation of the 40-hour workweek of Federal employees for educational purposes.

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

S. 1495

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 604(a) of the Federal Employees Pay Act of 1945, as amended (5 U.S.C. 944(a)), is amended by adding a new paragraph to read as follows:

"(3) Notwithstanding the provisions of paragraph (2) of this subsection, the head of each such department, establishment, or agency and of the municipal government of the District of Columbia may establish special tours of duty (of not less than forty hours) without regard to the requirements of such paragraph in order to enable officers and employees to take courses in nearby colleges, universities, or other educational institutions which will equip them for more effective work in the agency. No premium compensation shall be paid to any officer or employee solely because his special tour of duty established pursuant to this paragraph results in his working on a day or at a time of day for which premium compensation is otherwise authorized."

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

AD HOC SUBCOMMITTEE ON THE HANDICAPPED OF THE COMMITTEE ON EDUCATION AND LABOR

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that the ad hoc Subcommittee on the Handicapped of the Committee on Education and Labor may be permitted to sit during general debate today while the House is in session.

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

There was no objection.

CALL OF THE HOUSE

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

The SPEAKER. Evidently a quorum is not present.

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

A call of the House was ordered.

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

[Roll No. 146]

Abbitt	Evins	Moore
Adair	Fallon	Moorhead
Addabbo	Farbstein	Morrison
Andrews, Glenn	Feighan	Multer
	Fino	Murray
Andrews, N. Dak.	Flood	Nix
	Flynt	O'Brien
Annunzio	Fogarty	Olson, Minn.
Ashley	Fraser	O'Neill, Mass.
Berry	Gilbert	Passman
Blatnik	Gilligan	Pepper
Bolling	Goodell	Pirnie
Bolton	Grabowski	Powell
Bow	Gray	Price
Bray	Gurney	Purcell
Brooks	Hagan, Ga.	Quillen
Brown, Ohio	Halleck	Reifel
Cahill	Hamilton	Resnick
Callaway	Hanley	Roberts
Celler	Hansen, Iowa	Rodino
Clancy	Harsha	Rooney, N.Y.
Clausen, Don H.	Harvey, Ind.	Rooney, Pa.
	Helstoski	Rostenkowski
Cohelan	Horton	Roudebush
Collier	Howard	Scheuer
Conyers	Jennings	Scott
Cooley	Jonas	Shipley
Corman	Jones, N.C.	Springer
Craley	Keogh	Stafford
Cramer	King, N.Y.	Steed
Culver	Kirwan	Stephens
Cunningham	Kluczynski	Tenzer
Curtin	Laird	Thomas
Daddario	Landrum	Toll
Davis, Ga.	Leggett	Trimble
Delaney	Lennon	Walker, Miss.
Dent	Long, La.	Watson
Diggs	McDade	Whalley
Dingell	McDowell	Williams
Donohue	McEwen	Willis
Duncan, Oreg.	Macdonald	Wilson, Bob
Duncan, Tenn.	Mackie	Wolff
Dwyer	Martin, Mass.	Wright
Ellsworth	May	
Everett	Minshall	

The SPEAKER. On this rollcall 300 Members have answered to their names, a quorum.

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

CLARIFYING AND PROTECTING THE RIGHT OF THE PUBLIC TO INFORMATION

Mr. MOSS. Mr. Speaker, I move to suspend the rules and pass the bill (S. 1160) to amend section 3 of the Administrative Procedure Act, chapter 324 of the act of June 11, 1946 (60 Stat. 238), to clarify and protect the right of the public to information, and for other purposes.

The Clerk read as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 3, chapter 324, of the Act of June 11, 1946 (60 Stat. 238), is amended to read as follows:

"SEC. 3. Every agency shall make available to the public the following information:

"(a) PUBLICATION IN THE FEDERAL REGISTER.—Every agency shall separately state and currently publish in the Federal Register for the guidance of the public (A) descriptions of its central and field organization and the established places at which, the officers from whom, and the methods whereby, the public

may secure information, make submittals or requests, or obtain decisions; (B) statements of the general course and method by which its functions are channeled and determined, including the nature and requirements of all formal and informal procedures available; (C) rules of procedure, descriptions of forms available or the places at which forms may be obtained, and instructions as to the scope and contents of all papers, reports, or examinations; (D) substantive rules of general applicability adopted as authorized by law, and statements of general policy or interpretations of general applicability formulated and adopted by the agency; and (E) every amendment, revision, or repeal of the foregoing. Except to the extent that a person has actual and timely notice of the terms thereof, no person shall in any manner be required to resort to, or be adversely affected by any matter required to be published in the Federal Register and not so published. For purposes of this subsection, matter which is reasonably available to the class of persons affected thereby shall be deemed published in the Federal Register when incorporated by reference therein with the approval of the Director of the Federal Register.

"(b) AGENCY OPINIONS AND ORDERS.—Every agency shall, in accordance with published rules, make available for public inspection and copying (A) all final opinions (including concurring and dissenting opinions) and all orders made in the adjudication of cases, (B) those statements of policy and interpretations which have been adopted by the agency and are not published in the Federal Register, and (C) administrative staff manuals and instructions to staff that affect any member of the public, unless such materials are promptly published and copies offered for sale. To the extent required to prevent a clearly unwarranted invasion of personal privacy, an agency may delete identifying details when it makes available or publishes an opinion, statement of policy, interpretation, or staff manual or instruction: *Provided*, That in every case the justification for the deletion must be fully explained in writing. Every agency also shall maintain and make available for public inspection and copying a current index providing identifying information for the public as to any matter which is issued, adopted, or promulgated after the effective date of this Act and which is required by this subsection to be made available or published. No final order, opinion, statement of policy, interpretation, or staff manual or instruction that affects any member of the public may be relied upon, used or cited as precedent by an agency against any private party unless it has been indexed and either made available or published as provided by this subsection or unless that private party shall have actual and timely notice of the terms thereof.

"(C) AGENCY RECORDS.—Except with respect to the records made available pursuant to subsections (a) and (b), every agency shall, upon request for identifiable records made in accordance with published rules stating the time, place, fees to the extent authorized by statute and procedure to be followed, make such records promptly available to any person. Upon complaint, the district court of the United States in the district in which the complainant resides, or has his principal place of business, or in which the agency records are situated shall have jurisdiction to enjoin the agency from the withholding of agency records and to order the production of any agency records improperly withheld from the complainant. In such cases the court shall determine the matter de novo and the burden shall be upon the agency to sustain its action. In the event of noncompliance with the court's order, the district court may punish the responsible officers for contempt. Except as to those causes which the court deems of greater importance, proceedings before the district court as authorized by this subsection shall take precedence on the docket over all other causes and shall be assigned for hearing and trial at the earliest practicable date and expedited in every way.

"(d) AGENCY PROCEEDINGS.—Every agency having more than one member shall keep a record of the final votes of each member in every agency proceeding and such record shall be available for public inspection.

"(e) EXEMPTIONS.—The provisions of this section shall not be applicable to matters that are (1) specifically required by Executive order to be kept secret in the interest of the national defense or foreign policy; (2) related solely to the internal personnel rules and practices of any agency; (3) specifically exempted from disclosure by statute; (4) trade secrets and commercial or financial information obtained from any person and privileged or confidential; (5) inter-agency or intra-agency memorandums or letters which would not be available by law to a private party in litigation with the agency; (6) personnel and medical files and similar files the disclosure of which would constitute a clearly unwarranted invasion of personal privacy; (7) investigatory files compiled for law enforcement purposes except to the extent available by law to a private party; (8) contained in or related to examination, operating, or condition reports prepared by, on behalf of, or for the use of any agency responsible for the regulation or supervision of financial institutions; and (9) geological and geophysical information and data (including maps) concerning wells.

"(f) LIMITATION OF EXEMPTIONS.—Nothing in this section authorizes withholding of information or limiting the availability of records to the public except as specifically stated in this section, nor shall this section be authority to withhold information from Congress.

"(g) PRIVATE PARTY.—As used in this section, 'private party' means any party other than an agency.

"(h) EFFECTIVE DATE.—This amendment shall become effective one year following the date of the enactment of this Act."

The SPEAKER. Is a second demanded?

Mr. REID of New York. Mr. Speaker, I demand a second.

The SPEAKER. Without objection, a second will be considered as ordered.

There was no objection.

Mr. MOSS. I yield myself such time as I may consume.

Mr. Speaker, our system of government is based on the participation of the governed, and as our population grows in numbers it is essential that it also grow in knowledge and understanding. We must remove every barrier to information about—and understanding of—Government activities consistent with our security if the American public is to be adequately equipped to fulfill the ever more demanding role of responsible citizenship.

S. 1160 is a bill which will accomplish that objective by shoring up the public right of access to the facts of government and, inherently, providing easier access to the officials clothed with governmental responsibility. S. 1160 will grant any person the right of access to official records of the Federal Government, and, most important, by far the most important, is the fact that this bill provides for judicial review of the refusal of access and the withholding of information. It is this device which expands the rights of the citizens and which protects them against arbitrary or capricious denials.

Mr. Speaker, let me reassure those few who may have doubts as to the wisdom of this legislation that the committee has, with the utmost sense of responsibility, attempted to achieve a balance between a public need to know and a necessary restraint upon access to information in specific instances. The bill lists nine categories of Federal documents which may be withheld to protect the national security or permit effective operation of the Government but the burden of proof to justify withholding is put upon the Federal agencies.

That is a reasonable burden for the Government to bear. It is my hope that this fact, in itself, will be a moderating influence on those officials who, on occasion, have an almost proprietary attitude toward their own niche in Government.

Mr. Speaker, I must confess to disquiet at efforts which have been made to paint the Government information problems which we hope to correct here today in the gaudy colors of partisan politics. Let me now enter a firm and unequivocal denial that that is the case. Government information problems are political problems—bipartisan or nonpartisan, public problems, political problems but not partisan problems.

In assuming the chairmanship of the Special Government Information Subcommittee 11 years ago, I strongly emphasized the fact that the problems of concern to us did not start with the Eisenhower administration then in power nor would they end with that administration. At a convention of the American Society of Newspaper Editors some 10 years ago, I said:

> The problem I have dealt with is one which has been with us since the very first administration. It is not partisan, it is political only in the sense that any activity of government is, of necessity, political . . . No one party started the trend to secrecy in the Federal Government. This is a problem which will go with you and the American people as long as we have a representative government.

Let me emphasize today that the Government information problems did not start with President Lyndon Johnson. I hope, with his cooperation following our action here today, that they will be diminished. I am not so naive as to believe they will cease to exist.

I have read stories that President Johnson is opposed to this legislation. I have not been so informed, and I would be doing a great disservice to the President and his able assistants if I failed to acknowledge the excellent cooperation I have received from several of his associates in the White House.

I am pleased to report the fact of that cooperation to the House today. It is especially important when we recognize how very sensitive to the institution of the Presidency some of these information questions are. Despite this, I can say to you that no chairman could have received greater cooperation.

We do have pressing and important Government information problems, and I believe their solution is vital to the future of democracy in the United States.

The individual instances of governmental withholding of information are not dramatic. Again, going back to statements made early in my chairmanship of the Special Subcommittee on Government Information, I repeatedly cautioned those who looked for dramatic instances that the problems were really the day-to-day barriers, the day-to-day excesses in restriction, the arrogance on occasion of an official who has a proprietary attitude toward Government. In fact, at the subcommittee's very first hearing I said:

> Rather than exploiting the sensational, the subcommittee is trying to develop all the pertinent facts and, in effect, lay bare the attitude of the executive agencies on the issue of whether the public is entitled to all possible information about the activities, plans and the policies of the Federal Government.

Now 11 years later I can, with the assurance of experience, reaffirm the lack of dramatic instances of withholding. The barriers to access, the instances of arbitrary and capricious withholding are dramatic only in their totality.

During the last 11 years, the subcommittee has, with the fullest cooperation from many in Government and from representatives of every facet of the news media, endeavored to build a greater awareness of the need to remove unjustifiable barriers to information, even if that information did not appear to be overly important. I suppose one could regard information as food for the intellect, like a proper diet for the body. It does not have to qualify as a main course to be important intellectual food. It might be just a dash of flavor to sharpen the wit or satisfy the curiosity, but it is as basic to the intellectual diet as are proper seasonings to the physical diet.

Our Constitution recognized this need by guaranteeing free speech and a free press. Mr. Speaker, those wise men who wrote that document—which was then and is now a most radical document—could not have intended to give us empty rights. Inherent in the right of free speech and of free press is the right to know. It is our solemn responsibility as inheritors of the cause to do all in our power to strengthen those rights—to give them meaning. Our actions today in this House will do precisely that.

The present law which S. 1160 amends is the so-called public information section of the 20-year-old Administrative Procedure Act. The law now permits withholding of Federal Government records if secrecy is required "in the public interest" or if the records relate "solely to the internal management of an agency." Government information also may be held confidential "for good cause found." Even if no good cause can be found for secrecy, the records will be made available only to "persons properly and directly concerned." These phrases are the warp and woof of the blanket of secrecy which can cover the day-to-day administrative actions of the Federal agencies.

Neither in the Administrative Procedure Act nor its legislative history are these broad phrases defined, nor is there a recognition of the basic right of any person—not just those special classes "properly and directly concerned"—to gain access to the records of official Government actions. Above all, there is no remedy available to a citizen who has been wrongfully denied access to the Government's public records.

S. 1160 would make three major changes in the law.

First. The bill would eliminate the "properly and directly concerned" test of who shall have access to public records, stating that the great majority of records shall be available to "any person." So that there would be no undue burden on the operations of Government agencies, reasonable access regulations would be established.

Second. The bill would set up workable standards for the categories of records which may be exempt from public disclosure, replacing the vague phrases "good cause found," "in the public interest," and "internal management" with specific definitions of information which may be withheld.

Third. The bill would give an aggrieved citizen a remedy by permitting him to appeal to a U.S. district court if official records are improperly withheld. Thus, for the first time in our Government's history there would be proper arbitration of conflicts over access to Government documents.

S. 1160 is a moderate bill and carefully worked out. This measure is not intended to impinge upon the appropriate power of the Executive or to harass the agencies of Government. We are simply attempting to enforce a basic public right—the right to access to Government information. We have expressed an intent in the report on this bill which we hope the courts will read with great care.

While the bill establishes a procedure to secure the right to know the facts of Government, it will not force disclosure of specific categories of information such as documents involving true national security or personnel investigative files.

This legislation has twice been passed by the Senate, once near the end of the 88th Congress too late for House action and again last year after extensive hearings. Similar legislation was introduced in the House, at the beginning of the 89th Congress, by myself and 25 other Members, of both political parties, and comprehensive hearings were held on the legislation by the Foreign Operations and Government Information Subcommittee. After the subcommittee selected the Senate version as the best, most workable bill, it was adopted unanimously by the House Government Operations Committee.

S. 1160 has the support of dozens of organizations deeply interested in the workings of the Federal Government—professional groups such as the American Bar Association, business organizations such as the U.S. Chamber of Commerce, committees of newspapermen, editors and broadcasters, and many others. It has been worked out carefully with cooperation of White House officials and representatives of the major Government agencies, and with the utmost cooperation of the Republican members of the subcommittee; Congressman OGDEN R. REID, of New York; Congressman DONALD RUMSFELD, of Illinois; and the Honorable ROBERT P. GRIFFIN, of Michigan, now serving in the Senate. It is the fruit of more than 10 years of study and discussion initiated by such men as the late Dr. Harold L. Cross and added to by scholars such as the late Dr. Jacob Scher. Among those who have given unstintingly of their counsel and advice is a great and distinguished colleague in the House who has given the fullest support. Without that support nothing could have been accomplished. So I take this occasion to pay personal tribute to Congressman WILLIAM L. DAWSON, my friend, my confidant and adviser over the years.

Among those Members of the Congress who have given greatly of their time and effort to develop the legislation before us today are two Senators from the great State of Missouri, the late Senator Thomas Henning and his very distinguished successor, Senator EDWARD LONG who authored the bill before us today.

And there has been no greater champion of the people's right to know the facts of Government than Congressman DANTE B. FASCELL. I want to take this opportunity to pay the most sincere and heartfelt tribute to Congressman FASCELL who helped me set up the Special Subcommittee on Government Information and served as a most effective and dedicated member for nearly 10 years.

The list of editors, broadcasters and newsmen and distinguished members of the corps who have helped develop the legislation over these 10 years is endless.

But I would particularly like to thank those who have served as chairmen of Freedom of Information Committees and various organizations that have supported the legislation.

They include James Pope, formerly of the Louisville Courier-Journal, J. Russell Wiggins of the Washington Post, Herbert Brucker of the Hartford Courant, Eugene S. Pulliam of the Indianapolis News, Creed Black of the Chicago Daily News, Eugene Patterson of the Atlanta Constitution, each of whom served as chairman of the American Society of Newspaper Editors Freedom of Information Committee, and John Colburn of the Wichita Eagle & Beacon who served as chairman of both the ASNE committee and the similar committee of the American Society of Newspaper Publishers.

Also Mason Walsh of the Dallas Times Herald, David Schultz of the Redwood City Tribune, Charles S. Rowe of the Fredericksburg Free Lance Star, Richard D. Smyser of the Oak Ridge Oakridger, and Hu Blonk of the Wenatchee Daily World, each of whom served as chairman of the Associated Press Managing Editors Freedom of Information Committee; V. M. Newton, Jr., of the Tampa Tribune, Julius Frandsen of the United Press International, and Clark Mollenhoff of the Cowles Publications, each of whom served as chairman of the Sigma Delta Chi Freedom of Information Committee, and Joseph Costa, for many years the chairman of the National Press Photographers Freedom of Information Committee. The closest cooperation has been provided by Stanford Smith, general

manager of the American Newspaper Publishers Association and Theodore A. Serrill, executive vice president of the National Newspaper Association.

Mr. Speaker, I strongly urge the favorable vote of every Member of this body on this bill, S. 1160.

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

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

Mr. KING of Utah. Mr. Speaker, I commend the distinguished gentlemen now in the well for the work he has done in bringing this bill to fruition today. The gentleman from California is recognized throughout the Nation as one of the leading authorities on the subject of freedom of information. He has worked for 12 years diligently to bring this event to pass.

Mr. Speaker, I wish to take this opportunity to voice my support of S. 1160, the Federal Public Records Act, now popularly referred to as the freedom of information bill. Let me preface my remarks by expressing to my distinguished colleague from California [Mr. Moss], chairman of the Government Information Subcommittee of the House of Representatives, and to the distinguished gentleman from Missouri, Senator EDWARD LONG, chairman of the Administrative Practices and Procedure Subcommittee of the Senate, for their untiring efforts toward the advancement of the principle that the public has not only the right to know but the need to know the facts that comprise the business of Government. Under the expert guidance of these gentlemen, an exhaustive study has been conducted and a wealth of information gleaned. Equipped with a strong factual background and an understanding of the complex nature of the myriad of issues raised, we may proceed now to consider appropriate legislative action within a meaningful frame of reference.

S. 1160, the Federal Public Records Act, attempts to establish viable safeguards to protect the public access to sources of information relevant to governmental activities. Protection of public access to information sources was the original intent of the Congress when it enacted into law the Administrative Procedure Act of 1946. Regretfully, in the light of the experience of the intervening 20 years, we are confronted with an ever-growing accumulation of evidence that clearly substantiates the following conclusion: the overall intent of the Congress, as embodied in the Administrative Procedure Act of 1946, has not been realized and the specific safeguards erected to guarantee the right of public access to the information stores of Government appear woefully inadequate to perform the assigned tasks. The time is ripe for a careful and thoughtful reappraisal of the issues inherent in the right to know concept; the time is at hand for a renewal of our dedication to a principle that is at the cornerstone of our democratic society.

What are some of the major factors that have contributed to this widespread breakdown in the flow of information from the Government to the people? The free and total flow of information has been stemmed by the very real and very grave cold war crises that threaten our Nation. It is apparent that if we are to survive as a free nation, we must impose some checks on the flow of data—data which could provide invaluable assistance to our enemies.

The demands of a growing urban, industrial society has become greater both in volume and in complexity. The individual looks to his Government more and more for the satisfactory solution of problems that defy his own personal resources. The growth of the structure of Government commensurate with the demands placed upon it has given rise to confusion, misunderstanding, and a widening gap between the principle and the practice of the popular right to know. Chairman Moss has summarized this dilemma when he said "Government secrecy tends to grow as Government itself grows."

There are additional factors that must be considered. Paradoxically, the broad and somewhat obscure phraseology of section 3 of the public information section of the Administrative Procedure Act has, in effect, narrowed the stream of data and facts that the Federal agencies are and have been willing to release to the American people. Agency personnel charged with the responsibility of interpreting and enforcing the provisions of section 3 have labored under a severe handicap; their working guidelines have made for a host of varying interpretations and fostered numerous misinterpretations. Chaos and confusion have nurtured a needless choking off of information disclosure. Without realistic guidelines within which to operate, officials have exercised extreme caution in an effort to avoid the charges of premature, unwise, or unauthorized disclosure of Government information. Remedial action is called for. The primary purpose underlying S. 1160 is a long overdue and urgently needed clarification of the public information provisions of the Administrative Procedure Act.

Finally, the present condition of nonavailability of public information has perhaps been encouraged by a disregard by the American people of this truism: the freedoms that we daily exercise—the freedoms that are the foundation of our democratic society—were not easily obtained nor are they easily retained. Inroads and encroachments—be they overt or covert, be they internal or external—must be effectively guarded against. For freedoms once diminished are not readily revitalized; freedoms once lost are recovered with difficulty.

Thus far I have discussed some of the major forces that are simultaneously working toward increasing the gap that separates the principle and the practice of the people's right to know the affairs of their Government. The overriding importance of the Federal Public Records Act currently before us can be underscored by a brief examination of the highwater marks that loom large in the historical background of the present dispute concerning the legitimate bounds of the people's right to know the affairs of Government.

If the people are to be informed, they must be first accorded the right to sources of knowledge—and one of the initial queries posed by Americans and their English forebears alike was: What is the nature of the business of the legislative branch of government? Accounts of legislative activities were not always freely known by those whose destinies they were to shape. At the close of the 17th century, the House of Commons and the House of Lords had adopted regulations prohibiting the publishing of their votes and their debates. Since the bans on the publishing of votes and debates initially provided a haven of refuge from a Sovereign's harsh and often arbitrary reprisals, the elimination of these bans was difficult. Privacy was viewed as offering a means of retaining against all challenges—be they from the Sovereign or an inquiring populace—the prerogatives that the Houses of Parliament had struggled to secure. Not until the late 18th century did the forces favoring public accountability cause significant changes in the milieu that surrounded parliamentary proceedings. Although restrictive disclosure measures heretofore imposed were never formally repealed, their strict enforcement was no longer feasible. The forces championing the popular right to know had gained considerable strength and the odds were clearly against Parliament's retaining many of its jealously guarded prerogatives. To save face, both Houses yielded to the realities of the situation with which they were confronted and allowed representatives of the press—the eyes and ears of the people—to attend and recount their deliberations.

The annals recording the history of freedom of the press tell of dauntless printers who sought means of circumventing the bans on publicizing legislative records. As early as 1703, one Abel Boyer violated the letter and the spirit of the announced restrictions when he published monthly the Political State of Great Britain. He did so, however, without incurring the full measure of official wrath. By omitting the full names of participants in debate, and by delaying publication of the accounts of a session's deliberations until after it had adjourned, he was able to achieve his purpose. Others sought to foil the intent and dilute the effectiveness of the restrictions by revealing the activities of a committee of the House of Commons. Lest others follow similar suit, the Commons soon after passed a resolution stating:

> No news writers do presume in their letters or other papers that they disperse as minutes, or under any denomination, to intermeddle with the debates, or any other proceedings of this House, or any committee thereof.

Those who insisted on defying official pleasure were quickly brought to task. Many were imprisoned, many were fined; some were released having sworn to cease and desist from further offensive actions. Spurred by public demand for additional news, printers and editors devised a fictitious political body and proceeded to relate fictional debates. Their readers were, nevertheless, aware that the accounts were those of Parliament. Public

demand for the right to know the information of Government had gained a momentum that could not be slowed. In 1789, the public point of view—a point of view that demanded the removal of the shackles of secrecy—because the parliamentary modus operandi. For in that year, one James Perry, of the Morning Chronicle, succeeded in his efforts to have news reporters admitted to Parliament and was able to provide his readers with an account of the previous evening's business. The efforts of Parliament to exclude representatives of the news media were channeled in new directions—with members speaking out against printers and editors, who in their opinion, were unfairly misrepresenting individual points of view; objectivity in reporting Parliament's business became their primary concern.

In the Colonies, too, Americans conducted determined campaigns paralleling those waged in England. Colonial governments demonstrated a formidable hostility toward those who earnestly believed that the rank-and-file citizenry was entitled to a full accounting by its governing bodies. The power that knowledge provides was fully understood; by some it was feared. In 1671, in correspondence to his lords commissioners, Governor Berkeley, of Virginia, wrote:

> I thank God, there are no free schools nor printing; and I hope we shall not have these hundred years; for learning has brought disobedience, and heresy, and sects into the world, and printing has divulged them, and libels against the best Government. God keep us from both.

In 1725, Massachusetts newspaper printers were "ordered upon their peril not to insert in their prints anything of the Public Affairs of this province relating to the war without the order of the Government." Forty-one years were to pass until, in 1776, a motion offered by James Otis was carried and the proceedings of the Massachusetts General Court were opened to the public on the occasion of the debates surrounding the repeal of the onerous Stamp Act.

The clouds of secrecy that hovered over the American Colonies were not quickly dispelled; vestiges of concealment lingered on until well into the 18th century.

The deliberations that produced the Constitution of the United States were closed. Early meetings of the U.S. Senate were not regularly opened to the public until February of 1794. Some 177 years ago, the House of Representatives heatedly debated and finally tabled a motion that would have excluded members of the press from its sessions. It was the beginning of the 19th century before representatives of the press were formally granted admission to the Chambers of the Senate and the House of Representatives.

While the American people have long fought to expand the scope of their knowledge about Government, their achievements in this direction are being countered by the trend to delegate considerable lawmaking authority to executive departments and agencies. Effective protective measures have not always accompanied the exercise of this newly located rulemaking authority.

Access to the affairs of legislative bodies has become increasingly difficult thanks to another factor: the business of legislatures is being conducted in the committees of the parent body—committees that may choose to call an executive session and subsequently close their doors to the public.

In short, the trend toward more secrecy in government may be seen in the legislative branch. Can this trend be evidenced in the other two branches?

The scope of popular interest in Government operations has run the full gamut. The public has persevered in its assertion that it has an unquestionable right to the knowledge of the proceedings that constitute the legislative as well as the judicial and executive functions of the Government.

One of the greatest weapons in the arsenal of tyranny has been the secret arrest, trial, and punishment of those accused of wrongdoing. Individual liberties, regardless of the lipservice paid them, become empty and meaningless sentiments if they are curtailed or suspended or ignored in the darkness of closed judicial proceedings. The dangers to man's freedoms that lurk in secret judicial deliberations were recognized by the insurgent barons who forced King John to grant as one of many demands that "the King's courts of justice shall be stationary; and shall no longer follow his person; they shall be open to everyone; and justice shall no longer be sold, refused, or delayed by them." This promise was remembered by that generation of Americans that devised our scheme of government. To guarantee the optimum exercise and enjoyment by every man of his fundamental and essential liberties, the authors of the Bill of Rights incorporated these guarantees in the sixth amendment:

> In all criminal prosecutions, the accused shall enjoy the right to a speedy and public trial.

Contemporary developments lend support to the thesis that the right of the public to be admitted to judicial proceedings is being undermined. More and more courtrooms are being closed to the people on the grounds that the thorough and open discussion of a broad category of offenses would be repugnant to society's concensus of good taste. What is more, court powers that were once exercised within the framework of due process guarantees are being transferred to quasi-judicial agencies, before which many of the due process guarantees have been cast by the wayside.

What is the current status of information availability within the executive departments and agencies? Although the public's right to know has not been openly denied, the march of events has worked a serious diminution in the range and types of information that are being freely dispensed to inquiring citizens, their representatives in Congress, and to members of the press. Counterbalancing the presumption that in a democracy the public has the right to know the business of its Government is the executive privilege theory—a theory whose roots run deep in the American political tradition. This concept holds that the President may authorize the withholding of such information as he deems appropriate to the national well-being. Thomas Jefferson stated the principles upon which this privilege rests in these terms:

> With respect to papers, there is certainly a public and a private side to our offices. To the former belong grants of land, patents for inventions, certain commissions, proclamations, and other papers patent in their nature.
>
> To the other belong mere executive proceedings. All nations have found it necessary, that for the advantageous conduct of their affairs, some of these proceedings, at least, should remain known to their executive functionary only. He, of course, from the nature of the case, must be the sole judge of which of them the public interests will permit publication. Hence, under our Constitution, in requests of papers, from the legislative to the executive branch, an exception is carefully expressed, as to those which he may deem the public welfare may require not to be disclosed.

While the bounds of the executive privilege claim have, of late, been more carefully spelled out and, in effect, narrowed, widespread withholding of Government records by executive agency officials continues in spite of the enactment of limiting statutes. In 1958, the Congress passed the Moss-Hennings bill, which granted agency heads considerable leeway in the handling of agency records but gave no official legislative sanction to a general withholding of such records from the public. The enactment of the Administrative Procedure Act held out promise for introducing a measure of uniformity in the administrative regulations that were applied to agency disclosures. According to the terms of section 3 or the public information section of this act:

> Except to the extent that there is involved (1) any function of the United States requiring secrecy in the public interest or (2) any matter relating solely to the internal management of an agency, executive agencies are required to publish or make available to the public, their rules, statements of policy, policy interpretations and modes of operation as well as other data constituting matters of official record.

Quoting subsection (c) of section 3:

> Save as otherwise required by statute, matters of official record shall in accordance with published rule be made available to persons properly and directly concerned except information held confidential for good cause found.

A careful analysis of the precise wording of the widely criticized public information section offers ample evidence for doubt as to the effectiveness of the guarantees which its authors and sponsors sought to effect. Broad withholding powers have grown out of the vague and loosely defined terms with which this act is replete. Federal agencies may curb the distribution of their records should the public interest so require. What specifically is the public interest? The Manual on the Administrative Procedure Act allows each of the agencies to determine those functions which may remain secret in the public interest. Federal agencies may limit the dissemination of a wide range of information

that they deem related "solely to the internal management" of the agency. What are the limitations, if any, that are attached to this provision? Federal agencies may withhold information "for good cause found." What constitutes such a "good cause?" Even if information sought does not violate an agency's ad hoc definition of the "public interest"—even if information sought does not relate "solely to the internal management" of the agency or if "no good cause" can be found for its retention, agencies may decline to release records to persons other than those "properly and directly concerned." What are the criteria that an individual must present to establish a "proper and direct concern?" We search in vain if we expect to find meaningful and uniform definitions or reasonable limitations of the qualifying clauses contained in the controversial public information section of the Administrative Procedure Act. We search in vain, for what we seek does not presently exist.

Threats to cherished liberties and fundamental rights are inherent in the relatively unchecked operations of a mushrooming bureaucracy—threats though they be more subtle are no less real and no less dangerous than those which our Founding Fathers labored to prevent.

The changes that are contained in the Federal Public Records Act before us today offer a means of restoring to the American people their free and legitimate access to the affairs of Government. It seeks to accomplish this important objective in a variety of ways. Subsection (a) of S. 1160 clarifies the types of information which Federal agencies will be required to publish in the Federal Register. By making requisite the publication of "descriptions of an agency's central and field organization and the established places at which, the officers from whom, and the methods whereby the public may secure information, make submittals or requests, or obtain decisions," the individual may be more readily apprised by responsible officials of those aspects of administrative procedure that are of vital personal consequence. Material "readily available" to interested parties may be incorporated "by reference" in the Register. "Incorporation by reference" will provide interested parties with meaningful citations to unabridged sources that contain the desired data. The Director of the Federal Register, rather than individual agency heads, must give approval before material may be so incorporated.

Subsection (b) of the Federal Public Records Act will eliminate the vague provisions that have allowed agency personnel to classify as "unavailable to the public" materials "required for good cause to be held confidential." All material will be considered available upon request unless it clearly falls within one of the specifically defined categories exempt from public disclosure. This subsection should be a boon not only to the frustrated citizen whose requests for the right to know have been denied time and time again. The reasons for denial seldom prove satisfactory or enlightening—for all too often they are couched in administrative jargon that is meaningless to the ordinary citizen. Subsection (b) of S. 1160 should be equally valuable to harried Government officials assigned the monumental responsibility of deciding what information may be released and what must be withheld in light of the proper functioning of the Government. The information guarantees of this subsection state:

> Every agency shall, in accordance with published rules, make available for public inspection and copying (A) all final opinions (including concurring and dissenting opinions) and all orders made in the adjudication of cases, (B) those statements of policy and interpretations which have been adopted by the agency and are not published in the Federal Register, and (C) staff manuals and instructions to staff that affect any member of the public unless such materials are promptly published and copies offered for sale.

We have labored long and hard to establish firmly the premise that the public has not only the right but the need to know. We have also accepted the fact that the individual is entitled to respect for his right of privacy. The question arises as to how far we are able to extend the right to know doctrine before the inevitable collision with the right of the individual to the enjoyment of confidentiality and privacy. Subsection (b) attempts to resolve this conflict by allowing Federal agencies to delete personally identifying details from publicly inspected opinions, policy statements, policy interpretations, staff manuals, or instructions in order "to prevent a clearly unwarranted invasion of personal privacy." Should agencies delete personal identifications that cannot reasonably be shown to have direct relationship to the general public interest, they must justify in writing the reasons for their actions. This "in writing" qualification is incorporated to prevent the "invasion of personal privacy clause" from being distorted and used as a broad shield for unnecessary secrecy.

To insure that no citizen will be denied full access to data that may be of crucial importance to his case, for want of knowledge that the material exists, each agency must "maintain and make available for public inspection and copying a current index providing identifying information to the public as to any matter which is issued, adopted, or promulgated after the effective date of this act and which is required by this subsection to be made available or published."

Perhaps the most serious defect in the present law rests in the qualification contained in subsection (c) of the public information provisions which limits those to whom Federal regulatory and executive agencies may give information to "persons properly and directly concerned." These words have been interpreted over the years in such a fashion as to render this section of the Administrative Procedure Act a vehicle for the withholding from the public eye of information relevant to the conduct of Government operations. Final determination of whether or not a citizen's interest is sufficiently "direct and proper" is made by the various agencies. The taxpaying citizen who feels that he has been unfairly denied access to information has had no avenue of appeal. Subsection (c) of the proposed Federal Public Records Act legislation would require that:

> Every agency in accordance with published rules stating the time, place, and procedure to be followed, make all its records promptly available to *any person*.

Should any person be denied the right to inspect agency records, he could appeal to and seek review by a U.S. district court. Quoting the "agency records" subsection of S. 1160:

> Upon complaint, the district court of the United States in the district in which the complainant resides, or has his principal place of business, or in which the agency records are situated, shall have jurisdiction to enjoin the agency from withholding of agency records and information and to order the production of any agency records or information improperly withheld from the complainant. In such cases the court shall determine the matter de novo and the burden shall be upon the agency to sustain its action.

While we recognize the merits of and justifications for arguments advanced in support of limited secrecy in a government that must survive in the climate of a cold war, we must also recognize that the gains—however small—made by secrecy effect an overall reduction in freedom. As the forces of secrecy gain, the forces of freedom lose. It is, therefore, incumbent upon us to exercise prudence in accepting measures which constitute limitations on the freedoms of our people. Restrictions must be kept to a minimum and must be carefully circumscribed lest they grow and, in so doing, cause irreparable damage to liberties that are the American heritage and the American way of life.

S. 1160 seeks to open to all citizens, so far as consistent with other national goals of equal importance, the broadest possible range of information. I feel that the limitations imposed are clearly justifiable in terms of other objectives that are ranked equally important within our value system. The presumption prevails in favor of the people's right to know unless information relates to matters that are, first, specifically required by Executive order to be kept secret in the interest of the national defense or foreign policy; second, matters related solely to the internal personnel rules and practices of any agency; third, matters specifically exempted from disclosure by other statutes; fourth, trade secrets and commercial or financial information obtained from the public and privileged or confidential; fifth, interagency or intra-agency memorandums or letters which would not be available by law to a private party in litigation with the agency; sixth, personnel and medical files and similar files the disclosure of which would constitute a clearly unwarranted invasion of personal privacy; seventh, investigatory files compiled for law enforcement purposes except to the extent available by law to a private party; eighth, matters contained in or related to examination, operating, or condition

reports prepared by, on behalf of, or for the use of any agency responsible for the regulation or supervision of financial institutions; and ninth, geological and geophysical information and data concerning wells.

Ours is perhaps the freest government that man has known. Though it be unique in this respect, it will remain so only if we keep a constant vigilance against threats—large or small—to its principles and institutions. If the Federal Public Records Act is enacted, it will be recorded as a landmark in the continuing quest for the preservation of man's fundamental liberties—for it will go far in halting and reversing the growing trend toward more secrecy in Government and less public participation in the decisions of Government.

James Madison eloquently argued on behalf of the people's right to know when he proclaimed that "Knowledge will forever govern ignorance. And a people who mean to be their own governors must arm themselves with the power knowledge gives. A popular government without popular information or the means of acquiring it, is but a prologue to a farce or a tragedy, or perhaps both."

This is a measure in which every Member of Congress can take great pride. In the long view, it could eventually rank as the greatest single accomplishment of the 89th Congress.

Not only does it assert in newer and stronger terms the public's right to know, but it also demonstrates anew the ultimate power of the Congress to make national policy on its own—with or without Executive concurrence—where the public interest so demands. It thus helps to reaffirm the initiative of the legislature and the balance of powers, at a time when the Congress is the object of much concern and criticism over the apparent decline of its influence in the policymaking process.

Though I took a place on the Subcommittee on Foreign Operations and Government Information only last year, I take deep pride in my service with it and in the shining role it has played in shaping this historic act. I firmly hope and expect that the act will win the unanimous support of the House.

Mr. OLSEN of Montana. Mr. Speaker, will the gentleman yield?

Mr. MOSS. I am pleased to yield to the gentleman from Montana.

Mr. OLSEN of Montana. Mr. Speaker, I too wish to commend the gentleman in the well for his great work over the years on this subject of freedom of information as to Government records. However, I do want to ask the gentleman a question with reference to the Bureau of the Census. The Bureau of the Census can only gather the information that it does gather because that information will be held confidential or the sources of information will be held to be confidential. I presume that the provisions on page 5 of the bill under "Exemptions," No. (3), in other words providing that the provisions of this bill shall not be applicable to matters that are "(3) specifically exempted from disclosure by statute;"—that would exempt the Bureau of the Census from this new provision.

Mr. MOSS. That is correct.

Mr. OLSEN of Montana. I thank the gentleman.

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

Mr. MOSS. I am very pleased to yield to my colleague.

Mr. EDMONDSON. Mr. Speaker, I rise in support of the bill and congratulate the gentleman from California for the outstanding leadership he has given to this body in a field that vitally affects the basic health of our democracy as this subject matter does.

I think the gentleman from California has won not only the respect and admiration of all of his colleagues in the House for the manner in which he has championed this worthwhile cause, but he has also won the respect and admiration of the people of the United States. I was glad to join him by introducing H.R. 5018 on the same subject and urge approval of S. 1160.

Mr. MOSS. I thank the gentleman.

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

Mr. MOSS. I am pleased to yield to my colleague.

Mr. MAILLIARD. Mr. Speaker, I also want to compliment the gentleman for bringing to fruition many years of effort in this field.

I would like to ask my colleague a question, and of course I realize the gentleman cannot answer every question in detail. But I am very much interested in the fact that under the Merchant Marine Act where the computation of a construction subsidy is based upon an estimate that is made in the Maritime Administration, to date the Maritime Administration has refused to divulge to the companies their determination of how much the Government pays and how much the individual owner has to pay. That is based on these computations.

The Maritime Administration has never been willing to reveal to the people directly involved how the determination is made. In the gentleman's opinion, under this bill, would this kind of information be available at least to those whose direct interests are involved?

Mr. MOSS. It is my opinion that that information, unless it is exempted by statute, would be available under the terms of the amendment now before the House.

Mr. MAILLIARD. I appreciate the response of the gentleman very much indeed.

The SPEAKER. The gentleman from California [Mr. Moss] has consumed 20 minutes.

The Chair recognizes the gentleman from New York [Mr. REID].

Mr. REID of New York. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in strong support of S. 1160, a bill to clarify and protect the right of the public to information, and for other purposes.

It is, I believe, very clear in these United States that the public's right of access, their inherent right to know, and strengthened opportunities for a free press in this country are important, are basic and should be shored up and sustained to the maximum extent possible. The right of the public to information is paramount and each generation must uphold anew that which sustains a free press.

I believe this legislation is clearly in the public interest and will measurably improve the access of the public and the press to information and uphold the principle of the right to know.

To put this legislation in clear perspective, the existing Administrative Procedure Act of 1946 does contain a series of limiting clauses which does not enhance the public's right of access. Specifically it contains four principal qualifications:

First, an individual must be "properly and directly concerned" before information can be made available. It can still be withheld for "good cause found." Matters of "internal management" can be withheld and, specifically and most importantly, section 3 of the act states at the outset that "any function of the United States requiring secrecy in the public interest" does not have to be disclosed.

Section 3 reads in its entirety as follows:

Except to the extent that there is involved (1) any function of the United States requiring secrecy in the public interest or (2) any matter relating solely to the internal management of an agency—

(a) RULES.—Every agency shall separately state and currently publish in the Federal Register (1) descriptions of its central and field organization including delegations by the agency of final authority and the established places at which, and methods whereby, the public may secure information or make submittals or requests; (2) statements of the general course and method by which its functions are channeled and determined, including the nature and requirements of all formal or informal procedures available as well as forms and instructions as to the scope and contents of all papers, reports, or examinations; and (3) substantive rules adopted as authorized by law and statements of general policy or interpretations formulated and adopted by the agency for the guidance of the public, but not rules addressed to and served upon named persons in accordance with law. No person shall in any manner be required to resort to organization or procedure not so published.

(b) OPINIONS AND ORDERS.—Every agency shall publish or, in accordance with published rule, make available to public inspection all final opinions or orders in the adjudication of cases (except those required for good cause to be held confidential and not cited as precedents) and all rules.

(c) PUBLIC RECORDS.—Save as otherwise required by statute, matters of official record shall in accordance with published rule be made available to persons properly and directly concerned except information held confidential for good cause found.

This is a broad delegation to the Executive. Further, none of these key phrases is defined in the statute, nor has any of them—to the best of my knowledge—been interpreted by judicial decisions. The Attorney General's Manual on the Administrative Procedure Act merely states that:

Each agency must examine its functions and the substantive statutes under which it

operates to determine which of its materials are to be treated as matters of official record for the purposes of the section (section 3).

I believe that the present legislation properly limits that practice in several new and significant particulars:

First, any person will now have the right of access to records of Federal Executive and regulatory agencies. Some of the new provisions include the requirement that any "amendment, revisions, or repeal" of material required to be published in the Federal Register must also be published; and the requirement that every agency make available for "public inspection and copying" all final opinions—including dissents and concurrences—all administrative staff manuals, and a current index of all material it has published. Also, this bill clearly stipulates that this legislation shall not be "authority to withhold information from Congress."

Second, in the bill there is a very clear listing of specific categories of exemptions, and they are more narrowly construed than in the existing Administrative Procedure Act.

Under the present law, information may be withheld—under a broad standard—where there is involved "any function of the United States requiring secrecy in the public interest." The instant bill would create an exemption in this area solely for matters that are "specifically required by Executive order to be kept secret in the interest of the national defense or foreign policy." In my judgment, this more narrow standard will better serve the public interest.

Third, and perhaps most important, an individual has the right of prompt judicial review in the Federal district court in which he resides or has his principal place of business, or in which the agency records are situated. This is not only a new right but it is a right that must be promptly acted on by the courts, as stated on page 4 of the instant bill:

> Proceedings before the district court as authorized by this subsection shall take precedence on the docket over all other causes and shall be assigned for hearing and trial at the earliest practicable date and expedited in every way.

So the provision for judicial review is, in my judgment, an important one and one that must be expedited.

This legislation also requires an index of all decisions as well as the clear spelling out of the operational mechanics of the agencies and departments, and other certain specifics incident to the public's right to know.

I think it is important also to indicate that this new legislation would cover, for example, the Passport Office of the Department of State, and would require an explanation of procedures which have heretofore never been published.

In addition, the legislation requires that there be the publication of the names and salaries of all those who are Federal employees except, of course, the exemptions that specifically apply. I think this is also a salutory improvement. The exemptions, I think, are narrowly construed and the public's right to access is much more firmly and properly upheld.

Our distinguished chairman of this subcommittee, who has done so much in this House to make this legislation a reality here today, and is deserving of the commendation of this House, has pointed to the fact that a number of groups and newspaper organizations strongly support the legislation. I would merely state that it does enjoy the support of the American Society of Newspaper Editors, the American Newspaper Publishers Association, Sigma Delta Chi, AP Managing Editors, National Newspaper Association, National Press Association, National Editorial Association, the American Bar Association, the American Civil Liberties Union, the National Association of Broadcasters, the New York State Publishers Association, and others.

Specifically, Mr. Eugene Patterson, chairman of the Freedom of Information Committee of the American Society of Newspaper Editors, has said:

> We feel this carefully drawn and long-debated bill now provides Congress with a sound vehicle for action this year to change the emphasis of the present Administrative Procedure Act, which has the effect of encouraging agencies to withhold information needlessly. We believe the existing instruction to agencies—that they may withhold any information "for good cause found," while leaving them as sole judges of their own "good cause"—naturally has created among some agency heads a feeling that "anything the American people don't know won't hurt them, whereas anything they do know may hurt me."

Mr. Edward J. Hughes, chairman of the legislative committee of the New York State Publishers Association, has written me that obtaining "proper and workable Freedom of Information legislation at the Federal level has been of direct and great interest and importance to us." Mr. Hughes continues that passage of this legislation will "dispose constructively of a longstanding and vexing problem."

I would also say that were Dr. Harold Cross alive today, I believe he would take particular pride in the action I hope this body will take. I knew Dr. Cross and he was perhaps the most knowledgeable man in the United States in this area. He worked closely with the Herald Tribune and I believe he would be particularly happy with regard to this legislation.

Lastly, Mr. Speaker, I believe it is important to make clear not only that this legislation is needed, not only that it specifies more narrowly the areas where information can be withheld by the Government, not only that it greatly strengthens the right of access, but it also should be stated clearly that it is important—and I have no reason to doubt this—that the President sign this legislation promptly.

I would call attention to the fact that there are in the hearings some reports of agencies who, while agreeing with the objective of the legislation, have reservations or outright objections to its particular form. I hope the President will take counsel of the importance of the principle here involved, and of the action of this House today, and that he will sign the bill promptly, because this is clearly in the interest of the public's paramount right to know, of a free press and, in my judgment, in the interest of the Nation.

Mr. FULTON of Pennsylvania. Mr. Speaker, will the gentleman yield?

Mr. REID of New York. I yield to the gentleman from Pennsylvania.

Mr. FULTON of Pennsylvania. Mr. Speaker, I compliment my friend the gentleman from New York [Mr. REID] on his excellent statement, and also his dedication to duty in studying and contributing so much to working out good rules for freedom of information in Government departments and agencies.

Along with those others who have been interested in this serious problem of the right of access to Government facts. The gentleman from New York [Mr. REID] should certainly be given the highest credit.

Mr. REID of New York. I thank the gentleman.

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

Mr. REID of New York. I yield to the gentleman from Pennsylvania.

Mr. KUNKEL. Mr. Speaker, I commend the gentleman in the well and the gentleman from California for bringing this legislation to the floor.

I strongly support it.

In fact, I would almost go further than the committee does in this legislation. It is very important to have at least this much enacted promptly. I do hope the President will sign it into law promptly, because right now there are a great many instances occurring from time to time which indicate the necessity of having something like this on the statute books. It is a definite step in the right direction—I am counting on the committee doing a good overseeing job to see that it functions as intended.

Mr. REID of New York. I thank the gentleman for his thoughtful statement. I add merely that the freedom of the press must be reinsured by each generation. I believe the greater access that this bill will provide sustains that great principle.

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

Mr. REID of New York. I yield to the gentleman from Wisconsin.

Mr. LAIRD. Mr. Speaker, I thank the gentleman for yielding to me. I rise in support of this legislation, S. 1160.

Mr. Speaker, this legislation is long overdue, and marks a historic breakthrough for freedom of information in that it puts the burden of proof on officials of the bureaus and agencies of the executive branch who seek to withhold information from the press and public, rather than on the inquiring individual who is trying to get essential information as a citizen and taxpayer.

Mr. Speaker, this is not a partisan bill—at least not here in the Congress. We have heard that the administration is not happy about it and has delayed its enactment for a number of years, but the overwhelming support it has received from distinguished members of the Government Operations Committee—both on the majority and minority side—and the absence of any opposition

here in the House is clear evidence of the very real concern responsible Members feel over what our Ambassador to the United Nations, Arthur Goldberg, has aptly termed the credibility problem of the U.S. Government. The same concern over the credibility gap is shared by the American public and the press, and it is a great satisfaction to me that the Congress is taking even this first step toward closing it.

Our distinguished minority leader, the gentleman from Michigan [Mr. GERALD R. FORD] at a House Republican policy committee news conference last May 18, challenged the President to sign this bill. I hope the President will sign it, and beyond that, will faithfully execute it so that the people's right to know will be more surely founded in law in the future.

But Mr. Speaker, we cannot legislate candor nor can we compel those who are charged with the life-and-death decisions of this Nation to take the American people into their confidence. We can only plead, as the loyal opposition, that our people are strong, self-reliant, and courageous, and are worthy of such confidence. Americans have faced grave crises in the past and have always responded nobly. It was a great Republican who towered above partisanship who warned that you cannot fool all of the people all of the time, and it was a great Democrat, Woodrow Wilson, who said:

I am seeking only to face realities and to face them without soft concealments.

Mr. Speaker, I would like to point out that the provisions of this bill do not take effect until 1 year after it becomes law. Thus it will not serve to guarantee any greater freedom of information in the forthcoming political campaign than we have grown accustomed to getting from the executive branch of the Government in recent years. We of the minority would be happy to have it become operative Federal law immediately, but it is perhaps superfluous to say that we are not in control of this Congress.

In any event, if implemented by the continuing vigilance of the press, the public, and the Congress, this bill will make it easier for the citizen and taxpayer to obtain the essential information about his Government which he needs and to which he is entitled. It helps to shred the paper curtain of bureaucracy that covers up public mismanagement with public misinformation, and secret sins with secret silence. I am confident that I speak for most of my Republican colleagues in urging passage of this legislation.

Mr. Speaker, I append the full text of the House Republican Policy Committee statement on the freedom of information bill, S. 1160, adopted and announced on May 18 by my friend, the distinguished chairman of our policy committee, the gentleman from Arizona [Mr. RHODES]:

REPUBLICAN POLICY COMMITTEE STATEMENT ON FREEDOM OF INFORMATION LEGISLATION, S. 1160

The Republican Policy Committee commends the Committee on Government Operations for reporting S. 1160. This bill clarifies and protects the right of the public to essential information. Subject to certain exceptions and the right to court review, it would require every executive agency to give public notice or to make available to the public its methods of operation, public procedures, rules, policies, and precedents.

The Republican Policy Committee, the Republican Members of the Committee on Government Operations, and such groups as the American Newspaper Publishers Association, the professional journalism society Sigma Delta Chi, the National Editorial Association and the American Bar Association have long urged the enactment of this legislation. Due to the opposition of the Johnson-Humphrey Administration, however, this proposal has been bottled up in Committee for over a year. Certainly, information regarding the business of the government should be shared with the people. The screen of secrecy which now exists is a barrier to reporters as representatives of the public, to citizens in pursuit of information vital to their welfare, and to Members of Congress as they seek to carry out their constitutional functions.

Under this legislation, if a request for information is denied, the aggrieved person has the right to file an action in a U.S. District Court, and such court may order the production of any agency records that are improperly withheld. So that the court may consider the propriety of withholding, rather than being restricted to judicial sanctioning of agency discretion, the proceedings are de novo. In the trial, the burden of proof is correctly placed upon the agency. A private citizen cannot be asked to prove that an agency has withheld information improperly for he does not know the basis for the agency action.

Certainly, as the Committee report has stated: "No Government employee at any level believes that the 'public interest' would be served by disclosure of his failures or wrongdoings . . ." For example, the cost estimates submitted by contractors in connection with the multimillion-dollar deep sea "Mohole" project were withheld from the public even though it appeared that the firm which had won the lucrative contract had not submitted the lowest bid. Moreover, it was only as a result of searching inquiries by the press and Senator KUCHEL (R., Cal.) that President Kennedy intervened to reverse the National Science Foundation's decision that it would not be "in the public interest" to disclose these estimates.

The requirements for disclosure in the present law are so hedged with restrictions that it has been cited as the statutory authority for 24 separate classifications devised by Federal agencies to keep administrative information from public view. Bureaucratic gobbledygook used to deny access to information has included such gems as: "Eyes Only," "Limited Official Use," "Confidential Treatment," and "Limitation on Availability of Equipment for Public Reference." This paper curtain must be pierced. This bill is an important first step.

In this period of selective disclosures, managed news, half-truths, and admitted distortions, the need for this legislation is abundantly clear. High officials have warned that our Government is in grave danger of losing the public's confidence both at home and abroad. The credibility gap that has affected the Administration pronouncements on domestic affairs and Vietnam has spread to other parts of the world. The on-again, off-again, obviously less-than-truthful manner in which the reduction of American forces in Europe has been handled has made this country the subject of ridicule and jokes. "Would you believe?" has now become more than a clever saying. It is a legitimate inquiry.

Americans have always taken great pride in their individual and national credibility. We have recognized that men and nations can be no better than their word. This legislation will help to blaze a trail of truthfulness and accurate disclosure in what has become a jungle of falsification, unjustified secrecy, and misstatement by statistic. The Republican Policy Committee urges the prompt enactment of S. 1160.

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

Mr. REID of New York. Mr. Speaker, I yield to the gentleman from Illinois.

Mr. PUCINSKI. Mr. Speaker, I rise in support of this legislation. I congratulate the gentleman in the well, the gentleman from New York [Mr. REID] and the gentleman from California [Mr. MOSS], for bringing this legislation to us. Certainly this legislation reaffirms our complete faith in the integrity of our Nation's free press.

It has been wisely stated that a fully informed public and a fully informed press need never engage in reckless or irresponsible speculation. This legislation goes a long way in giving our free press the tools and the information it needs to present a true picture of government properly and correctly to the American people.

As long as we have a fully informed free press in this country, we need never worry about the endurance of freedom in America. I congratulate the gentlemen for this very thoughtful legislation.

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

Mr. REID of New York. I yield to the gentleman from Florida.

Mr. FASCELL. I thank the gentleman for yielding.

I commend the distinguished gentleman from New York for his long interest in this struggle. I compliment him also for giving strong bipartisan support, which is necessary for the achievement of this longstanding and vital goal.

Mr. Speaker, this is indeed an historic day for the people of America, for the communications media of America and the entire democratic process. It is, I am sure, a particularly gratifying day for our colleague, the distinguished gentleman from California, JOHN MOSS.

As chairman of the subcommittee he has worked tirelessly for 11 years to enact this public records disclosure law. His determination, perseverance, and dedication to principle makes possible this action today. I am proud to have been a member of the subcommittee and to have cosponsored this bill

Mr. Speaker, this House now has under consideration a bill concerned with one of the most fundamental issues of our democracy. This is the right of the people to be fully informed about the policies and activities of the Federal Government.

No one would dispute the theoretical validity of this right. But as a matter of practical experience, the people have found the acquisition of full and complete information about the Government to be an increasingly serious problem.

A major cause of this problem can probably be attributed to the sheer size of the Government. The Federal Establishment is now so huge and so complex, with so many departments and agencies responsible for so many functions, that

some confusion, misunderstanding, and contradictions are almost inevitable.

We cannot, however, placidly accept this situation or throw up our hands in a gesture of futility. On the contrary, the immensity of the Federal Government, its vast powers, and its intricate and complicated operations make it all the more important that every citizen should know as much as possible about what is taking place.

We need not endorse the devil theory or conspiratorial theory of government to realize that part of the cause of the information freeze can be blamed on some Government officials who under certain circumstances may completely withhold or selectively release material that ought to be readily and completely available.

The present bill amends section 3 of the Administrative Procedure Act of 1946. I have been in favor of such an amendment for a long time. In fact, on February 17, 1965, I introduced a companion bill, H.R. 5013, in this House. Since I first became a member of the Government Information Subcommittee 11 years ago, I have felt that legislation along these lines was essential to promote the free flow of Government information, and the case for its passage now is, if anything, ever stronger.

At first glance section 3 as now written seems innocent enough. It sets forth rules requiring agencies to publish in the Federal Register methods whereby the public may obtain data, general information about agency procedures, and policies and interpretations formulated and adopted by the agency. As a general practice this law appears to make available to the people agency opinions, orders, and public records.

However, 11 years of study, hearings, investigations, and reports have proven that this language has been interpreted so as to defeat the ostensible purpose of the law. Also under present law any citizen who feels that he has been denied information by an agency is left powerless to do anything about it.

The whole of section 3 may be rendered meaningless because the agency can withhold from the public such information as in its judgment involves "any function of the United States requiring secrecy in the public interest." This phrase is not defined in the law, nor is there any authority for any review of the way it may be used. Again, the law requires an agency to make available for public perusal "all final opinions or orders in the adjudication of cases," but then adds, "except those required for good cause to be held confidential."

Subsection (c) orders agencies to make available its record in general "to persons properly and directly concerned except information held confidential for good cause found." Here indeed is what has been accurately described as a double-barreled loophole. It is left to the agency to decide what persons are "properly and directly concerned," and it is left to the agency to interpret the phrase, "for good cause found."

Finally, as I have already indicated, there is under this section no judicial remedy open to anyone to whom agency records and other information have been denied.

Under the protection of these vague phrases, which they alone must interpret, agency officials are given a wide area of discretion within which they can make capricious and arbitrary decisions about who gets information and who does not.

On the other hand, it should in all fairness be pointed out that these officials should be given more specific directions and guidance than are found in the present law.

For this reason I believe the passage of S. 1160 would be welcomed not only by the public, who would find much more information available to them, but by agency officials as well because they would have a much clearer idea of what they could and could not do.

The enactment of S. 1160 would accomplish what the existing section 3 was supposed to do. It would make it an information disclosure statute.

In the words of Senate Report No. 813 accompanying this bill, S. 1160 would bring about the following major changes:

1. It sets up workable standards for what records should and should not be open to public inspection. In particular, it avoids the use of such vague phrases as "good cause found" and replaces them with specific and limited types of information that may be withheld.

2. It eliminates the test of who shall have the right to different information. For the great majority of different records, the public as a whole has a right to know what its Government is doing. There is, of course, a certain need for confidentiality in some aspects of Government operations and these are protected specifically; but outside these limited areas, all citizens have a right to know.

As indicated under point 2 above, we all recognize the fact that some information must be withheld from public scrutiny. National security matters come first to mind, but there are other classes of data as well. These include personnel files, disclosure of which would constitute an invasion of privacy, information specifically protected by Executive order or statute, certain inter- and intra-agency memorandums and letters, trade secrets, commercial and financial data, investigatory files, and a few other categories.

Let me make another very important point. S. 1160 opens the way to the Federal court system to any citizen who believes that an agency has unjustly held back information. If an aggrieved person seeks redress in a Federal district court, the burden would fall on the agency to sustain its action. If the court enjoins the agency from continuing to withhold the information, agency officials must comply with the ruling or face punishment for contempt.

I strongly urge my colleagues to join me in giving prompt and overwhelming approval to this measure. In so doing we shall make available to the American people the information to which they are entitled and the information they must have to make their full contribution to a strong and free national government. Furthermore, we shall be reaffirming in the strongest possible manner that democratic principle that all power to govern, including the right to know is vested in the people; the people in turn gave by the adoption of the Constitution a limited grant of that unlimited power to a Federal Government and State governments.

In the constitutional grant the people expressly revalidated the guarantee of freedom of speech and freedom of the press among other guarantees, recognizing in so doing how basic are these guarantees to a constitutional, representative, and democratic government. There is no doubt about the power of the Congress to act and no serious question that it should and must.

Mr. REID of New York. I thank the gentleman from Florida. I note his long and clear dedication to freedom of the press, and his action on behalf of this bill.

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

Mr. REID of New York. I am happy to yield to the gentleman from West Virginia.

Mr. HECHLER. Mr. Speaker, I add my words of commendation to the gentleman from California, the gentleman from New York, and others who have worked so hard to bring this bill to the House.

Today—June 20—is West Virginia Day. On June 20, 1863, West Virginia was admitted to the Union as the 35th State. The State motto, "Montani Semper Liberi," is particularly appropriate as we consider this freedom of information bill.

I am very proud to support this legislation, because there is much information which is now withheld from the public which really should be made available to the public. We are all familiar with the examples of Government agencies which try to tell only the good things and suppress anything which they think might hurt the image of the agency or top officials thereof. There are numerous categories of information which would be sprung loose by this legislation.

It seems to me that it would be in the public interest to make public the votes of members of boards and commissions, and also to publicize the views of dissenting members. I understand that six agencies do not presently publicize dissenting views. Also, the Board of Rivers and Harbors, which rules on billions of dollars of Federal construction projects, closes its meetings to the press and declines to divulge the votes of its members on controversial issues.

Therefore, I very much hope that this bill will pass by an overwhelming vote. Under unanimous consent, I include an editorial published in the Huntington, W. Va., Herald-Dispatch, and also an editorial from the Charleston, W. Va., Gazette:

[From the Huntington (W. Va.) Herald-Dispatch, June 16, 1966]

FOR FREEDOM OF INFORMATION, SENATE BILL 1160 IS NEEDED

If ours is truly a government of, by and for the people, then the people should have free access to information on what the government is doing and how it is doing it. Exception should only be made in matters involving the national security.

Yet today there are agencies of government which seek to keep a curtain of secrecy over

some of their activities. Records which ought to be available to the public are either resolutely withheld or concealed in such a manner that investigation and disclosure require elaborate and expensive techniques.

A good example occurred last summer, when the Post Office Department, in response to a Presidential directive, hired thousands of young people who were supposed to be "economically and educationally disadvantaged."

Suspicions were aroused that the jobs were being distributed as Congressional patronage to people who did not need them. But when reporters tried to get the names of the jobholders in order to check their qualifications, the Department cited a regulation forbidding release of such information.

The then Postmaster General John Gronouski finally gave out the names (which confirmed the suspicions of the press), but only after Congressional committees of Congress with jurisdiction over the Post Office Department challenged the secrecy regulations.

This incident, more than any other that has occurred recently, persuaded the U.S. Senate to pass a bill known as S. 1160 under which every agency of the federal government would be required to make all its records available to any person upon request. The bill provides for court action in cases of unjustified secrecy. And of course it makes the essential exemptions for "sensitive" government information involving national security.

Congressman DONALD RUMSFELD (R-Ill.), one of the supporters of S. 1160 in the House, calls the bill "one of the most important measures to be considered by Congress in 20 years."

"This bill really goes to the heart of news management," he declared. "If information is being denied, the press can go into Federal Court in the district where it is being denied and demand the agency produce the records."

The Congressman was critical of the press and other information media for failing to make a better campaign on the bill's behalf. He stressed that it was designed for the protection of the public and the public has not been properly warned of the need for the legislation.

If this is true, it is probably because some newspapers fail to emphasize that press freedom *is a public right*, not a private privilege.

S. 1160 would be a substantial aid in protecting the rights of the people to full information about their government. In the exercise of that right, the bill would give the press additional responsibilities, but also additional methods of discharging them.

If S. 1160 comes to the House floor, it will be hard to stop. The problem is to get it to the voting stage.

We urge readers to send a letter or a card to their Congressman, telling him that the whole system of representative government is based on involvement by the people. But through lack of information, the people lose interest and subsequently they lose their rights. S. 1160 will help to prevent both losses.

[From the Charleston (W. Va.) Gazette, June 18, 1966]

BILL REVEALING U.S. ACTIONS TO PUBLIC VIEW NECESSITY

Now pending in the House of Representatives is a Senate-approved bill (S. 1160) to require all federal agencies to make public their records and other information, and to authorize suits in federal district courts to obtain information improperly withheld.

This is legislation of vital importance to the American public, for it would prevent the withholding of information for the purpose of covering up wrongdoing or mistakes, and would guard against the practice of giving out only that which is favorable and suppressing that which is unfavorable.

The measure would protect certain categories of sensitive government information, such as matters involving national security, but it would put the burden on federal agencies to prove they don't have to supply certain information rather than require interested citizens to show cause why they are entitled to it.

Rep. DONALD RUMSFELD, R–Ill., who with Rep. JOHN E. MOSS, D-Calif., is leading the fight for the bill in the House, gave perhaps the best reason for enactment of the legislation in these words:

"Our government is so large and so complicated that few understand it well and others barely understand it at all. Yet we must understand it to make it function better."

The Senate passed the bill by a voice vote last October. The House subcommittee on foreign operations and government information, better known as the Moss subcommittee, approved it on March 30, and the House Committee on Government Operations passed on it April 27. It's expected to go before the House next week.

Rep. RUMSFELD, who termed the bill "one of the most important measures to be considered by Congress in 20 years," cited the case of the Post Office Department and summer employes last year as an example of how a government agency can distort or violate provisions of law under cover of secrecy.

Newspapers disclosed that the Post Office Department was distributing as congressional patronage thousands of jobs that were supposed to go to economically and educationally disadvantaged youths.

But the department used regulation 744.44, which states that the names, salaries and other information about postal employes should not be given to any individual, commercial firm, or other non-federal agency—as the basis for refusing to divulge the names of appointees to the press, four congressmen, or the Moss committee, all of whom challenged the secrecy regulations.

In other words, the department could put political hacks into jobs designed to help disadvantaged youths, and get away with it by hiding under the cloak of a bureaucratic regulation. There finally was a reluctant authorization to release the names, but the department still refused to change the basic regulation. This sort of manipulation would be put on the run by passage of S. 1160.

The federal government is a vast and complex operation that reaches into every state and every community, with literally millions of employes. Wherever it operates it is using public money and conducting public business, and there is no reason why it should not be held accountable for what it is doing.

Under present laws, as Rep. RUMSFELD pointed out, "Any bureaucrat can deny requests for information by calling up Section 3 of the Administrative Procedure Act, passed in 1946. To get information under this act, a person has to show good cause and there are numerous different reasons under the act which a federal agency can use to claim the person is not properly or directly concerned. Most of the reasons are loose catch phrases."

Any law or regulation that protects government officials and employes from the public view, will in the very least, incline them to be careless in the way they conduct the public business. A law that exposes them to that view is bound to encourage competency and honesty. Certainly the pending bill is in the public interest. It should be enacted into law, and we respectfully urge the West Virginia Congressmen to give it their full support.

Mr. REID of New York. I thank the gentleman.

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

Mr. REID of New York. I yield to the gentleman from New York.

Mr. KUPFERMAN. Mr. Speaker, the gentleman from New York [Mr. REID] has stated the matter so well that it does not require more discussion from me on behalf of this bill. I commend the gentleman from New York and others associated with him for having brought the bill to the floor and helping us pass it today.

Mr. REID of New York. I thank the gentleman.

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

Mr. REID of New York. I yield to the gentleman from Tennessee.

Mr. GRIDER. Mr. Speaker, I rise in support of S. 1160, legislation for clarifying and protecting the right of the public to information.

This legislation has been pending for more than a decade. Although few people question the people's right to know what is going on in their Government, we have quibbled for far too long over the means of making this information available. In the process we may have lost sight of the desired end result—freedom of information.

The need for maintaining security in some of our cold war dealings is not questioned here. As the Commercial Appeal says in an excellent editorial about this legislation:

> The new law would protect necessary secrecy, but the ways of the transgressor against the public interest would be much harder.

Our colleague from California [Mr. Moss] and members of his committee have done a splendid job with this legislation. This bill is clearly in the public interest.

Mr. Speaker, I include at this point in my remarks the editorial "Freedom of Information," which appeared June 16, 1966, in the Memphis Commercial Appeal:

FREEDOM OF INFORMATION

The House of Representatives is scheduled to act Monday on the Freedom of Information Bill, an event of the first class in the unending struggle to let people know how governments operate. Such knowledge is an essential if there is to be sound government by the people.

This bill has been in preparation 13 years. It is coming up for a vote now because pulse feeling in Congress indicated that it will win approval this year in contrast to some other years of foot dragging by members of the House who announce for the principle but doubt the specific procedure.

The Senate has passed an identical bill.

At the heart of the proposed law is an ending of the necessity for a citizen to have to go into court to establish that he is entitled to get documents, for instance showing the rules under which a governmental agency operates, or which officials made what decisions.

This would be reversed. The official will have to prove in court that the requested document can be withheld legally.

A trend toward secrecy seems to be a part of the human nature of officials with responsibility. There are a few things that need to be done behind a temporary veil, especially in preparing the nation's defenses, often in the buying of property, and sometimes in the management of personnel.

But the urge is to use the "classified" stamp to cover blunders, errors and mistakes which the public must know to obtain corrections.

The new law would protect necessary secrecy but the ways of the transgressor against the public interest would be much harder. The real situation is that a 1946 law intended to open more records to the public has been converted gradually into a shield against questioners. Technically the 1966 proposal is a series of amendments which will clear away the wording behind which reluctant officials have been hiding.

It results from careful preparation by JOHN MOSS (D., Calif.) with the help of many others.

It is most reassuring to have Representative Moss say of a bill which seems to be cleared for adoption that we are about to have for the first time a real guarantee of the right of the people to know the facts of government.

Mr. GRIDER. Mr. Speaker, I ask unanimous consent to revise and extend my remarks, and include an editorial.

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

There was no objection.

Mr. VAN DEERLIN. Mr. Speaker, will the gentleman yield?

Mr. REID of New York. I am happy to yield to the gentleman from California.

Mr. VAN DEERLIN. Mr. Speaker, those of us who have served with JOHN Moss on the California delegation are well aware of the long and considerable effort which he has applied to this subject.

The Associated Press, in a story published less than a week ago, related that 13 of the 14 years this gentleman has served in the House have been devoted to developing the bill before us today. I join my colleagues in recognizing this effort, and I ask unanimous consent to include that Associated Press article in the RECORD.

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

There was no objection.

The article is as follows:

[From the Los Angeles (Calif.) Times, June 12, 1966]

HOUSE APPROVAL SEEN ON RIGHT-TO-KNOW BILL—BATTLE AGAINST GOVERNMENT SECRECY, LED BY REPRESENTATIVE MOSS, OF CALIFORNIA, NEARS END

WASHINGTON.—A battle most Americans thought was won when the United States was founded is just now moving into its final stage in Congress.

It involves the right of Americans to know what their government is up to. It's a battle against secrecy, locked files and papers stamped "not for public inspection."

It's been a quiet fight mainly because it has been led by a quiet, careful congressman, Representative JOHN E. Moss, Democrat, of California, who has been waging it for 13 of the 14 years he has been in the House.

Now, the House is about to act on the product of the years of study, hearings, investigations and reports—a bill that in some quarters is regarded as a sort of new Magna Carta. It's called the freedom of information bill, or the right to know.

It would require federal agencies to make available information about the rules they operate under, the people who run them and their acts, decisions and policies that affect the public. Large areas of government activity that must of necessity be kept secret would remain secret.

SENATE BILL IDENTICAL

House approval is believed certain, and since the Senate has already passed an identical bill, it should wind up on President Johnson's desk this month.

How it will be received at the White House is not clear. In 1960, as vice president-elect, Mr. Johnson told a convention of newspaper editors "the executive branch must see that there is no smoke screen of secrecy." But the 27 federal departments and agencies that presented their views on the bill to Moss' government information subcommittee opposed its passage.

Norbert A. Schlei, assistant attorney general, who presented the main government case against the bill, said the problem of releasing information to the public was "just too complicated, too ever-changing" to be dealt with in a single piece of legislation.

"If you have enough rules," he said, "you end up with less information getting out because of the complexity of the rule system you establish . . ."

BASIC DIFFICULTY

"I do not think you can take the whole problem, federal governmentwide, and wrap it up in one package. That is the basic difficulty; that is why the federal agencies are ranged against this proposal."

Another government witness, Fred Burton Smith, acting general counsel of the Treasury Department, said if the bill was enacted "the executive branch will be unable to execute effectively many of the laws designed to protect the public and will be unable to prevent invasions of privacy among individuals whose records have become government records."

Smith said the exemptions contained in the bill were inadequate and its court provisions inappropriate. In addition, he said, persons without a legitimate interest in a matter would have access to records and added that the whole package was of doubtful constitutionality.

STRENGTHENED FEELING

Far from deterring him, such testimony has only strengthened Moss's feeling that Congress had to do the job of making more information available to the public because the executive branch obviously wouldn't.

The bill he is bringing to the House floor, June 20, is actually a series of amendments to a law Congress passed in 1946 in the belief it was requiring greater disclosure of government information to the public. And that, for Moss, takes care of the constitutional question.

"If we could pass a weak public information law," he asks, "why can't we strengthen it."

The 1946 law has many interpretations. And the interpretations made by the executive agencies were such that the law, which was intended to open records to the public, is now the chief statutory authority cited by the agencies for keeping them closed.

SECRECY PERMITTED

The law permits withholding of records if secrecy "is required in the public interest," or if the records relate "solely to the internal management of an agency."

If a record doesn't fit those categories it can be kept secret "for good cause found." And even if no good cause is found, the information can only be given to "persons properly and directly concerned."

Between 1946, when that law was enacted, and 1958 the amount of file space occupied by classified documents increased by 1 million cubic feet, and 24 new terms were added to "top secret," "secret," and "confidential," to hide documents from public view.

They ranged from simple "nonpublic," to "while this document is unclassified, it is for use only in industry and not for public release."

USED VARIOUS WAYS

The law has been used as authority for refusing to disclose cost estimates submitted by unsuccessful bidders on nonsecret contracts, for withholding names and salaries of federal employes, and keeping secret dissenting views of regulatory board members.

It was used by the Navy to stamp its Pentagon telephone directories as not for public use on the ground they related to the internal management of the Navy.

S1160, as the bill before the House is designated, lists specifically the kind of information that can be withheld and says the rest must be made available promptly to "any" person.

The areas protected against public disclosure include national defense and foreign policy secrets, investigatory files of law enforcement agencies, trade secrets and information gathered in labor-management mediation efforts, reports of financial institutions, personnel and medical files and papers that are solely for the internal use of an agency.

IMPORTANT PROVISION

In the view of many veterans of the fight for the right to know, it's most important provision would require an agency to prove in court that it has authority to withhold a document that has been requested. Under the present law the situation is reversed and the person who wants the document has to prove that it is being improperly withheld.

The bill would require—and here is where an added burden would be placed on the departments—that each agency maintain an index of all documents that become available for public inspection after the law is enacted. To discourage frivolous requests, fees could be charged for record searches.

Moss bumped his head on the government secrecy shield during his first term in Congress when the Civil Service Commission refused to open some records to him.

"I decided right then I had better find out about the ground rules," he said in a recent interview. "While I had no background of law, I had served in the California legislature and such a thing was unheard of."

(California is one of 37 states that have open records laws.)

Moss was given a unique opportunity to learn the ground rules in his second term in Congress when a special subcommittee of Government Operations Committee was created to investigate complaints that government agencies were blocking the flow of information to the press and public.

Although only a junior member of the committee, Moss had already impressed House leaders with his diligence and seriousness of purpose and he was made chairman of the new subcommittee. His characteristics proved valuable in the venture he undertook.

The right of a free people to know how their elected representatives are conducting the public business has been taken for granted by most Americans. But the Constitution contains no requirement that the government keep the people informed.

The seeds of the secrecy controversy were sown during the first session of Congress when it gave the executive branch, in a "housekeeping" act, authority to prescribe rules for the custody, use and preservation of its record. They flourished in the climate created by the separation of the executive and legislative functions of government.

EXECUTIVE PRIVILEGE

Since George Washington, Presidents have relied on a vague concept called "executive privilege" to withhold from Congress information they feel should be kept secret in the national interest.

There are constitutional problems involved in any move by Congress to deal with that issue, and S. 1160 seeks to avoid it entirely.

Moss, acting on the many complaints he receives, has clashed repeatedly with government officials far down the bureaucratic lines who have claimed "executive privilege" in refusing to divulge information, and in 1962 he succeeded in getting a letter from President John F. Kennedy stating that only the President would invoke it in the future.

President Johnson gave Moss a similar pledge *last* year.

BORNE BY NEWSPAPERMEN

Until the Moss subcommittee entered the field, the battle against government secrecy had been borne mainly by newspapermen.

In 1953, the American Society of Newspaper Editors published the first comprehensive study of the growing restrictions on public access to government records—a book by Harold L. Cross entitled "The People's Right to Know."

The book provided the basis for the legislative remedy the subcommittee proceeded to seek, and Cross summed up the idea that has driven Moss ever since when he said, 'the right to speak and the right to print, without the right to know, are pretty empty."

World War II, with its emphasis on security, gave a tremendous boost to the trend toward secrecy and so did the activities of the late Sen. Joseph McCarthy, Republican, of Wisconsin, as intimidated officials pursued anonymity by keeping everything they could from public view. Expansion of federal activities in recent years made the problem ever more acute.

In 1958, Moss and the late Sen. Tom Hennings, Democrat, of Missouri, succeeded in amending the old "housekeeping" law to make clear it did not grant any right for agencies to withhold their records.

Opposition of the executive branch blocked any further congressional action. Moss, hoping to win administration support, did not push his bill until he was convinced this year it could not be obtained.

Moss feels S1160 marks a legislative milestone in the United States.

"For the first time in the nation's history," he said recently, "the people's right to know the facts of government will be guaranteed."

There is wide agreement with this view, but warnings against too much optimism are also being expressed.

Noting the exemptions written into the bill, a Capitol Hill veteran observed, "Any bureaucrat worthy of the name should be able to find some place in those exemptions to tuck a document he doesn't want seen."

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

Mr. REID of New York. I am happy to yield to the gentleman from Kansas.

Mr. SHRIVER. Mr. Speaker, I rise in support of S. 1160 which clarifies and strengthens section 3 of the Administrative Procedure Act relating to the right of the public to information.

Six years ago when President Johnson was Vice President-elect he made a statement before the convention of the Associated Press Managing Editors Association which was often repeated during hearings on this bill. He declared:

In the years ahead, those of us in the executive branch must see that there is no smokescreen of secrecy. The people of a free country have a right to know about the conduct of their public affairs.

Mr. Speaker, over the past 30 years more and more power has been concentrated in the Federal Government in Washington. Important decisions are made each day affecting the lives of every individual.

Today we are not debating the merits of the growth of Federal Government. But as the Government grows, it is essential that the public be kept aware of what it is doing. Ours is still a system of checks and balances. Therefore as the balance of government is placed more and more at the Federal level, the check of public awareness must be sharpened.

For more than a decade such groups as the American Newspaper Publishers Association, Sigma Delta Chi, the National Editorial Association, and the American Bar Association have urged enactment of this legislation. More than a year ago the Foreign Operations and Government Information Subcommittee of the Committee on Government Operations held extensive hearings on this legislation.

At that time Mr. John H. Colburn, editor and publisher of the Wichita, Kans., Eagle and Beacon, which is one of the outstanding daily newspapers in mid-America, testified in behalf of the American Newspaper Publishers Association.

Mr. Colburn pointed to a screen of secrecy which is a barrier to reporters, as representatives of the public—to citizens in pursuit of information vital to their business enterprises—and is a formidable barrier to many Congressmen seeking to carry out their constitutional functions.

Mr. Colburn, in testifying before the subcommittee, stated:

Let me emphasize and reiterate the point made by others in the past: Reporters and editors seek no special privileges. Our concern is the concern of any responsible citizen. We recognize that certain areas of information must be protected and withheld in order not to jeopardize the security of this Nation. We recognize legitimate reasons for restricting access to certain other categories of information, which have been spelled out clearly in the proposed legislation.

What disappoints us keenly—what we fail to comprehend is the continued opposition of Government agencies to a simple concept. That is the concept to share the legitimate business of the public with the people.

In calling for congressional action to protect the right to know of the people, Mr. Colburn declared:

Good government in these complex periods needs the participation, support and encouragement of more responsible citizens. Knowing that they can depend on an unrestricted flow of legitimate information would give these citizens more confidence in our agencies and policymakers. Too many now feel frustrated and perplexed.

Therefore, it is absolutely essential that Congress take this step to further protect the rights of the people, also to assure more ready access by Congress, by adopting this disclosure law.

Mr. Speaker, John Colburn and many other interested citizens have made a strong case for this legislation. It is regrettable that it has been bottled up in committee for so long a time.

This bill clarifies and protects the right of the public to essential information. This bill revises section 3 of the Administrative Procedure Act to provide a true Federal public records statute by requiring the availability, to any member of the public, of all of the executive branch records described in its requirements, except those involving matters which are within nine stated exemptions.

Under this legislation, if a request for information is denied, the aggrieved person has the right to file an action in a district court, and such court may order the production of any agency records that are improperly withheld. In such a trial, the burden of proof is correctly upon the agency.

It should not be up to the American public—or the press—to fight daily battles just to find out how the ordinary business of their government is being conducted. It should be the responsibility of the agencies and bureaus, who conduct this business, to tell them.

We have heard a great deal in recent times about a credibility gap in the pronouncements emanating from official Government sources. In recent years we heard an assistant secretary of defense defend the Government's right to lie. We have seen increasing deletion of testimony by administration spokesmen before congressional committees and there has been question raised whether this was done for security reasons or political reasons.

This legislation should help strengthen the public's confidence in the Government. Our efforts to strengthen the public's confidence in the Government. Our efforts to strengthen the public's right to know should not stop here. As representatives of the people we also should make sure our own house is in order. While progress has been made in reducing the number of closed-door committee sessions, the Congress must work to further reduce so-called executive sessions of House and Senate committees. Serious consideration should be given to televising and permitting radio coverage of important House committee hearings.

I hope that the Joint Committee on the Organization of the Congress will give serious considerations to these matters in its recommendations and report.

Mr. REID of New York. Mr. Speaker, I yield the remainder of my time to the gentleman from Illinois [Mr. RUMSFELD].

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

Mr. RUMSFELD. I am happy to yield to the distinguished gentleman from Connecticut, who serves on this subcommittee.

Mr. MONAGAN. Mr. Speaker, I wish to express my support for this legislation and also to commend the chairman of our subcommittee, who has literally come from his doctor's care to be here today to lead the House in the acceptance of this monumental piece of legislation. His work has been the sine qua non in bringing this important legislation to fruition.

Mr. Speaker, I am happy to support S. 1160, an act to clarify and protect the right of the public to information.

This legislation is a landmark in the constant struggle in these days of big government to preserve for the people access to the information possessed by their own servants. Certainly it is impossible to vote intelligently on issues unless one knows all the facts surrounding them and it is to keep the public properly informed that this legislation is offered today.

I should like to take this opportunity to congratulate our chairman, the gentleman from California [Mr. Moss] on

the passage of this significant bill. Over the years he has fought courageously and relentlessly against executive coverup of information which should be available to the people. The reporting and passage of this bill have come only after many years of constant work by the gentleman from California and as we send this bill to the President for signature our chairman should feel proud in the significant role that he has played in raising permanent standards of regulations on the availability of public information. This is a noteworthy accomplishment and will do much to maintain popular control of our growing bureaucracy.

I am happy to have worked with the Subcommittee on Foreign Operations and Government Information and with the House Committee on Government Operations on this bill and to have shared to some degree in the process which has refined this legislation, obtained concurrence of the executive branch and reaches its culmination now.

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

Mr. RUMSFELD. I am happy to yield to the distinguished gentleman from Virginia, who also served on the Subcommittee on Government Information.

Mr. HARDY. I thank my good friend for yielding and commend him for his work on this bill.

Mr. Speaker, I just wish to express my support for this measure. I should like for the Members of the House to know that I wholeheartedly support it, and that I am particularly happy the chairman of our subcommittee, the gentleman from California [Mr. Moss] is back with us today. I know he has not been in good health recently, and I am happy to see him looking so well. I congratulate him for the fine job he has done on this most important subject and I am glad to have been privileged to work with him on the subcommittee.

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

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

Mr. GROSS. I join my friend, the gentleman from Illinois, in support of this legislation, but I want to add that it will be up to the Congress, and particularly to the committee which has brought the legislation before the House, to see to it that the agencies of Government conform to this mandate of Congress. It will be meaningless unless Congress does do a thorough oversight job, and I have in mind the attempt already being made to destroy the effectiveness of the General Accounting Office as well as the efforts of the Defense Department to hide the facts.

Mr. RUMSFELD. The gentleman's comments are most pertinent. Certainly it has been the nature of Government to play down mistakes and to promote successes. This has been the case in the past administrations. Very likely this will be true in the future.

There is no question but that S. 1160 will not change this phenomenon. Rather, the bill will make it considerably more difficult for secrecy-minded bureaucrats to decide arbitrarily that the people should be denied access to information on the conduct of Government or on how an individual Government official is handling his job.

Mr. Speaker, the problem of excessive restrictions on access to Government information is a nonpartisan problem, as the distinguished chairman, the gentleman from California [Mr. Moss] has said. No matter what party has held the political power of Government, there have been attempts to cover up mistakes and errors.

Significantly, S. 1160 provides for an appeal against arbitrary decisions by spelling out the ground rules for access to Government information, and, by providing for a court review of agency decisions under these ground rules, S. 1160 assures public access to information which is basic to the effective operation of a democratic society.

The legislation was initially opposed by a number of agencies and departments, but following the hearings and issuance of the carefully prepared report—which clarifies legislative intent—much of the opposition seems to have subsided. There still remains some opposition on the part of a few Government administrators who resist any change in the routine of government. They are familiar with the inadequacies of the present law, and over the years have learned how to take advantage of its vague phrases. Some possibly believe they hold a vested interest in the machinery of their agencies and bureaus, and there is resentment to any attempt to oversee their activities either by the public, the Congress or appointed Department heads.

But our democratic society is not based upon the vested interests of Government employees. It is based upon the participation of the public who must have full access to the facts of Government to select intelligently their representatives to serve in Congress and in the White House. This legislation provides the machinery for access to government information necessary for an informed, intelligent electorate.

Mr. Speaker, it is a great privilege for me to be able to speak on behalf of Senate bill 1160, the freedom-of-information bill, which provides for establishment of a Federal public records law.

I believe that the strong bipartisan support enjoyed by S. 1160 is indicative of its merits and of its value to the Nation. Twice before, in 1964 and 1965, the U.S. Senate expressed its approval of this bill. On March 30, 1966, the House Subcommittee on Foreign Operations and Government Information favorably reported the bill, and on April 27, 1966, the House Committee on Government Operations reported the bill out with a do-pass recommendation. It remains for the House of Representatives to record its approval and for the President to sign the bill into law.

I consider this bill to be one of the most important measures to be considered by Congress in the past 20 years. The bill is based on three principles:

First, that public records, which are evidence of official government action, are public property, and that there should be a positive obligation to disclose this information upon request.

Second, this bill would establish a procedure to guarantee individuals access to specific public records, through the courts if necessary.

Finally, the bill would designate certain categories of official records exempt from the disclosure requirement.

I believe it is important also to state what the bill is not. The bill does not affect the relationship between the executive and legislative branches of Government. The report and the legislation itself specifically point out that this legislation deals with the executive branch of the Federal Government in its relationship to all citizens, to all people of this country.

The very special relationship between the executive and the legislative branches is not affected by this legislation.

As the bill and the report both state:

> Members of the Congress have all of the rights of access guaranteed to "any person" by S. 1160, and the Congress has additional rights of access to all Government information which it deems necessary to carry out its functions.

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

Mr. RUMSFELD. I yield to the gentleman from Kansas who has been very active in behalf of this legislation.

Mr. SKUBITZ. Mr. Speaker, I rise in support of S. 1160. Passage of this legislation will create a more favorable climate for the peoples right to know—a right that has too long languished in an environment of bureaucratic negativism and indifference.

From the beginning of our Republic until now, Federal agencies have wrongfully withheld information from members of the electorate. This is intolerable in a form of government where the ultimate authority must rest in the consent of government.

Democracy can only operate effectively when the people have the knowledge upon which to base an intelligent vote.

The bill grants authority to the Federal district court to order production of records improperly withheld and shifts the burden of proof to the agency which chooses to withold information.

If nothing else, this provision will imbue Government employees with a sense of caution about placing secrecy stamps on documents that a court might order to be produced at a later time. Thus inefficiency or worse will be less subject to concealment.

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

Mr. RUMSFELD. I am happy to yield to the gentleman from Minnesota.

Mr. QUIE. Mr. Speaker, may I ask the gentleman, will this enable a Member of Congress to secure the names of people who work for the Post Office Department or any other department?

Mr. RUMSFELD. I know the gentleman almost singlehandedly worked very effectively to bring about the disclosure of such information at a previous point in time. It is certainly my opinion, although the courts would ultimately make these decisions, that his efforts would

have been unnecessary had this bill been the law. Certainly there is no provision in this legislation that exempts from disclosure the type of information to which the gentleman refers that I know of.

Mr. QUIE. I thank the gentleman and want to commend him on the work he has done in bringing out this legislation. I believe it is an excellent bill.

GENERAL LEAVE TO EXTEND

Mr. REID of New York. Mr. Speaker, will the gentleman yield to me for 1 second?

Mr. RUMSFELD. I am happy to yield to the gentleman from New York, who serves as the ranking minority member of the subcommittee.

Mr. REID of New York. Mr. Speaker, in order that the gentleman may complete his statement, may I ask unanimous consent that any Member of the House may have 5 legislative days in which to include his thoughts and remarks in the RECORD on this bill?

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

There was no objection.

Mr. RUMSFELD. Mr. Speaker, in the seconds remaining, I do want to commend my colleague and good friend, the gentleman from California. As the able chairman of this subcommittee, he has worked diligently and effectively these past 11 years to secure a very important right for the people of this country. Bringing this legislation to the floor today is a proper tribute to his efforts. Certainly his work and the work of others whose names have been mentioned, the gentleman from Michigan, now a Member of the other body, Mr. GRIFFIN, who served so effectively as ranking minority member of our subcommittee and the ranking minority member of our full committee, the gentlewoman from New Jersey [Mrs. DWYER], all shared in the effort and work that resulted in this most important and throughtful piece of legislation.

Mr. Speaker, I do wish to make one other point about the bill. This bill is not to be considered, I think it is safe to say on behalf of the members of the committee, a withholding statute in any sense of the term. Rather, it is a disclosure statute. This legislation is intended to mark the end of the use of such phrases as "for good cause found," "properly and directly concerned," and "in the public interest," which are all phrases which have been used in the past by individual officials of the executive branch in order to justify, or at least to seem to justify, the withholding of information that properly belongs in the hands of the public. It is our intent that the courts interpret this legislation broadly, as a disclosure statute and not as an excuse to withhold information from the public.

I must add, that disclosure of Government information is particularly important today because Government is becoming involved in more and more aspects of every citizen's personal and business life, and so the access to information about how Government is exercising its trust becomes increasingly important. Also, people are so busy today bringing up families, making a living, that it is increasingly difficult for a person to keep informed. The growing complexity of Government itself makes it extremely difficult for a citizen to become and remain knowledgeable enough to exercise his responsibilities as a citizen; without Government secrecy it is difficult, with Government secrecy it is impossible.

Of course, withholding of information by Government is not new. The Federal Government was not a year old when Senator Maclay of Pennsylvania asked the Treasury Department for the receipts Baron von Steuben had given for funds advanced to him. Alexander Hamilton refused the request.

In the United States, three centuries of progress can be seen in the area of access to Government information. Based on the experience of England, the Founders of our Nation established—by law and by the acknowledgment of public men—the theory that the people have a right to know. At local, State, and Federal levels it has been conceded that the people have a right to information.

James Russell Wiggins, editor of the Washington Post, argues eloquently against Government secrecy in his book, "Freedom or Secrecy." He says:

> We began the century with a free government—as free as any ever devised and operated by man. The more that government becomes secret, the less it remains free. To diminish the people's information about government is to diminish the people's participation in government. The consequences of secrecy are not less because the reasons for secrecy are more. The ill effects are the same whether the reasons for secrecy are good or bad. The arguments for more secrecy may be good arguments which, in a world that is menaced by Communist imperialism, we cannot altogether refute. They are, nevertheless, arguments for less freedom.

In August of 1822, President James Madison said:

> Knowledge will forever govern ignorance. And a people who mean to be their own governors, must arm themselves with the power knowledge gives. A popular government without popular information or the means of acquiring it, is but a prologue to a farce or a tragedy, or perhaps both.

Thomas Jefferson, in discussing the obligation of the press to criticize and oversee the conduct of Government in the interest of keeping the public informed, said:

> Were it left to me to decide whether we should have a government without newspapers or newspaper without government, I should not besitate for a moment to prefer the latter. No government ought to be without censors; and where the press is free, none ever will.

President Woodrow Wilson said in 1913:

> Wherever any public business is transacted, wherever plans affecting the public are laid, or enterprises touching the public welfare, comfort or convenience go forward, wherever political programs are formulated, or candidates agreed on—over that place a voice must speak, with the divine prerogative of a people's will, the words: "Let there be light."

House Report No. 1497, submitted to the House by the Committe on Government Operations to accompany S. 1160, concludes:

> A democratic society requires an informed, intelligent electorate, and the intelligence of the electorate varies as the quantity and quality of its information varies. A danger signal to our democratic society in the United States is the fact that such a political truism needs repeating. And repeated it is, in textbooks and classrooms, in newspapers and broadcasts.
>
> The repetition is necessary because the ideals of our democratic society have outpaced the machinery which makes that society work. The needs of the electorate have outpaced the laws which guarantee public access to the facts in government. In the time it takes for one generation to grow up and prepare to join the councils of government—from 1946 to 1966—the law which was designed to provide public information about government has become the government's major shield of secrecy.
>
> S. 1160 will correct this situation. It provides the necessary machinery to assure the availability of government information necessary to an informed electorate.

Mr. Speaker, I was interested to learn that Leonard H. Marks, Director of the U.S. Information Agency—USIA—recently suggested before the Overseas Press Club in New York City the development of a treaty "guaranteeing international freedom of information." To be sure, this is a commendable suggestion, and one which I would be delighted to hear more about. For the time being, however, I am concerned with the freedom-of-information question here in the United States. Here is our basic challenge. And it is one which we have a responsibility to accept.

The political organization that goes by the name of the United States of America consists of thousands of governing units. It is operated by millions of elected and appointed officials. Our Government is so large and so complicated that few understand it well and others barely understand it at all. Yet, we must understand it to make it function better.

In this country we have placed all our faith on the intelligence and interest of the people. We have said that ours is a Government guided by citizens. From this it follows that Government will serve us well only if the citizens are well informed.

Our system of government is a testimony to our belief that people will find their way to right solutions given sufficient information. This has been a magnificient gamble, but it has worked.

The passage by the House of S. 1160 is an important step toward insuring an informed citizenry which can support or oppose public policy from a position of understanding and knowledge.

The passage of S. 1160 will be an investment in the future; an investment which will guarantee the continuation of our free systems guided by the people.

Mr. Speaker, I urge the passage of this legislation. It merits the enthusiastic support of each Member of the House of Representatives.

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

Mr. RUMSFELD. I will be happy to yield to the distinguished gentleman from Missouri.

Mr. HALL. Mr. Speaker, I appreciate the gentleman's comments. I hardly see how it can help but improve the practice of separation of the powers as it is conducted in the executive branch of the Government. However, in the days of the right to lie rather than no comment and in the days when reportorial services are being asked to be the handmaidens of Government rather than give them full disclosure, I think it is important to have this legislation.

Mr. Speaker, I want to express my strong support, and to urge the support of my colleagues for the freedom of information bill, designed to protect the right of the public to information relating to the actions and policies of Federal agencies. This bill has been a long time in coming, too long I might add, since the withholding of information, it is designed to prevent, has been a fact of life under the present administration.

I believe this bill is one of the most important pieces of legislation to be considered by Congress, and I support its enactment 100 percent.

As in all such bills, however, the mere passage of legislation will not insure the freedom of information which we hope to achieve. For there are many ways by which executive agencies, determined to conceal public information, can do so, if and when they desire. Where there is a will, there is a way, and while this bill will make that way more difficult, it will take aggressive legislative review and oversight to insure the public's right to know.

To indicate the challenge that lies ahead, I need only refer again to an article from the Overseas Press Club publication Dateline 66, which I inserted in the CONGRESSIONAL RECORD on May 12. Assistant Secretary of Defense for Public Affairs Arthur Sylvester was quoted by CBS Correspondent Morely Safer as saying at a background meeting that—

> Anyone who expects a public official to tell the truth is stupid—

And as if to emphasize his point, Sylvester was quoted as saying, again:

> Did you hear that? Stupid!

Subsequently, at Mr. Sylvester's request, I inserted his letter in reply to the charge, but, since that occasion, at least four other correspondents have confirmed the substance of Morely Safer's charges, and to this date to my knowledge, not a single correspondent present at that meeting in July of 1965, has backed up the Sylvester so-called denial.

So, I repeat that the passage of this legislation will not, in itself, insure the public's right to know, but it is an important first step in that direction. As long as there are people in the administration who wish to cover up or put out misleading information, it will take vigorous action by the Congress and the Nation's press to make our objectives a reality. Passage of this bill is a great step, on the part of the legislative branch of the U.S. Government, toward proper restoration of the tried and true principle of separation of powers.

Mr. DOLE. Mr. Speaker, will the gentleman yield to me?

Mr. RUMSFELD. I will be happy to yield to the distinguished gentleman from Kansas, who also serves on the Special Subcommittee on Government Information.

Mr. DOLE. Mr. Speaker, I rise in support of S. 1160, which would clarify and protect the right of the public to information.

Since the beginnings of our Republic, the people and their elected Representatives in Congress have been engaged in a sort of ceremonial contest with the executive bureaucracy over the freedom-of-information issue. The dispute has, to date, failed to produce a practical result.

Government agencies and Federal officials have repeatedly refused to give individuals information to which they were entitled and the documentation of such unauthorized withholding—from the press, the public, and Congress—is voluminous. However, the continued recital of cases of secrecy will never determine the basic issue involved, for the point has already been more than proven. Any circumscription of the public's right to know cannot be arrived at by congressional committee compilations of instances of withholding, nor can it be fixed by presidential fiat. At some point we must stop restating the problem, authorizing investigations, and holding hearings, and come to grips with the problem.

In a democracy, the public must be well informed if it is to intelligently exercise the franchise. Logically, there is little room for secrecy in a democracy. But, we must be realists as well as rationalists and recognize that certain Government information must be protected and that the right of individual privacy must be respected. It is generally agreed that the public's knowledge of its Government should be as complete as possible, consonant with the public interest and national security. The President by virtue of his constitutional powers in the fields of foreign affairs and national defense, without question, has some derived authority to keep secrets. But we cannot leave the determination of the answers to some arrogant or whimsical bureaucrat—they must be written into law.

To that end, I joined other members of this House in introducing and supporting legislation to establish a Federal public records law and to permit court enforcement of the people's right to know.

This bill would require every agency of the Federal Government to "make all its records promptly available to any person," and provides for court action to guarantee the right of access. The proposed law does, however, protect nine categories of sensitive Government information which would be exempted.

The protected categories are matters—

> (1) specifically required by Executive order to be kept secret in the interest of the national defense or foreign policy;
>
> (2) related solely to the internal personnel rules and practices of any agency;
>
> (3) specifically exempted from disclosure by statute;
>
> (4) trade secrets and commercial or financial information obtained from any person and privileged or confidential;
>
> (5) interagency or intra-agency memoranda or letters which would not be available by law to a private party in litigation with the agency;
>
> (6) personnel and medical files and similar files, the disclosure of which would constitute a clearly unwarranted invasion of personal privacy;
>
> (7) investigatory files compiled for law enforcement purposes except to the extent available by law to a private party;
>
> (8) contained in or related to examination, operating, or condition reports prepared by, on behalf of, or for the use of any agency responsible for the regulation or supervision of financial institutions; and
>
> (9) geological and geophysical information and data (including maps) concerning wells.

The bill gives full recognition to the fact that the President must at times act in secret in the exercise of his constitutional duties when it exempts from availability to the public matters that are "specifically required by Executive order to be kept secret in the interest of the national defense or foreign policy."

Thus, the bill takes into consideration the right to know of every citizen while affording the safeguards necessary to the effective functioning of Government. The balances have too long been weighted in the direction of executive discretion, and the need for clear guidelines is manifest. I am convinced that the answer lies in a clearly delineated and justiciable right to know.

This bill is not perfect, and some critics predict it will cause more confusion without really enhancing the public's right to know. In my opinion, it is at least a step in the right direction and, as was stated in an editorial in the Monday, June 13, issue of the Wichita Eagle:

> It's high time this bill became law. It should have been enacted years ago. Everyone who is interested in good government and his own rights must hope that its passage and the President's approval will be swift.

Mr. JOELSON. Mr. Speaker, I am pleased to support this legislation which protects the right of the public to information. I believe that in a democracy, it is vital that public records and proceedings must be made available to the public in order that we have a fully informed citizenry. I think that the only time that information should be withheld is where there are overriding considerations of national security which require secrecy, where disclosure might result in an unwarranted invasion of personal privacy, impede investigation for law enforcement purposes, or divulge valuable trade or commercial secrets.

Mr. ROSENTHAL. Mr. Speaker, as a member of the House Committee on Government Operations, I am particularly anxious to offer my strongest support for this measure, S. 1160, and praise for its cosponsor, the gentleman from California [Mr. Moss]. I would also like to offer my thanks to our distinguished chairman, the gentleman from Illinois [Mr. DAWSON] for his firm leadership in bringing this measure before the House.

In S. 1160, we have a chance to modernize the machinery of Government and in so doing, further insure a fundamental political right. Democracies derive legitimacy from the consent of the governed. And consent is authoritative when it is informed. In assuring the right of the citizenry to know the work of its Government, therefore, we provide a permanent check and review of power. And, as many of us on both sides of the aisle have pointed out, the continuous growth of Federal powers—particularly that of the executive branch—can be cause for general concern.

It is the disposition of bureaucracies to grow. And frequently, they cover and conceal many of their practices. Institutions as well as people can be ruled by self-interest.

Accordingly, the House Government Operations Committee, and its Subcommittee on Foreign Operations and Government Information, have given particular attention to the information policies of our executive agencies. Through extensive study, the committee has found important procedural loopholes which permit administrative secrecy and thus threaten the public's right to know. Continued vigilance in this area has, for example, revised the notorious housekeeping statute which allowed agencies to withhold certain records. Similar pressure from Congress resulted in President Kennedy's and President Johnson's limitation of the use of Executive privilege in information policy.

The measure before us today continues the search for more open information procedures. For 20 years, the Administrative Procedure Act, in section III, has been an obstacle rather than a means to information availability. The section has usually been invoked to justify refusal to disclose. In the meantime, members of the public have had no remedy to force disclosures or appeal refusals. Our entire information policy, therefore, has been weighed against the right to know and in favor of executive need for secrecy.

I believe S. 1160 takes important steps to rectify that imbalance. Certain ambiguities in section III of the Administrative Procedure Act are clarified. Thus, the properly and directly concerned test access to records is eliminated. Records must now be made available, in the new language, to "any person." Instead of the vague language of "good cause found" and "public interest," new standards for exemptable records are specified. And, perhaps most important, aggrieved citizens are given appeal rights to U.S. district courts. This procedure will likely prove a deterrent against excessive or questionable withholdings.

This legislation, Mr. Speaker, should be of particular importance to all Members of Congress. We know, as well as anyone, of the need to keep executive information and practices open to public scrutiny. Our committee, and particularly our subcommittee, headed by our energetic colleague from California, has put together proposals which we believe will reinforce public rights and democratic review.

Mr. POFF. Mr. Speaker. it was my privilege to support S. 1160 today designed to protect the right of the American public to receive full and complete disclosures from the agencies of their Government.

Today, as never before, the Federal Government is a complex entity which touches almost every fiber of the fabric of human life. Too often, the overzealous bureaucrat uses his discretionary power to blot out a bit of intelligence which the people have the right to know. This is true not only with respect to military activities for which there may, on occasion, be a valid reason for withholding full disclosure until after the execution of a particular military maneuver, but also in the case of strictly political decisions in both foreign and domestic fields.

Thomas Jefferson once said that if he could choose between government without newspapers or newspapers without government, he would unhesitatingly choose the latter. The press, in performing its responsibility of digging out facts about the operation of the giant Federal Government should not be restricted and hampered. Yet there are some 24 classifications used by Federal agencies to withhold information from the American people. When Government officials make such statements as "a government has the right to lie to protect itself" and "the only thing I fear are the facts," it is obvious that the need for collective congressional action in the field of public information is acute. In the unique American system, the people need to know all the facts in order that their judgments may be based upon those facts. Anything less is a dilution of the republican form of government.

Mr. BENNETT. Mr. Speaker, legislation of this type has been long needed. The delay, however, is easy to understand because it is a difficult subject in which to draw the precise lines needed without overstepping into areas that might be dangerous to our country. It is my belief that the measure before us does handle the matter in a proper and helpful manner and I am glad to support it.

Mr. CLANCY. Mr. Speaker, a number of important duties and engagements in Cincinnati prevent me from being on the House floor today. However, if it were possible for me to be present today, I would vote for the Freedom of Information Act, S. 1160.

The problem of Government secrecy and news manipulation has reached appalling proportions under the current administration. Both at home and abroad, the credibility of the U.S. Government has repeatedly been called into question.

Not only has the truth frequently been compromised, but in some instances Government spokesmen have more than distorted the facts, they have denied their existence. This shroud of secrecy and deception is deplorable. The man in the street has a right to know about his Government, and this includes its mistakes.

The Cincinnati Enquirer has, in two editorials on the subject of the public's right to know the truth about the activities of its Government, called for passage of the legislation we are considering today. I include these editorials with my remarks at this point because I believe they will be of interest to my colleagues:

[From the Cincinnati (Ohio) Enquirer, June 15, 1966]

LET'S OPEN UP FEDERAL RECORDS

Next Monday the House of Representatives is scheduled to come finally to grips with an issue that has been kicking around official Washington almost since the birth of the Republic—an issue that Congress thought was solved long ago. The issue, in briefest form, is the public's right to know.

Most Americans probably imagine that their right to be informed about what their government is doing is unchallenged. They may wonder about the need for any legislation aimed at reaffirming it. But the fact of the matter is that the cloak of secrecy has been stretched to conceal more and more governmental activities and procedures from public view. Many of these activities and procedures are wholly unrelated to the nation's security or to individual Americans' legitimate right to privacy. They are matters clearly in the public realm.

The legislation due for House consideration next Monday is Senate Bill 1160, the product of a 13-year study of the entire problem of freedom of information directed by Representative JOHN E. MOSS (R., Calif.). The bill has already won Senate approval, and only an affirmative House vote next Monday is necessary to send it to President Johnson's desk.

All of the 27 Federal departments and agencies that have sent witnesses to testify before the House subcommittee that conducted hearings on the bill have opposed it. One complaint is that the issue is too complex to be dealt with in a single piece of legislation.

But Representative Moss feels—and a Senate majority obviously agrees with him—that the right of Federal officials to classify government documents has been grossly misused to conceal errors and to deny the public information it is entitled to have.

The bill makes some clear and necessary exemptions—national defense and foreign policy secrets, trade secrets, investigatory files, material collected in the course of labor-management mediation, reports of financial institutions, medical files and papers designed solely for the internal use of a governmental agency.

Most important, perhaps, the bill would put on the governmental agency the burden of proving that a particular document should be withheld from public view. As matters stand today, the person who seeks a particular document must prove that it is being improperly withheld; the Moss bill would require that the Federal agency involved prove that its release would be detrimental.

It may be easy for rank-and-file Americans to imagine that the battle Representative Moss has been leading for more than a decade is a battle in the interests of the Nation's information media. But the right of a free press is not the possession of the publishers and editors; it is the right of the man in the street to know. In this case, it is his right to know about his government—its failures and errors, its triumphs and its expenditures.

The House should give prompt approval to Senate Bill 1160, and President Johnson should sign it when it reaches his desk.

[From the Cincinnati (Ohio) Enquirer, May 29, 1966]

THE RIGHT TO KNOW

It is easy for many Americans to fall into the habit of imagining that the constitutional guarantees of a free press are a matter

of interest and concern only to America's newspaper publishers. And perhaps there are still a few publishers who entertain the same notion.

In reality, however, the right to a free press is a right that belongs to the public. It is the man in the street's right to know—in particular, his right to know what his servants in government are doing. Unhappily, however, it is a right whose preservation requires a battle that is never fully won. For at every level of government, there are officials who think that their particular province should be shielded from public scrutiny.

Another important stride in the right direction came the other day when the House Government Operations Committee unanimously approved a freedom of information bill (Senate Bill 1160). The bill is an attempt to insure freedom of information without jeopardizing the individual's right of privacy. It exempts nine specific categories of information—including national security, the investigative files of law enforcement agencies and several others. But it clearly reaffirms the citizen's right to examine the records of his government and the right of the press to do the same in his behalf.

Senate Bill 1160 is the culmination of a 10-year effort to clarify the provisions of the Administrative Procedure Act, which is so broad that it permits most Federal agencies to define their own rules on the release of information to the press and the public.

The House should press ahead, accept the recommendations of its committee and translate Senate Bill 1160 into law.

Mr. EDWARDS of Alabama. Mr. Speaker, I rise in support of S. 1160 which is effectively the same as my bill, H.R. 6739, introduced March 25, 1965.

This measure should have been approved and signed into law long ago as a means of giving the American citizen a greater measure of protection against the natural tendencies of the bureaucracy to prevent information from circulating freely.

I am hopeful that in spite of the President's opposition to this bill, and in spite of the opposition of executive branch agencies and departments, the President will not veto it.

This measure will not by any means solve all of our problems regarding the citizen's right to know what his Government is doing. It will still be true that we must rely on the electorate's vigorous pursuit of the information needed to make self-government work. And we will still rely on the work of an energetic and thorough corps of news reporters.

As an example of the need for this bill I have previously presented information appearing on page 12600 of the CONGRESSIONAL RECORD for June 8. It shows that one Government agency has made it a practice to refuse to yield information which is significant to operation of the law.

This kind of example is being repeated many times over. In a day of swiftly expanding Government powers, and in a day on which thoughtful citizens the country over are concerned with the encroachment of Government into the lives of all of us, the need for this bill is clear.

Mrs. REID of Illinois. Mr. Speaker, as the sponsor of H.R. 5021, one of the companion bills to S. 1160 which we are considering today, I rise in support of the public's right to know the facts about the operation of their Government. I rise, also, in opposition to the growing and alarming trend toward greater secrecy in the official affairs of our democracy.

It is indeed incongruous that although Americans are guaranteed the freedoms of the Constitution, including freedom of the press, there is no detailed Federal statute outlining the orderly disclosure of public information so essential to proper exercise of this freedom. Yet, the steady growth of bigger government multiplies rather than diminishes the need for such disclosure and the necessity for supplying information to the people. Certainly no one can dispute the fact that access to public records is vital to the basic workings of the democratic process, for it is only when the public business is conducted openly, with appropriate exceptions, that there can be freedom of expression and discussion of policy so vital to an honest national consensus on the issues of the day. It is necessary that free people be well informed, and we need only to look behind the Iron Curtain to see the unhappy consequences of the other alternative.

The need for a more definitive public records law has been apparent for a long time. We recognize today that the Administrative Procedure Act of 1946, while a step in the right direction, is now most inadequate to deal with the problems of disclosure which arise almost daily in a fast-moving and technological age—problems which serve only to lead our citizens to question the integrity and credibility of their Government and its administrators.

But while I do not condone indiscriminate and unauthorized withholding of public information by any Government official, the primary responsibility, in my judgment, rests with us in the Congress. We, as the elected representatives of the people, must provide an explicit and meaningful public information law, and we must then insure that the intent of Congress is not circumvented in the future. The Senate recognized this responsibility when it passed S. 1160 during the first session last year, and I am hopeful that Members of the House will overwhelmingly endorse this measure before us today.

I do not believe that any agency of Government can argue in good faith against the intent of this legislation now under consideration, for the bill contains sufficient safeguards for protecting vital defense information and other sensitive data which might in some way be detrimental to the Government or individuals if improperly released. S. 1160 contains basically the same exceptions as recommended in my bill—H.R. 5021. In sponsoring H.R. 5021, I felt that it would enable all agencies to follow a uniform system to insure adequate dissemination of authorized information, thereby removing much of the confusion resulting from differing policies now possible under existing law.

Government by secrecy, whether intentional or accidental, benefits no one and, in fact, seriously injures the people it is designed to serve. This legislation will establish a much-needed uniform policy of disclosure without impinging upon the rights of any citizen. S. 1160 is worthy legislation, and it deserves the support of every one of us.

Mr. RHODES of Arizona. Mr. Speaker, at a recent meeting of the House Republican policy committee a policy statement regarding S. 1160, freedom-of-information legislation, was adopted. As chairman of the policy committee, I would like to include at this point in the RECORD the complete text of this statement:

REPUBLICAN POLICY COMMITTEE STATEMENT ON FREEDOM OF INFORMATION LEGISLATION, S. 1160

The Republican Policy Committee commends the Committee on Government Operations for reporting S. 1160. This bill clarifies and protects the right of the public to essential information. Subject to certain exceptions and the right to court review, it would require every executive agency to give public notice or to make available to the public its methods of operation, public procedures, rules, policies, and precedents.

The Republican Policy Committee, the Republican Members of the Committee on Government Operations, and such groups as the American Newspaper Publishers Association, the professional journalism society Sigma Delta Chi, the National Editorial Association and the American Bar Association have long urged the enactment of this legislation. Due to the opposition of the Johnson-Humphrey Administration, however, this proposal has been bottled up in Committee for over a year. Certainly, information regarding the business of the government should be shared with the people. The screen of secrecy which now exists is a barrier to reporters as representatives of the public, to citizens in pursuit of information vital to their welfare, and to Members of Congress as they seek to carry out their constitutional functions.

Under this legislation, if a request for information is denied, the aggrieved person has a right to file an action in a U.S. District Court, and such court may order the production of any agency records that are improperly withheld. So that the court may consider the propriety of withholding, rather than being restricted to judicial sanctioning of agency discretion, the proceedings are de novo. In the trial, the burden of proof is correctly placed upon the agency. A private citizen cannot be asked to prove that an agency has withheld information improperly for he does not know the basis for the agency action.

Certainly, as the Committee report has stated: "No Government employee at any level believes that the 'public interest' would be served by disclosure of his failures or wrongdoings . . ." For example, the cost estimates submitted by contractors in connection with the the multimillion-dollar deep sea "Mohole" project were withheld from the public even through it appeared that the firm which had won the lucrative contract had not submitted the lowest bid. Moreover, it was only as a result of searching inquiries by the press and Senator KUCHEL (R., Cal.) that President Kennedy intervened to reverse the National Science Foundation's decision that it would not be "in the public interest" to disclose these estimates.

The requirements for disclosure in the present law are so hedged with restrictions that it has been cited as the statutory authority for 24 separate classifications devised by Federal agencies to keep administrative information from public view. Bureaucratic gobbledygook used to deny access to information has included such gems as: "Eyes Only," "Limited Official Use," "Confidential Treatment," and "Limitation on Availability of Equipment for Public Reference." This paper

curtain must be pierced. This bill is an important first step.

In this period of selective disclosures, managed news, half-truths, and admitted distortions, the need for this legislation is abundantly clear. High officials have warned that our Government is in grave danger of losing the public's confidence both at home and abroad. The credibility gap that has affected the Administration pronouncements on domestic affairs and Vietnam has spread to other parts of the world. The on-again, off-again, obviously less-than-truthful manner in which the reduction of American forces in Europe has been handled has made this country the subject of ridicule and jokes. "Would you believe?" has now become more than a clever saying. It is a legitimate inquiry.

Americans have always taken great pride in their individual and national credibility. We have recognized that men and nations can be no better than their word. This legislation will help to blaze a trail of truthfulness and accurate disclosure in what has become a jungle of falsification, unjustified secrecy, and misstatement by statistic. The Republican Policy Committee urges the prompt enactment of S. 1160.

Mr. SCHMIDHAUSER. Mr. Speaker, I believe approval of S. 1160 is absolutely essential to the integrity and strength of our democratic system of government because as the Federal Government has extended its activities to help solve the Nation's problems, the bureaucracy has developed its own form of procedures and case law, which is not always in the best interests of the public. Under the provisions of this measure, these administrative procedures will have to bear the scrutiny of the public as well as that of Congress. This has long been overdue.

Mr. ROUSH. Mr. Speaker, I rise in support of this freedom of information bill. I felt at the time it was acted upon by the Government Operations Committee, of which I am a member, that it was one of the most significant pieces of legislation we had ever acted upon. In a democracy the government's business is the people's business. When we deprive the people of knowledge of what their government is doing then we are indeed treading on dangerous ground. We are trespassing on their right to know. We are depriving them of the opportunity to examine critically the efforts to those who are chosen to labor on their behalf. The strength of our system lies in the fact that we strive for an enlightened and knowledgeable electorate. We defeat this goal when we hide information behind a cloak of secrecy. We realize our goal when we make available, to those who exercise their right to choose, facts and information which which lead them to enlightened decisions.

Mr. ANDERSON of Illinois. Mr. Speaker, I rise in support of S. 1160. The purpose of this bill is to amend section 3 of the Administrative Procedures Act and thereby to lift the veil of secrecy that makes many of the information "closets" of executive agencies inaccessible to the public. The basic consideration involved in passage of this bill, which will clarify and protect the right of the public to information, is that in a democracy like ours the people have an inherent right to know, and government does not have an inherent right to conceal.

Certainly to deny to the public information which is essential neither to government security nor to internal personal and practical functions is to deny any review of policies, findings, and decisions. It would be hard to imagine any agency, including those of executive charter, which is entitled to be above public examination and criticism.

The need for legislation to amend the present section of the Administrative Procedures Act is especially apparent when we consider that much of the information now withheld from the public directly affects matters clearly within the public domain.

For too long and with too much enthusiasm by some Goverment agencies and too much acquiescence by the public, executive agencies have become little fiefdoms where the head of a particular agency assumes sole power to decide what information shall be made available and then only in an attitude of noblessé oblige.

S. 1160 will amend section 3 of the Administrative Procedures Act by allowing any person access to information—not just those "persons properly and directly concerned." And if access is denied to him he may appeal the agency's decision and apply to the Federal courts.

Consider the contractor whose low bid has been summarily rejected without any logical explanation or the conscientious newspaperman who is seeking material for a serious article that he is preparing on the operations of a particular agency of Government. In many instances if records can in one fashion or another be committed to the "agency's use only" or "Government security" filing cabinets, the contractor or newsman will be denied information simply by having the agency classify him as a person not "properly and directly concerned." When this occurs, the arbitrary use of the power of government can thwart an investigation which is in the public interest.

It was Thomas Jefferson who wrote:

I have sworn upon the altar of God eternal hostility against every form of tyranny over the mind of man.

It is precisely this tyranny over the "mind of man" which is aided and abetted by a lack of freedom of information within government.

I support the efforts contained within this bill to at least partially unshackle some of the restraints on the free flow of legitimate public information that have grown up within bureaucracy in recent years.

Mr. ROGERS of Florida. Mr. Speaker, in a time where public records are more and more becoming private instruments of the Government and personal privacy part of Government record, I am pleased that we are taking steps to eliminate part of the cloud of secrecy which has covered so many parts of the Government.

As an instrument of the people, we have long had the obligation under the Constitution to lay bare the mechanics of government. But the growing tendency, I am afraid, has been to cover up through administrative "magic," much of that information which is public domain.

Through this legislation we will emphasize once again the public's right to know. It is through sheer neglect that we must again define persons "directly concerned" as the American public. For they are the most concerned. The American public must have the right of inspection into its own government or that government fails to belong to the public.

Doling out partial information only cripples the electorate which needs to be strong if a democratic government is to exist.

But this is only half the battle in keeping the scales of democracy in balance. While we are striving to keep the citizens informed in the workings of their government, .we must also protect the citizen's right of privacy.

The alarming number of instances of governmental invasion into individual privacy is as dangerous, if not more so, than the instances of governmental secrecy. At almost every turn the Government has been encroaching without law into the business—and yes, even into the private thoughts—of the individual.

This is probably the fastest growing and potentially the most dangerous act in our Nation today.

The instances of wiretapping by governmental agencies have become so commonplace that it no longer stuns the average citizen. But such a repulsive act cannot afford to go uncorrected. Such practices should never be permitted without a court order.

When we discover the training of lockpickers, wiretappers, safecrackers, and eavesdroppers in governmental agencies, the bounds of a democratic society have been overstepped and we approach the realm of a police state.

Let us not be satisfied that we are correcting some of the evils of a much too secretive bureaucracy.

Let us also remember that if we do not stop those inquisitive tentacles which threaten to slowly choke all personal freedoms, we will soon forget that our laws are geared to protect personal liberty.

"Where law ends," William Pitt said, "Tyranny begins."

Action is also needed by the Congress to stop this illegal and unauthorized governmental invasion of a citizen's privacy.

Mr. GALLAGHER. Mr. Speaker, history and American tradition demand passage today of the freedom of information bill. This measure not only will close the final gap in public information laws, but it will once and for all establish the public's right to know certain facts about its government.

In recent years we have seen both the legislative and the executive branches of our Government demonstrate a mutual concern over the increase of instances within the Federal Government in which information was arbitrarily denied the press or the public in general. In 1958, Congress struck down the practice under which department heads used a Federal statute, permitting them to regulate the storage and use of Government records, to withhold these records from the pub-

lic. Four years later, President Kennedy limited the concept of "Executive privilege," which allowed the President to withhold information from Congress, to only the President, and not to his officers. President Johnson last year affirmed this limitation.

But one loophole remains: Section 3 of the Administrative Procedure Act of 1946, the basic law relating to release of information concerning agency decisions and public access to Government records. S. 1160 would amend this section.

Congress enacted this legislation with the intent that the public's right to information would be respected. Unfortunately, some Government officials have utilized this law for the diametrically opposed use of withholding information from Congress, the press, and the public.

Under the cloak of such generalized phrases in section 3 as "in the public interest" or "for good cause found," virtually any information, whether actually confidential or simply embarrassing to some member of the Federal Government, could be withheld. As Eugene Paterson, editor of the Atlanta Constitution and chairman of the Freedom of Information Committee of the American Society of Newspapers said, such justifications for secrecy "could clap a lid on just about anybody's out-tray."

But more than contemporary needs, this bill relates to a pillar of our democracy, the freedom expressed in the first amendment guaranteeing the right of speech.

Inherent in the right to speak and the right to print was the right to know—

States Dr. Harold L. Cross, of the ASNE's Freedom of Information Committee. He pointed out:

The right to speak and the right to print, without the right to know, are pretty empty.

James Madison, who was chairman of the committee that drafted the first Constitution, had this to say:

Knowledge will forever govern ignorance, and a people who mean to be their own governors, must arm themselves with the power knowledge gives. A popular government without popular information or means of acquiring it, is but a prologue to a farce or a tragedy or perhaps both.

This is the crux of the question. A free society needs the information required for judgments about the operation of its elected representatives, or it is no longer a free society. Naturally, a balance has to be maintained between the public's right to know and individual privacy and national security.

It is here that the freedom of information bill comes to grips with the central problem of the issue by substituting nine specific exemptions to disclosure for general categories, and by setting up a court review procedure, under which an aggrieved citizen could appeal with the withholding of information to a U.S. district court.

One of the most important provisions of the bill is subsection C, which grants authority to the Federal district courts to order production of records improperly withheld. This means that for the first time in the Government's history, a citizen will no longer be at the end of the road when his request for a Government document arbitrarily has been turned down by some bureaucrat. Unless the information the citizen is seeking falls clearly within one of the exemptions listed in the bill, he can seek court action to make the information available.

An important impact of the provision is that in any court action the burden of the proof for withholding is placed solely on the agency. As might be expected, Government witnesses testifying before the House Foreign Operations and Government Information Subcommittee on the bill, vigorously opposed the court provision. They particularly did not like the idea that the burden of proof for withholding would be placed on the agencies, arguing that historically, in court actions, the burden of proof is the responsibility of the plaintiff. But, as the committee report points out:

A private citizen cannot be asked to prove that an agency has withheld information improperly because he will not know the reasons for the agency action.

It can be anticipated that the judicial review provision, if nothing else, will have a major salutary effect, in that Government employees, down the line, are going to be very cautious about placing a secrecy stamp on a document that a district court later might order to be produced. A monumental error in judgment of this type certainly will not enhance an employee's status with his superiors, nor with anyone else in the executive branch.

I am glad to note the judicial review section has an enforcement clause which provides that if there is a noncompliance with a court order to produce records, the responsible agency officers can be cited for contempt.

There has been some speculation that in strengthening the right of access to Government information, the bill, as drafted, may inadvertently permit the disclosure of certain types of information now kept secret by Executive order in the interest of national security.

Such speculation is without foundation. The committee, throughout its extensive hearings on the legislation and in its subsequent report, has made it crystal clear that the bill in no way affects categories of information which the President—as stated in the committee report—has determined must be classified to protect the national defense or to advance foreign policy. These areas of information most generally are classified under Executive Order No. 10501.

I would like to reiterate that the bill also prevents the disclosure of other types of "sensitive" Government information such as FBI files, income tax auditors' manual, records of labor-management mediation negotiations and information a private citizen voluntarily supplies.

The FBI would be protected under exemption No. 7 prohibiting disclosures of "investigatory files." Income tax auditors' manual would be protected under No. 2—"related solely to internal personnel rules and practices." Details of labor-management negotiations would be protected under No. 4—"trade secrets and commercial or financial information." Information from private citizens would be protected under No. 6—information which would be an "invasion of privacy."

With the Government becoming larger and more complex, now is the time for Congress to establish guidelines for informational disclosure. As secrecy in Government increases, freedom of the people decreases; and the less citizens know about their Government, the more removed they become from its control. The freedom of information bill, Mr. Speaker, gives meaning to the freedom of speech amendment.

Mr. GURNEY. Mr. Speaker, I intend to vote in favor of this vitally important freedom of information bill. With all we hear about the necessity of "truth" bills, such as truth in lending and truth in packaging, I think it is significant that the first of these to be discussed on the floor of this House should be a "truth in Government" bill.

Surely there can be no better place to start telling the truth to the people of America than right here in their own Government. This is especially true in a time such as we have now, when the "credibility gap" is growing wider every day. It has come to the point where even Government leaders cannot believe each other.

This is a bill that should not be necessary—there should be no question but that records of a nonsecurity and nonpersonal nature ought to be available to the public. But recent practice in many agencies and departments has made more than clear the need for action such as we are taking today.

We cannot expect the American people to exercise their rights and repsonsibilities as citizens when they cannot even find out what their Government is doing with their money. If it were permitted to continue, this policy of secrecy could be the cornerstone of a totalitarian bureaucracy. Even today it constitutes a serious threat to our democratic institutions.

It is not only the citizens and the press who cannot get information from their Government. Even Senators and Members of the House of Representatives are told by nonsecurity departments that such routine information as lists of their employees will not be furnished them. Incredible as this is, I think most of us here have run into similar roadblocks.

The issue is a simple one: that the public's business ought to be open to the public. Too many agencies seem to have lost sight of the fact that they work for the American people. When this attitude is allowed to flourish, and when the people no longer have the right to information about their Government's activities, our system has been seriously undermined.

The bill we consider today is essential if we are to stop this undermining and restore to our citizens their right to be well-informed participants in their Government.

I urge my colleagues to join me in voting for the passage of this bill.

Mrs. DWYER. Mr. Speaker, the present bill is one of the most important to be considered during the 89th Congress.

It goes to the heart of our representative and democratic form of government. If enacted, and I feel certain it will be, it will be good for the people and good for the Federal Government.

This bill is the product of 10 years of effort to strengthen the people's right to know what their Government is doing, to guarantee the people's access to Government records, and to prevent Government officials from hiding their mistakes behind a wall of official secrecy.

During these 10 years, we have conducted detailed studies, held lengthy and repeated hearings, and compiled hundreds of cases of the improper withholding of information by Government agencies. Congress is ready, I am confident, to reject administration claims that it alone has the right to decide what the public can know.

As the ranking minority member of the Committee on Government Operations, and as a sponsor of legislation similar to the pending bill, I am proud to pay tribute to the chairman and members of the Subcommittee on Foreign Operations and Government Operations for the long and careful and effective work they have done in alerting the country to the problem and in winning acceptance of a workable solution.

Under present law, Mr. Speaker, improper withholding of information has increased—largely because of loopholes in the law, vague and undefined standards, and the fact that the burden of proof is placed on the public rather than on the Government.

Our bill will close these loopholes, tighten standards, and force Federal officials to justify publicly any decision to withhold information.

Under this legislation, all Federal departments and agencies will be required to make available to the public and the press all their records and other information not specifically exempted by law. By thus assuring to all persons the right of access to Government records, the bill will place the burden of proof on Federal agencies to justify withholding of information. And by providing for court review of withholding of information, the bill will give citizens a remedy for improper withholding, since Federal district courts will be authorized to order the production of records which are found to be improperly withheld.

On the other hand, Mr. Speaker, the legislation is designed to recognize the need of the Government to prevent the dissemination of official information which could damage the national security or harm individual rights. Among the classes of information specifically exempted from the right-to-know provisions of the bill are national defense and foreign policy matters of classified secrecy as specifically determined by Executive order, trade secrets and private business data, and material in personnel files relating to personal and private matters the use of which would clearly be an invasion of privacy.

Aside from these and related exceptions, relatively few in number, it is an unassailable principle of our free system that private citizens have a right to obtain public records and public information for the simple reason that they need it in order to behave as intelligent, informed and responsible citizens. Conversely, the Government has an obligation, which the present bill makes clear and concrete, to make this information fully available without unnecessary exceptions or delay—however embarrassing such information may be to individual officials or agencies or the administration which happens to be in office.

By improving citizens' access to Government information, Mr. Speaker, this legislation will do two things of major importance: it will strengthen citizen control of their Government and it will force the Government to be more responsible and prudent in making public policy decisions.

What more can we ask of any legislation?

Mr. MATSUNAGA. Mr. Speaker, I rise in support of S. 1160, a bill to clarify and protect the right of the public to information, and to commend the gentleman from California [Mr. Moss] and his subcommittee for reporting the bill out. As chairman of the subcommittee, the gentleman from California [Mr. Moss] has devoted 10 years to a fight for acceptance by the Congress of freedom-of-information legislation. It was not until 1964 that such a bill was passed by the Senate.

Last year the Senate again acted favorably on such a bill and now in this House, the Subcommittee on Government Operations has finally reported the bill to the floor principally through the effort of the gentleman from California [Mr. Moss].

The passage of this bill is in culmination of his long and determined effort to protect the American public from the evils of secret government. Although there has been some talk that the Government agencies are against this measure, the President will certainly not veto it. When signed into law, this bill will serve as a lasting monument to the distinguished and dedicated public servant from California, Mr. JOHN E. MOSS.

As it has been analytically observed by the editor of the Honolulu Star-Bulletin:

> What is demanded is not the right to snoop. What is demanded is the people's right to know what goes on in the government that rules them with their consent.
>
> Representative government—government by the freely elected representatives of the people—succeeds only when the people are fully informed.
>
> All sorts of evils can hide in the shadows of governmental secrecy. History has confirmed time and again that when the spotlight is turned on wrongdoing in public life, the people are quick to react.
>
> Freedom of information—the people's right to know—is the best assurance we have that our government will operate as it should in the public interest.

Mr. Speaker, I congratulate the gentleman from California [Mr. Moss] upon his final success in his untiring efforts, for there is no doubt in my mind that this bill will pass without any dissenting vote, but I nevertheless urge unanimous vote.

Mr. HUNGATE. Mr. Speaker, democratic forms of government, in order to be truly representative of popular will, need to be readily accessible and responsive to the demands of the people. Our system of government has characteristically offered numerous avenues of access open to the people. It is equally true that, down through the years, our governmental machinery has grown increasingly complex, not only in regard to size, but in the performance of its activities as well. This growing complexity has, quite justifiably, brought to ultimate fruition a revitalized awareness and concern for the need and right of the people to have made available to them information about the affairs of their Government.

S. 1160, the Federal Public Records Act, a bill authored by my distinguished and capable colleague from Missouri, Senator EDWARD V. LONG, captures the imagination of countless millions of responsible Americans, who know only too well the frustration of being rejected information to which they justly deserve access.

For far too long, guidelines for the proper disclosure of public information by the Government have been ambiguous and at times have placed unwarranted restraint on knowledge that, according to our democratic tradition, should be made readily available to a free and literate society.

Mr. Speaker, I congratulate the gentleman from California, [Mr. Moss], chairman of the Government Information Subcommittee of the House of Representatives, and my colleague from Missouri, Senator EDWARD V. LONG, for their spirited conviction and farsightedness in working for this historical landmark for freedom. It is both an honor and privilege to support the passage of this bill.

Mr. CLARENCE J. BROWN, JR. Mr. Speaker, I should like to go on record as favoring S. 1160, the freedom of information bill; H.R. 13196, the Allied Health Professions Training Act; and H.R. 15119, the Unemployment Insurance Amendments of 1966. All of these measures passed the House last week, but my vote was unrecorded due to my absence from the House when the bills were acted upon.

During this period I was in Georgia, where I had the pleasure of addressing the Georgia Press Association, to meet a commitment made several months ago when I was named judge of the Georgia Press Association's annual Better-Newspapers Contest.

My absence from the House came at a time when it was apparent that no very controversial legislation would be up for consideration and vote. These three bills passed either unanimously or with a very small negative vote.

As you might properly assume from the reason for my absence, I am particularly interested in and pleased with the passage of the freedom of information bill, which originated in the Government Operations Committee on which I serve.

I am also pleased at the passage of H.R. 15119, the unemployment insurance amendments bill, which provides for a long overdue modernization of the Federal-State unemployment compensation system.

These bills have long been needed, and I am proud to be a Member of the House in the 89th Congress at the time of their passage.

As a newspaper publisher and radio station manager, I have been interested in public access to public records and public business since my journalistic career began. As a member of Sigma Delta Chi, and a past president of the Central Ohio Professional Chapter of Sigma Delta Chi, I am dedicated to the proposition expressed in the biblical admonition that the "truth shall make men free." I am also a supporter of Jefferson's view suggesting that, given a choice between government without newspapers and newspapers without government, I would prefer the latter.

If one cannot support the principle of the availability to the public of its governmental records, as covered in this bill, one cannot support the principle of freedom and democracy upon which our Nation is built.

While a I feel the freedom of information bill could still be strengthened in some respects, I am delighted with it as a tremendous step in reaffirming the peoples' right to know. Every good journalist also rejoices, because the bill will make easier the job of the dedicated, inquiring newspaperman. It will not prevent "government by press release" or the seduction of some reporters by thinking that "handouts" tell the whole story. but it does make life a little easier for all of us who just want to get the facts, Mr. Speaker.

While the record will show that I was paired in favor of all three of these bills, I did want to take this opportunity to express my support publicly for them and, in particular, for the freedom of information bill, which I think is a real milestone for this Nation.

The SPEAKER. The question is on the motion of the gentleman from California [Mr. Moss], that the House suspend the rules and pass the bill S. 1160.

The question was taken; and the Speaker announced that two-thirds had voted in favor thereof.

Mr. REID of New York. 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. Evidently a quorum is not present. The Doorkeeper will close the doors, the Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 308, nays 0, not voting 125, as follows:

[Roll No. 147]

YEAS—308

Abbitt	Bandstra	Broomfield
Abernethy	Baring	Brown, Calif.
Adams	Barrett	Broyhill, N.C.
Albert	Bates	Broyhill, Va.
Anderson, Ill.	Battin	Buchanan
Anderson, Tenn	Beckworth	Burke
Andrews, George W.	Belcher	Burleson
Andrews, Glenn	Bell	Burton, Calif.
Arends	Bennett	Burton, Utah
Ashbrook	Betts	Byrne, Pa.
Aspinall	Bingham	Byrnes, Wis.
Ayres	Boggs	Cabell
	Boland	Callan
	Brademas	Cameron
	Brock	Carey
	Carter	Hungate
	Casey	Hutchinson
	Cederberg	Ichord
	Chamberlain	Irwin
	Chelf	Jacobs
	Clark	Jarman
	Clawson, Del	Joelson
	Cleveland	Johnson, Calif.
	Clevenger	Johnson, Okla.
	Colmer	Johnson, Pa.
	Conable	Jones, Ala.
	Conte	Jones, Mo.
	Corbett	Karsten
	Curtis	Karth
	Dague	Kastenmeier
	Daniels	Kelly
	Davis, Wis.	King, Calif.
	Dawson	King, Utah
	de la Garza	Kirwan
	Denton	Kornegay
	Derwinski	Krebs
	Devine	Kunkel
	Dickinson	Kupferman
	Dole	Laird
	Dorn	Langen
	Dow	Latta
	Dowdy	Leggett
	Downing	Lipscomb
	Dulski	Love
	Duncan, Tenn.	McCarthy
	Dyal	McClory
	Edmondson	McCulloch
	Edwards, Ala.	McDade
	Edwards, Calif.	McEwen
	Edwards, La.	McFall
	Erlenborn	McGrath
	Evans, Colo.	McVicker
	Farnsley	MacGregor
	Farnum	Machen
	Fascell	Mackay
	Findley	Madden
	Fisher	Mahon
	Foley	Mailliard
	Ford, Gerald R.	Marsh
	Ford, William D.	Martin, Ala
		Martin, Nebr.
	Fountain	Matsunaga
	Frelinghuysen	Matthews
	Friedel	Meeds
	Fulton, Pa.	Michel
	Fulton, Tenn.	Miller
	Fuqua	Mills
	Gallagher	Minish
	Garmatz	Mink
	Gathings	Mize
	Gettys	Moeller
	Giaimo	Monagan
	Gibbons	Moore
	Gonzalez	Moorhead
	Green, Oreg.	Morgan
	Green, Pa.	Morris
	Greigg	Morse
	Grider	Morton
	Griffiths	Mosher
	Gross	Moss
	Grover	Murphy, Ill.
	Gubser	Murphy, N.Y.
	Gurney	Natcher
	Hagen, Calif.	Nedzi
	Haley	Nelsen
	Hall	O'Hara, Ill.
	Halpern	O'Hara, Mich.
	Hanna	O'Konski
	Hansen, Idaho	Olsen, Mont.
	Hansen, Wash.	O'Neal, Ga.
	Hardy	Ottinger
	Harvey, Ind.	Patman
	Harvey, Mich.	Patten
	Hathaway	Pelly
	Hawkins	Perkins
	Hays	Philbin
	Hébert	Pickle
	Hechler	Pike
	Helstoski	Poage
	Henderson	Poff
	Hicks	Pool
	Holland	Pucinski
	Hosmer	Quie
	Hull	Race
		Randall
		Redlin
		Rees
		Reid, Ill.
		Reid, N.Y.
		Reinecke
		Reuss
		Rhodes, Ariz.
		Rhodes, Pa.
		Rivers, Alaska
		Rivers, S.C.
		Robison
		Rodino
		Rogers, Colo.
		Rogers, Fla.
		Rogers, Tex.
		Ronan
		Roncalio
		Rosenthal
		Roush
		Rumsfeld
		Ryan
		Satterfield
		St Germain
		St. Onge
		Saylor
		Schisler
		Schmidhauser
		Schneebeli
		Schweiker
		Secrest
		Selden
		Senner
		Shriver
		Sickles
		Sikes
		Sisk
		Skubitz
		Slack
		Smith, Calif.
		Smith, Iowa
		Smith, N.Y.
		Smith, Va.
		Staggers
		Stalbaum
		Stanton
		Stratton
		Stubblefield
		Sullivan
		Sweeney
		Talcott
		Taylor
		Teague, Calif.
		Teague, Tex.
		Tenzer
		Thompson, N.J.
		Thompson, Tex
		Thomson, Wis.
		Todd
		Tuck
		Tunney
		Tupper
		Tuten
		Udall
		Ullman
		Utt
		Van Deerlin
		Vanik
		Vigorito
		Vivian
		Waggonner
		Waldie
		Walker, N. Mex.
		Watkins
		Watts
		Weltner
		White, Idaho
		White, Tex.
		Whitener
		Whitten
		Widnall
		Wilson, Charles H.
		Wyatt
		Wydler
		Yates
		Young
		Younger
		Zablocki

NAYS—0

NOT VOTING—125

Adair	Bray	Conyers
Addabbo	Brooks	Cooley
Andrews, N. Dak.	Brown, Clarence J., Jr.	Corman
Annunzio	Cahill	Craley
Ashley	Callaway	Cramer
Ashmore	Celler	Culver
Berry	Clancy	Cunningham
Blatnik	Clausen, Don H.	Curtin
Bolling	Cohelan	Daddario
Bolton	Collier	Davis, Ga.
Bow		Delaney
		Dent
		Diggs
		Dingell
		Donohue
		Duncan, Oreg.
		Dwyer
		Ellsworth
		Everett
		Evins, Tenn.
		Fallon
		Farbstein
		Feighan
		Fino
		Flood
		Flynt
		Fogarty
		Fraser
		Gilbert
		Gilligan
		Goodell
		Grabowski
		Gray
		Hagan, Ga.
		Halleck
		Hamilton
		Hanley
		Hansen, Iowa
		Harsha
		Herlong
		Holifield
		Horton
		Howard
		Huot
		Jennings
		Jonas
		Jones, N.C.
		Kee
		Keith
		Keogh
		King, N.Y.
		Kluczynski
		Landrum
		Lennon
		Long, La.
		Long, Md.
		McDowell
		McMillan
		Macdonald
		Mackie
		Martin, Mass.
		Mathias
		May
		Minshall
		Morrison
		Multer
		Murray
		Nix
		O'Brien
		Olson, Minn.
		O'Neill, Mass.
		Passman
		Pepper
		Pirnie
		Powell
		Price
		Purcell
		Quillen
		Reifel
		Resnick
		Roberts
		Rooney, N.Y.
		Rooney, Pa.
		Rostenkowski
		Roudebush
		Roybal
		Scheuer
		Scott
		Shipley
		Springer
		Stafford
		Steed
		Stephens
		Thomas
		Toll
		Trimble
		Walker, Miss.
		Watson
		Whalley
		Williams
		Willis
		Wilson, Bob
		Wolff
		Wright

So the bill was passed.

The Clerk announced the following pairs:

Mr. Hamilton with Mr. King of New York.
Mr. Scott with Mr. Callaway.
Mr. Cooley with Mr. Jonas.
Mr. Multer with Mr. Fino.
Mr. Evins with Mrs. May.
Mr. Howard with Mrs. Dwyer.
Mr. Culver with Mr. Reifel.
Mr. Grabowski with Mr. Bow.
Mr. Holifield with Mr. Bob Wilson.
Mr. Roberts with Mr. Whalley.
Mr. Long of Louisiana with Mr. Quillen.
Mr. Cohelan with Mr. Horton.
Mr. Keogh with Mr. Cahill.
Mrs. Thomas with Mr. Springer.
Mr. Wolff with Mr. Pirnie.
Mr. Pepper with Mr. Martin of Massachusetts.
Mr. Herlong with Mr. Harsha.
Mr. Duncan of Oregon with Mr. Minshall.
Mr. Jones of North Carolina with Mr. Cramer.
Mr. Steed with Mr. Brown of Ohio.
Mr. Blatnik with Mr. Collier.
Mr. Mackie with Mr. Mathias.
Mr. Addabbo with Mr. Keith.
Mr. Williams with Mr. Walker of Mississippi.
Mr. Davis of Georgia with Mr. Berry.
Mr. Trimble with Mr. Halleck.
Mr. Flood with Mr. Andrews of North Dakota.
Mr. Shipley with Mr. Adair.
Mr. Dingell with Mr. Stafford.
Mr. Wright with Mr. Roudebush.
Mr. Everett with Mr. Clancy.
Mr. Willis with Mr. Goodell.
Mr. Fraser with Mr. Ellsworth.
Mr. Morrison with Mr. Curtin.
Mr. Resnick with Mr. Don H. Clausen.
Mr. Brooks with Mr. Cunningham.
Mr. Stephens with Mr. Bray.
Mr. Annunzio with Mr. Watson.
Mr. Celler with Mr. Ashmore.
Mr. Ashley with Mr. Roybal.
Mr. Diggs with Mr. Scheuer.
Mr. Jennings with Mr. Purcell.
Mr. Fallon with Mr. McMillan.
Mr. Daddario with Mr. McDowell.
Mr. Conyers with Mr. O'Brien.
Mr. Hagan of Georgia with Mr. Murray.
Mr. Rooney of New York with Mr. Feighan.
Mr. Rostenkowski with Mr. Powell.
Mr. Gilligan with Mr. Kee.
Mr. Huot with Mr. Nix.
Mr. Donohue with Mr. Long of Maryland.
Mr. Dent with Mr. Lennon.
Mr. Flynt with Mr. Passman.
Mr. Corman with Mr. Olson of Minnesota.

Mr. Craley with Mr. O'Neill of Massachusetts.
Mr. Delaney with Mr. Macdonald.
Mr. Farbstein with Mr. Toll.
Mr. Fogarty with Mr. Rooney of Pennsylvania.
Mr. Gilbert with Mr. Price.
Mr. Gray with Mr. Landrum.
Mr. Hanley with Mr. Kluczynski.
Mr. Hansen of Iowa with Mrs. Bolton.

The result of the vote was announced as above recorded.

The doors were opened.

A motion to reconsider was laid on the table.

GUADALUPE MOUNTAINS NATIONAL PARK, TEX.

Mr. RIVERS of Alaska. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 698) to provide for the establishment of the Guadalupe Mountains National Park in the State of Texas, and for other purposes, as amended.

The Clerk read as follows:

H.R. 698

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, in order to preserve in public ownership an area in the State of Texas possessing outstanding geological values together with scenic and other natural values of great significance, the Secretary of the Interior shall establish the Guadalupe Mountains National Park, consisting of the land and interests in land within the area shown on the drawing entitled "Proposed Guadalupe Mountains National Park, Texas", numbered SA–GM–7100C and dated February 1965, which is on file and available for public inspection in the offices of the National Park Service, Department of the Interior.

Notwithstanding the foregoing, however, the Secretary shall omit from the park sections 7 and 17, P.S.L. Block 121, in Hudspeth County, and revise the boundaries of the park accordingly if the owner of said sections agrees, on behalf of himself, his heirs and assigns that there will not be erected thereon any structure which, in the judgment of the Secretary, adversely affects the public use and enjoyment of the park.

SEC. 2. (a) Within the boundaries of the Guadalupe Mountains National Park, the Secretary of the Interior may acquire land or interests therein by donation, purchase with donated or appropriated funds, exchange, or in such other manner as he deems to be in the public interest. Any property, or interest therein, owned by the State of Texas, or any political subdivision thereof, may be acquired only with the concurrence of such owner.

(b) In order to facilitate the acquisition of privately owned lands in the park by exchange and avoid the payment of severance costs, the Secretary of the Interior may acquire approximately 4,667 acres of land or interests in land which lie adjacent to or in the vicinity of the park. Land so acquired outside the park boundary may be exchanged by the Secretary on an equal-value basis, subject to such terms, conditions, and reservations as he may deem necessary, for privately owned land located within the park. The Secretary may accept cash from or pay cash to the grantor in such exchange in order to equalize the values of the properties exchanged.

SEC. 3. (a) When title to all privately owned land within the boundary of the park, subject to such outstanding interests, rights, and easements as the Secretary determines are not objectionable, with the exception of approximately 4,574 acres which are planned to be acquired by exchange, is vested in the United States and after the State of Texas has donated or agreed to donate to the United States whatever rights and interests in minerals underlying the lands within the boundaries of the park it may have and other owners of such rights and interests have donated or sold or agreed to donate or sell the same to the United States, notice thereof and notice of the establishment of the Guadalupe Mountains National Park shall be published in the Federal Register. Thereafter, the Secretary may continue to acquire the remaining land and interests in land within the boundaries of the park. The Secretary is authorized, pending establishment of the park, to negotiate and acquire options for the purchase of lands and interests in land within the boundaries of the park. He is further authorized to execute contracts for the purchase of such lands and interests, but the liability of the United States under any such contract shall be contingent on the availability of appropriated or donated funds to fulfill the same.

(b) In the event said lands or any part thereof are abandoned and/or cease to be used for National Park purposes by the United States on or before the expiration of twenty years from the date of acquisition, the person or persons owning the respective rights and interests in minerals underlying the lands within the boundaries of the park from whom title to such rights and interests were acquired by the United States shall be given written notice, mailed to such person's last known address and in such other manner (which may include publication) as the Secretary by regulation may prescribe, of such abandonment and/or cessation of use of said lands or part thereof as a National Park. Such persons shall have the preferential right to purchase the respective rights and interests in minerals and the minerals underlying the identical land which was originally acquired from such person by the United States at private sale at any time during the period of 180 days following the mailing date of such notice: *Provided,* That such period shall be extended in any case when such preferential right to purchase has been exercised by such person and such extension is necessary or appropriate to consummate the sale and conveyance to such person of such rights and interests in such minerals under this subsection. The price to be paid by such person having such preferential right to purchase for the rights and interests in minerals in the identical land which was so acquired from such person by the United States shall be a price not greater than that for which same was acquired by the United States from such person plus interest at the rate of five per cent per annum. The preferential right to purchase such property shall inure to the benefit of the successors, heirs, devisees or assigns of such persons having or holding such preferential right to purchase.

(c) Such rights and interests in minerals, including all minerals of whatever nature, in and underlying the lands within the boundaries of the park and which are acquired by the United States under the provisions of this Act are hereby withdrawn from leasing and are hereby excluded from the application of the present or future provisions of the Mineral Leasing Act for Acquired Lands (Aug. 7, 1947, c. 513, 61 Stat. 913) or other act in lieu thereof having the same purpose, and the same are hereby also excluded from the provisions of all present and future laws affecting the sale of surplus property or of said mineral interests acquired pursuant to this Act by the United States or any department or agency thereof, except that, if such person having such preferential right to purchase fails or refuses to exercise such preferential right to purchase as provided in subparagraph (b) next above, then this subsection (c) shall not be applicable to the rights and interests in such minerals in the identical lands of such person so failing or refusing to exercise such preferential right to purchase from and after the 180 day period referred to in subparagraph (b) next above.

SEC. 4. The Guadalupe Mountains National Park shall be administered by the Secretary of the Interior in accordance with the provisions of the Act of August 25, 1916 (39 Stat. 535; 16 U.S.C. 1–4), as amended and supplemented.

SEC. 5. Any funds available for the purpose of administering the five thousand six hundred and thirty-two acres of lands previously donated to the United States in Culberson County, Texas, shall upon establishment of the Guadalupe Mountains National Park pursuant to this Act be available to the Secretary for purposes of such park.

SEC. 6. There are hereby authorized to be appropriated such sums, but not more than $12,162,000 in all, as may be necessary for the acquisition of lands and interests in land pursuant to the provisions of this Act, and for the development of, the Guadelupe Mountains National Park.

The SPEAKER pro tempore (Mr. ALBERT). Is a second demanded?

Mr. SAYLOR. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from Alaska [Mr. RIVERS] will be recognized for 20 minutes, and the gentleman from Pennsylvania [Mr. SAYLOR] will be recognized for 20 minutes. The Chair recognizes the gentleman from Alaska.

Mr. RIVERS of Alaska. Mr. Speaker, I yield such time as he may require to the gentleman from Colorado [Mr. ASPINALL].

Mr. ASPINALL. Mr. Speaker, the bill which the Committee on Interior and Insular Affairs is recommending to you at this time would authorize the establishment of Guadalupe Mountains National Park in the State of Texas.

As many of you will recall, during the 88th Congress, we authorized the Canyonlands National Park. It was the first completely new national park created by Congress in almost 10 years. If H.R. 698 is enacted, it will be the second wholly new national park since 1956.

The rugged, scenic Guadalupe Mountain area which is embraced in the proposed park would make a significant addition to the national park system.

Scientifically, this area features the world's best known fossil reefs. In effect, what we have is an area which some 200 million years ago was far below the surface of a large inland ocean. Students and scientists can benefit from this unique outdoor laboratory and understand better the processes which are taking place beneath the surface of oceans in other parts of the world today.

In addition, this legislation offers us an opportunity to preserve and protect an area of historic and archeologic significance. The Spanish conquistadores noted references to the area and archeological evidence suggests that man inhabited the area thousands of years ago. Early outdoor kitchens and pictographs are scattered throughout the vicinity in caves and sheltered overhangs.

The area embraced in the proposed park totals 77,582 acres. At the present time there are few improvements within the proposed boundaries. Some of the land—over 5,600 acres—has already been donated to the United States. Of the remaining 72,000 acres, all but about 5,000 acres belongs to Mr. J. C. Hunter, Jr., who has indicated, the committee understands, his hope that the land will be preserved in public ownership and that he is willing to sell to the Government for park purposes. The remaining 5,000 acres is divided among several individual ownerships.

It is estimated that the cost for acquisition and development for the proposed Guadalupe National Park will total $12,162,000. Accordingly, your committee will recommend, at the proper time, that the bill be amended to limit the moneys authorized to be appropriated to that amount.

Another amendment which the committee adopted and is recommending to the House involves the subsurface mineral estate. The members of the Subcommittee on National Parks and Recreation listened attentively to a considerable amount of discussion on the values, if any, of these subsurface interests and ultimately, in light of the highly speculative nature of these values, we concluded that if this area should be a national park—and we feel it should be—then it should only be established as such after the Government has acquired all of the outstanding mineral rights in the area. Under the terms of the committee amendment, the State-owned mineral interests would have to be donated; others could be acquired by donation or otherwise.

A further amendment approved by the committee would provide that if the Federal Government should abandon or cease to use this area for national park purposes within the next 20 years, those persons presently owning rights and interests in the minerals underlying the lands within the proposed park shall have a preferential right to repurchase those—and only those—mineral rights which they had prior to acquisition by the Government. They would be required to pay a price equal to that paid by the United States plus 5 percent interest per year from the date of the Government's purchase to the date it resells it.

The other major amendments recommended by the committee are the ones described in the report at page 5. One provides for the omission from the park of a small area if an appropriate agreement can be negotiated with the landowner to insure the protection of the public interest. Another deletes from the bill, as introduced, provisions for the construction of an access road to the park outside of its boundaries.

Mr. Speaker, your committee made every effort to resolve all of the complications and controversies with regard to this proposed legislation. I think that the cooperation of all concerned can and will result in the protection and preservation of this area for the use and enjoyment of this and future generations. I am pleased to have this opportunity to recommend approval of this legislation to all the Members of the House.

Mr. Speaker, I wish to make this statement. This legislation has been befor our committee for years. Bills were introduced in the present Congress by the gentleman from Texas [Mr. POOL] and by the gentleman from Texas [Mr. WHITE]. We have worked as expeditiously as we could keeping in mind other commitments that we had.

Mr. Speaker, these are important facilities for the National Park Service. The Committee on Interior and Insular Affairs of the House can only do so much work and it must work in an orderly way and keep its commitments with the other Members of the Congress, in this body and in the other body, if we are to be able to come up with a recommendation on any kind of a program whatsoever.

This proposed national park is a good proposal and it should receive the unanimous support and approval of the Members of this body.

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

The SPEAKER pro tempore (Mr. ALBERT). The Chair recognizes the gentleman from Pennsylvania [Mr. SAYLOR].

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

Mr. Speaker and Members of the House, I urge that we suspend the rule and pass the bill H.R. 698, to establish the Guadalupe Mountains National Park in the State of Texas. The Subcommittee on National Parks and Recreation of the House Committee on Interior and Insular Affairs visited this area and personally reported to the other members of the committee that in their opinion, this area qualifies in every respect to be included in our national parks system.

At one time there was quite a controversy as to whether or not the House committee should accept this area as a national park and still permit exploration for minerals in this area. Certain representatives came to the committee from the State of Texas and urged that this policy be adopted.

After careful consideration of all the factors, it was the unanimous opinion of the House committee that if this area is to be a national park, then it must comply with all of the rules and regulations necessary to establish a national park—and that is that there shall not be mining in the park.

The State of Texas has certain people who believe that the minerals, if any, under this area should be conserved in accordance with the constitution of the State of Texas for the schoolchildren. The great State of Texas on another occasion when this same proposition was presented in the case of the Big Bend National Park by an act of the State legislature gave to the Federal Government whatever rights in the minerals underlying the Big Bend National Park that existed.

This bill requires the State of Texas to take the same action if they desire to have the Guadalupe National Park.

The gentleman from Texas [Mr. ROGERS] who has been on this committee ever since first becoming a Member of Congress, also felt that there was another matter which was of great concern. That is the right of the people who at the present time own minerals in this area and who would be compelled to either sell or have these mineral rights condemned by the Federal Government. The gentleman from Texas [Mr. ROGERS] offered the amendment which has been referred to by the chairman of the full committee, the gentleman from Colorado [Mr. ASPINALL] and which amendment was unanimously approved by the full Committee on Interior and Insular Affairs. The amendment is that if at anytime within a 20-year period this area ceases to be a national park, then the persons or corporations that own the minerals at the present time shall be permitted to repurchase them from the Federal Government paying 100 percent of the value they received for their minerals plus interest at the rate of 5 percent. If at the end of 20 years, this area ceases to be a national park, the persons interested would be required to pay the fair market value of the land or the minerals that they would receive.

This, I feel, is a very fair arrangement and one that should be approved by the House of Representatives.

In checking the record I find no area that has been declared by Congress to be a national park to be subsequently taken out of the national park system. If this bill passes and the State of Texas donates to the Federal Government the minerals that underlie this area, I am sure the area will continue, not only for 20 years, but for eternity, to be a unit of the national park system.

I might say to those persons in Texas who are concerned that we may be violating a portion of the Texas constitution by requiring the minerals under this land be donated to the Federal Government, that if these minerals are given to the Federal Government, they will not be wasted. If this area becomes a unit of the national park system, the minerals that underlie this land will be available at any time it may be necessary for the Federal Government to use them, just as the minerals that underlie the Big Bend National Park are available in case of emergency.

We have set aside a great national park system, but if at any time the welfare of this country should be threatened, I am sure, those who will be occupying the positions in Congress and the executive branch of the Government will be big enough to call upon the American people, and the American people will respond and give whatever rights are necessary in any national park or in any area owned by the Federal Government for the defense of this country.

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

Mr. SAYLOR. Yes, I am happy to yield to the gentleman from Iowa.

Mr. GROSS. In the event of a national emergency and the mining of minerals in this area, would the State of Texas be cut in in any way on the proceeds of the minerals that would be sold as a result of that?

Mr. SAYLOR. No, it would not. This area would be a part of the national park

system. There would be no cut in as far as the State of Texas is concerned. The only event that could occur which would entitle Texas to get any part of the minerals would be that if within a 20-year period Congress decided it was not a fit unit for a national park and it was turned back, then the State of Texas would be entitled, just as all other owners, to buy back the minerals.

Mr. GROSS. If the gentleman will yield further, I should like to ask one further question.

Mr. SAYLOR. I am happy to yield to the gentleman from Iowa.

Mr. GROSS. Does that mean a turnback of the entire tract or perhaps a breakout of certain areas that might have more minerals than other areas?

Mr. SAYLOR. I might say to my colleague from Iowa that it may occur in the future that there would be such a determination. The important consideration now is, as near as anyone knows, there are no minerals. The fact is a number of wells have been drilled in this area in exploration for gas and oil, and they have hit only dry wells.

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

Mr. SAYLOR. I yield to the gentleman from Colorado.

Mr. ASPINALL. Any abandonment that would take place would have to be done as a result of congressional action; is that not correct?

Mr. SAYLOR. That is correct. The matter would have to come back to Congress for action.

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

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

Mr. GROSS. Noting some of the influence of Texas upon Congress, I just wanted to be sure of the proceedings that would take place, if it is possible to find out.

Mr. SAYLOR. Mr. Speaker, I might say in a rather facetious manner that even that shall come to pass.

Mr. RIVERS of Alaska. Mr. Speaker, I yield myself 1 minute. I will speak in favor of this bill.

The legislation we are now considering represents many hours of work and effort on the part of its sponsors—our colleagues the gentlemen from Texas [Mr. WHITE and Mr. POOL]—and on the part of the members of the Subcommittee on National Parks and Recreation and of the full Interior Committee.

I was happy to have an opportunity to inspect this area at the first part of this session of Congress—while you were enjoying the so-called blizzard of '66—and I can say that it is an impressive area worthy of inclusion in the national park system.

Mr. Speaker, this area is in a prime location in northwestern Texas. It abuts Lincoln National Forest along the New Mexico line and is only about 30 miles or so from Carlsbad Caverns National Park. At most, it only takes a couple of hours of driving from El Paso to reach the area, and it is even closer to Carlsbad, N. Mex.

Included in the wedge-shaped rugged mountain range which falls within the proposed park boundaries is the highest point in the State of Texas—Guadalupe Peak—and an historic landmark visible for over 50 miles—El Capitan. The area is a natural oasis, with clear streams and a wide variety of vegetation. All in all, with the outstanding scientific, archeological, and historical features mentioned by the chairman of the full committee, the gentleman from Colorado [Mr. ASPINALL] this area represents an outstanding outdoor area suitable for inclusion in the national park system.

The Guadalupe Mountains National Park has the full support of the administration. President Johnson, in his message to Congress on natural resources, included it among the major outdoor recreation proposals which he recommended for approval this year.

Mr. Speaker, the only real controversy which arose during the committee's consideration of this legislation involved the potential development of the mineral values in the lands included within the park boundaries. As the chairman of the committee, the gentleman from Colorado [Mr. ASPINALL] indicated, we did not feel that the United States should put itself in the position of having to purchase the mineral estate when its value was highly speculative, at best; consequently, we devised a formula whereby we feel we have made possible the establishment of the park and yet provided some safeguards in the event that the Government should, within the next 20 years, abandon or cease to use the area for park purposes. Having heard the witnesses, I feel that this approach is fair and equitable to all.

The bill authorizes an appropriation of $12,162,000. Of this, land acquisition costs are expected to be in the neighborhood of $1.5 million. Donations of land, and the provision in the committee amendment requiring the donation of the subsurface interests of the State of Texas before establishment of the park, should help to keep the land acquisition costs at this level. Some 5,600 acres have already been donated to the United States and the owner of another 67,000 acres has indicated his willingness to sell to the Government for park purposes.

I want to compliment my colleagues, the gentlemen from Texas [Mr. WHITE and Mr. POOL], who introduced the bills calling for the establishment of the Guadalupe Mountains National Park. While we are recommending some important amendments for the consideration of the Members of the House, we do so with the same objective in mind—protecting and preserving this outstanding natural area for the benefit, use, and enjoyment of all the people of Texas and of the Nation.

It is a pleasure to support H.R. 698, as amended, and to recommend its approval in this House.

Mr. SAYLOR. Mr. Speaker, I yield such time as he may consume to the gentleman from Maryland [Mr. MORTON].

Mr. MORTON. Mr. Speaker, I take this opportunity to commend our committee, the chairman, and the gentleman from Pennsylvania [Mr. SAYLOR] on the job that was done in completing this legislation and bringing it before the House.

Again, however, I want to bring up the question of money. This bill authorizes $12,162,000 for the necessary acquisition of lands. Again we face the problem of whether we are authorizing over and beyond what we can expect to appropriate. I hope in its wisdom the Congress, in connection with the acquisition and development of national parks, is not guilty of biting off more than it can chew.

We must face up to the reality that the authorization figures have to be backed up by appropriations. These primarily must come from the conservation land and water fund. If this fund is inadequate, we must face the music and determine what other sources can be used for appropriating the necessary money that the authorized programs of this Congress, the one immediately preceding it, and, I assume, the one to follow it will actually require.

Mr. RIVERS of Alaska. Mr. Speaker, will the gentleman yield?

Mr. MORTON. I yield to the gentleman from Alaska.

Mr. RIVERS of Alaska. Mr. Speaker, the report shows the amount for acquisition is only $1.5 million. The rest of it is spread over a period of years for development. It seems to me with this oil settlement still to occur, there will be enough lag so that we can meet our commitment in this bill.

Mr. MORTON. Mr. Speaker, I thank the gentleman very much for his explanation. But in conclusion, I do point out the fact that we are authorizing funds for development and for the acquisition of land at a considerably greater rate than we are currently appropriating to meet those authorizations.

Mr. RIVERS of Alaska. Mr. Speaker, I yield 5 minutes to the gentleman from Texas [Mr. POOL].

Mr. POOL. Mr. Speaker, first I thank the committee for doing a wonderful job in resolving the differences in this bill. We had the problem of the mineral rights and we worked that out by giving to the bill this tone: That if the Legislature of Texas in its wisdom decides to donate these mineral rights to the Federal Government, the park will become a reality.

This is the same thing that was done in the case of the Big Bend National Park. I think that was the best solution. I commend the committee for doing an excellent job in resolving those differences.

The subject of a national park can be approached from two directions. The most important reason for setting aside our natural wonders as parklands is the preservation of something which can never be replaced.

Almost 50 years ago, Theodore Roosevelt wrote:

> A grove of giant redwoods or sequoias should be kept just as we keep a great and beautiful cathedral.

He might have mentioned, instead of redwood groves, wilderness canyons, or cliffs.

A secondary but substantial reason for the public development and national

promotion of a scenic and historic area is the economic benefit to be derived.

The love of the outdoors has always been in the American character. The 20th century advantages of time, money, automobiles, and highways has made tourism, and in particular that kind of tourism attracted by outdoor recreation, one of the fastest growing industries in the United States. The national parks are an enormous factor in vacation travel in our country.

Four years ago, I proposed a national park area in the Guadalupe Mountains of west Texas to preserve one of the most historic and pristine pieces of our scenery and to attract the hundreds of thousands who could be expected to visit there if facilities for touring families existed.

My bill called for a survey of the park potential of the area. As a result of that bill, Interior Secretary Udall instructed that the survey be carried out. The survey showed that the Guadalupe Mountain area definitely warrants inclusion in the national parks system.

At this time I wish to compliment my colleague the gentleman from Texas, DICK WHITE, who is a member of the committee, for carrying on this program and getting this bill passed. To stave off this Congress he and I introduced companion bills. I compliment my colleague for doing a "bangup" job for his district in the Guadalupe Peak National Park legislation.

Mr. Speaker, I close by relating what Teddy Roosevelt said so many ways:

There is nothing in the world more beautiful than Yosemite, the groves of giant sequoias and redwoods, the Canyon of the Colorado, the Canyon of Yellowstone, the Tetons, and the people should see to it that they are preserved for their children and their children's children forever, with their majestic beauty all unmarred.

I think that, had he been here in the 1960's, he would have added Guadalupe.

Mr. RIVERS of Alaska. Mr. Speaker, I yield 5 minutes to the gentleman from Texas [Mr. WHITE].

Mr. WHITE of Texas. Mr. Speaker, the rapid population growth of our great Nation, and its concentration in teeming cities, have placed us in a position where millions of Americans might forget, or might never know, the glories of the great rugged land that was our national heritage when our country was born. To preserve as much as possible of this immeasurable wealth of natural beauty and history, our national park system was created. This year, on the 50th anniversary of the National Park Service, the system will be welcoming more than 136 million visitors. Even the national parks are overcrowded, and one of our great needs is the establishment of new places of unspoiled natural beauty to be enjoyed by our people.

Today, this body is considering my bill, H.R. 698, to establish Guadalupe Mountains National Park in west Texas. The National Park Service has had this majestic area under its attention for possible future development ever since 1925, when it was featured in a National Geographic article concerning Carlsbad Caverns National Park in adjoining New Mexico.

Rising dramatically from the desert floor, the Guadalupe Mountains dominate the surrounding landscape with majestic El Capitan, a 2,000-foot promotory, and then stretch upward to Guadalupe Peak, 8,750 feet above sea level. Within these majestic mountains lies McKittrick Canyon, one of the great gems of western scenery. In a cool retreat, protected by the mountains from the heat and winds of the surrounding desert, visitors can study a unique assemblage of western trees, shrubs, and flowers, an area where deer, elk, wild turkey, bear, mountain lion, antelope, and mountain trout still flourish.

In the world's best displayed fossil reefs, the geologist can pursue his studies. The historian can visit the still existing remains of a stage station for the Butterfield Overland Mail which blazed a trail across this land a quarter century before the coming of the railroads. The archeologist can study, in ancient campgrounds and long hidden caves, the record of at least 6,000 years of human habitation in this sequestered retreat.

A preview of the uses to which this new national park can be put was given the House and Senate National Parks Subcommittees last year by Mr. Wallace Pratt, eminent Texas geologist and retired vice president of Humble Oil & Refining Co. Mr. Pratt built a ranch house near the entrance to McKittrick Canyon, and found his home a mecca for geologists from all the world. Because he wanted this great natural heritage preserved, Mr. Pratt donated 5,632 acres to the National Park Service as the beginning of this great park. The remainder of the area to be acquired is largely the property of J. C. Hunter, Jr., who—like his father before him—has taken every possible step to preserve the pristine beauty of this unspoiled wonderland.

The entire park will cover 77,852 acres. This area can be acquired for approximately a million and a half dollars, for the land not already donated.

The support for the creation of this park is widespread. Virtually every city and county government in the area has pledged its support, as have historical and archeological societies and leading conservation groups. The park has been heartily endorsed by a number of officials of the State of Texas, and the legislation provides that the State share in the creation of the park by donating its mineral interests to the National Government.

The Advisory Board on National Parks, Historic Sites, Buildings and Monuments has recommended the establishment of this park. The Department of the Interior and the House Committee on Interior and Insular Affairs have issued reports giving it their full support. In his last two messages on natural beauty, the President of the United States has singled out this area as one of the great objectives in this country's natural beauty program. May I at this time express my gratitude and that of the people of Texas, to Chairman ASPINALL, Subcommittee Chairman RIVERS, Congressmen and members of the Interior and Insular Affairs Committee, Mr. POOL and Mr. SAYLOR for their objective guidance and assistance throughout the course of this bill.

Mr. Speaker, I have walked the trails and climbed the mountains of this area, together with the distinguished Secretary of the Interior, Mr. Udall, and with members of the House committee. In my southwestern homeland this is a heritage we have saved for the enjoyment of generations yet unborn. I respectfully ask the unanimous approval of H.R. 698, to establish Guadalupe Mountains National Park.

The SPEAKER pro tempore. There being no further requests for time, the question is on the motion of the gentleman from Alaska [Mr. RIVERS] that the House suspend the rules and pass the bill H.R. 698 as amended.

The question was taken; and (two-thirds having voted in favor thereof), the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

AMENDMENT TO CONNALLY HOT OIL ACT

Mr. STAGGERS. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 10860) to promote the general welfare, public policy, and security of the United States, as amended.

The Clerk read as follows:

H.R. 10860

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 2 of the Act of February 22, 1935, as amended (49 Stat. 30; 15 U.S.C. 715a), commonly referred to as the Connally Hot Oil Act, is amended by striking out the period at the end of paragraph (1) of such section and inserting in lieu thereof a comma and the following: "except petroleum or any of its constituent parts, title to which has been acquired by a State pursuant to its laws.".

The SPEAKER pro tempore. Is a second demanded?

Mr. SPRINGER. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from West Virginia [Mr. STAGGERS] will be recognized for 20 minutes, and the gentleman from Illinois [Mr. SPRINGER] will be recognized for 20 minutes. The Chair now recognizes the gentleman from West Virginia.

Mr. STAGGERS. Mr. Speaker, I shall just speak very briefly in behalf of this bill, which came out of our committee unanimously. The purpose of the bill is to allow the States that have confiscated oil to be able to sell it in interstate commerce which they now cannot do under the Connally Act that was passed in 1935. Today we have a network of interstate oil pipelines, so that it is almost impossible to make use of this in any way without involving interstate commerce, and about all the State can do, unless this bill were to be enacted, is to use confiscated oil for county roads.

Mr. Speaker, all of the people who appeared and testified before the committee were for the bill. There was no opposition to it whatsoever.

Mr. Speaker, the author of the bill, the gentleman from Texas [Mr. ROGERS] is here and I assume the gentleman will describe the request of his State authorities who have a quantity of oil there which they cannot put into interstate commerce under the present situation. The Connally work is being phased out but the Department of the Interior and they hope and their intention is that the States will regulate any of these irregularities which occur in the future.

For that reason, Mr. Speaker, the States just want to be able to take care of the oil that has been confiscated and see that it is disposed of in an orderly way. This has to be State-owned oil. This in no way covers individually owned oil or anything like that.

Mr. Speaker, I have nothing further to say on the bill. I feel it was thoroughly discussed in the hearings and there was no opposition expressed to the legislation at that time.

Mr. SPRINGER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, may I ask the distinguished chairman, the gentleman from West Virginia [Mr. STAGGERS], if the gentleman from Texas [Mr. ROGERS] plans to explain the bill?

Mr. STAGGERS. Yes, the gentleman from Texas says he shall be glad to explain the provisions of the bill. Therefore, I yield to the gentleman from Texas such time as he may consume.

Mr. ROGERS of Texas. Mr. Speaker, this bill is designed and drawn for the purpose of making it possible for the State of Texas to sell certain oil that has been impounded under State law. This oil has been stored in tanks in the State of Texas. There are about 140,000 or 150,000 barrels of this oil. It has been impounded in tanks at several points in the State of Texas. Also, I am sure there might be some oil in other States which could not be shipped in interstate commerce, because produced in violation of State law, and hence shipment would be in violation of the Connally Hot Oil Act.

Mr. Speaker, the State of Texas could have confiscated this oil but they could not ship it in interstate commerce because they were also covered by the Connally Hot Oil Act. Hence, the oil has just been sitting there, utilizing tanks that should be used for other purposes and, in fact, going to waste, so to speak, because the only purpose for which the oil can be used at the present time would be for purposes such as oiling roads, which would represent a flagrant waste of the energy sources of this Nation.

Now, Mr. Speaker, when the Connally Hot Oil Act was in effect the conservation statutes of the State of Texas were being challenged on the question of their constitutionality. However, Mr. Speaker, when the Supreme Court declared these acts constitutional and made it possible for the State of Texas to control its oil and the products of its oil, that oil which was caught between the underground and delivery into interstate commerce fell into this impounded area and it has been there ever since.

Now, Mr. Speaker, this bill, if enacted, would serve only to make it possible for the State of Texas, the State of Louisiana, or any other State, if they have conservation laws, to confiscate illegally produced oil and to sell it at the market price and put it into the interstate commerce and place the funds derived therefrom into the proper State coffers, whether it be the school funds or some other funds to be used for State purposes. In Texas there are between 140,000 and 150,000 barrels of oil involved, at a value of about $450,000. Confiscation and sale of the oil by the State would not have any effect on the economics of the energy business, because the amount involved is small, relatively speaking.

If there are any questions, I would be most happy to try to answer them.

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

Mr. ROGERS of Texas. I am happy to yield to my distinguished friend, the gentleman from Illinois.

Mr. SPRINGER. As I understand, when the committee had their hearings, the State of Texas appeared as a party to testify that the Connally Hot Oil Act prevents oil which has been produced in violation of the State law being transported in interstate commerce. That is the Connally Hot Oil Act; is it not?

Mr. ROGERS of Texas. That is correct.

Mr. SPRINGER. When they drew the act, apparently, no one took it into consideration that the State might have oil which it had confiscated as oil being in violation of the Connally Act. But because of the Connally Act no exception was made and therefore they could not put the oil which they had legally seized into interstate commerce. Is that not the situation?

Mr. ROGERS of Texas. The gentleman is correct.

Mr. SPRINGER. What you are attempting to do here is to make it possible for the State as a governing body itself when it has seized oil that is in violation of the Connally Hot Oil Act to be able to sell that oil which they had legally seized under due process of a State court in the State of Texas; is that correct?

Mr. ROGERS of Texas. To a certain extent that is correct. Let me explain this to the gentleman.

The oil would not necessarily have to have been produced in violation of the Connally Hot Oil Act. The courts recognize the authority of the States to pass conservation laws. So, if any oil was produced in violation of the State law, then the State can confiscate that oil and put it into interstate commerce. Otherwise, and unless this bill is passed, if they confiscate the oil, they cannot put it in interstate commerce because they would be in violation of the Connally Hot Oil Act.

Mr. SPRINGER. What you are making possible is for the State to sell oil which the State has seized under due process; is that correct?

Mr. ROGERS of Texas. That is correct.

The Connally Hot Oil Act simply prohibited the shipment in interstate commerce of oil that is produced in violation of the State law.

So until there is a shipment in interstate commerce of unlawfully produced oil, there would not be any violation of the Connally Hot Oil Act. But what they forgot was that the did not exempt States. So the Connally Hot Oil Act insofar as shipments in interstate commerce are concerned applies to individuals, corporations, and to the several States; to everyone. This just simply prevents the States from confiscating this oil and putting it in commerce.

Let me say this to the gentleman further. One reason they did not anticipate this is that they did not anticipate the State would ever be prohibited from shipping it. This was not a serious question at that time because at the time of the passage of the Connally Hot Oil Act there were a number of intrastate markets. Actually, this was before the pipelines came into being so extensively and you could sell oil in intrastate operations at that time so you had no basic problem. But the court decisions came along and also the pipelines came along and made it so that practically all this oil that is produced and marketed falls into interstate commerce.

The State of Texas undertook to try to ship some of this oil a number of years back during the time you had the Federal Tender Board. In the case of Hurley against the Federal Tender Board, as I recall, the court held then that the States were not exempt and the word contraband as used in the act covered everybody, individuals, corporations, and the States.

Mr. SPRINGER. May I ask the gentleman one additional question?

All of the oil that is involved immediately by what we do today is oil now owned by the State of Texas?

Mr. ROGERS of Texas. No, no—the oil is not owned by the State of Texas. The oil is in suspended animation insofar as ownership is concerned because the people who produced it, produced it in violation of the State law, cannot ship it in interstate commerce because they would be in violation of the Connally Hot Oil Act. So the State of Texas is simply letting them impound this oil. If the State of Texas comes in and confiscates this oil, then the State of Texas cannot ship it in interstate commerce. The State has to pay storage charges.

The realistic picture here is that this oil is being held in these storage tanks and the people who produced it and claimed ownership of it cannot ship it. The State cannot ship it unless this bill is passed. The oil has been in storage so very long that many of the witnesses having to do with the unlawful production are dead, and we have a problem here. So the State of Texas has now passed an amendment to their conservation statutes which provides that any oil that has been held in storage for more than 6 years is presumed to have been unlawfully produced.

Now, this is subject to rebuttal by anybody who wishes to rebut it, but unless it

is rebutted, then the State can proceed with its confiscatory procedures and take the oil itself.

Mr. SPRINGER. All right. So that the results of this is that the confiscation of the oil in interstate commerce goes directly to the State. Am I correct in that?

Mr. ROGERS of Texas. Yes.

Mr. SPRINGER. I just wanted to be sure that the State would be the only one to benefit by virtue of the passage of this piece of legislation.

Mr. ROGERS of Texas. That is correct, because no one else could sell this oil. This amendment is designed only to exempt a State that has exercised its confiscatory powers because of a violation of its own laws.

Mr. SPRINGER. One further question: The State of Texas and all the agencies, Conservation Commission and otherwise, connected with this legislation recommend it?

Mr. ROGERS of Texas. Yes; they are in vigorous support of it for several reasons. One is that they want to get this oil so that they can sell it at a price commensurate with its market value. You understand that the State could take this oil, confiscate it, and sell it for 25 cents a barrel to be put on roads. This would be an utter waste and would actually be in violation of Texas statutes, or against the basic thought in them.

Mr. SPRINGER. There is no opposition to this legislation from any Federal agency?

Mr. ROGERS of Texas. No.

Mr. SPRINGER. There is no opposition to this legislation by any State agency of any State other than the State of Texas?

Mr. ROGERS of Texas. That is correct. The subcommittee had no evidence at all from anyone in opposition to the statute. The Connally Hot Oil Act is actually being phased out, and although the Department of Interior would be interested in this type of legislation, they have said that their hands were tied in the past. They have been asked to take it up from an executive standpoint and say, "We release this oil." They say, "We can't do it. We can't do this. We simply do not have the authority to do it." So actually I would say that everyone is in support of the measure. The Bureau of the Budget says that they have no objection to the passage of the legislation.

Mr. SPRINGER. I just wanted to be sure of all the facts in connection with this legislation.

Mr. ROGERS of Texas. I thank the gentleman. He has done an excellent job of asking pointed questions.

Mr. SPRINGER. May I ask one further question?

Mr. ROGERS of Texas. Yes.

Mr. SPRINGER. There was a hearing in the subcommittee and that was open to the public?

Mr. ROGERS of Texas. Oh, yes. The hearings are available. They are printed. They are available, and the explanation of the bill is quite clear in the hearings. The gentleman from California [Mr. YOUNGER], from the gentleman's party, was present and asked very pertinent and appropriate questions on this subject.

Mr. SPRINGER. Is this matter of confiscation likely to occur again?

Mr. ROGERS of Texas. Here is what could happen under this bill. If oil was produced in any State in violation of State law, the State in which it was produced could file proceedings under its confiscatory statutes and confiscate that oil if it could prove its case and put that oil into interstate commerce. But no one else could.

Mr. SPRINGER. Only the State could do it?

Mr. ROGERS of Texas. Only the State; that is right.

Mr. SPRINGER. I thank the gentleman.

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

Mr. ROGERS of Texas. I yield to the gentleman from Iowa.

Mr. GROSS. It is rather strange to me to hear about the importation of oil into Texas at Brownsville. It goes this way: They import oil from Tampico to the port of Brownsville, pump it out in bond into tanks, load it into trucks, still in bond, and run the trucks across the bridge at Brownsville into Matamoras, Mexico, drive to the Customhouse, and back across the bridge. It then becomes free oil. Is this legislation designed in any way to deal with that situation?

Mr. ROGERS of Texas. No, sir; it has no effect on it at all. That is an import problem insofar as oil from Mexico is concerned.

This is an issue in which the gentleman has been very interested. So have I. But the State Department has taken one position and some of the other departments have taken other positions. I hope we can get it worked out. But this has nothing to do with that, because this affects only oil actually produced within the confines, within the boundaries of the State of Texas.

Mr. GROSS. Does the gentleman agree with me that this is quite a fantastic operation?

Mr. ROGERS of Texas. It is a fantastic operation. But I was told by the Department of State that unless this was allowed to be done, a Mexican port could be built in the northern part of Mexico, and more oil would be coming in over that route than by this method.

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

Mr. ROGERS of Texas. I am happy to yield to the gentleman from Louisiana.

Mr. WAGGONNER. Mr. Speaker, Louisiana has some interest in this question. Certainly there is no objection from anyone in the State of Louisiana to this legislation.

It is something which needs correcting. I thank the gentleman from Texas for bringing it to the floor at this time.

Mr. ROGERS of Texas. I thank the gentleman from Louisiana.

The SPEAKER. The question is: Will the House suspend the rules and pass the bill H.R. 10860, as amended?

The question was taken.

Mr. SPRINGER. 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. Evidently a quorum is not present.

The Doorkeeper will close the doors. The Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 308, nays 1, not voting 123, as follows:

[Roll No. 148]

YEAS—308

Abbitt	Ford, William D.	Mahon
Abernethy	Fountain	Mailliard
Adams	Fraser	Marsh
Albert	Frelinghuysen	Martin, Ala.
Anderson, Ill.	Friedel	Martin, Mass.
Anderson, Tenn.	Fulton, Pa.	Martin, Nebr.
Andrews, George W.	Fulton, Tenn.	Matsunaga
Andrews, Glenn	Fuqua	Matthews
Arends	Gallagher	Meeds
Ashbrook	Garmatz	Michel
Ashmore	Gathings	Miller
Aspinall	Gettys	Mills
Ayres	Giaimo	Minish
Bandstra	Gibbons	Mink
Baring	Gonzalez	Mize
Barrett	Green, Oreg.	Moeller
Bates	Green, Pa.	Monagan
Beckworth	Greigg	Moore
Belcher	Grider	Moorhead
Bell	Griffiths	Morgan
Bennett	Gross	Morris
Betts	Grover	Morse
Bingham	Gubser	Morton
Boggs	Gurney	Mosher
Brademas	Haley	Moss
Broomfield	Hall	Murphy, Ill.
Broyhill, N.C.	Halpern	Murphy, N.Y.
Broyhill, Va.	Hanley	Natcher
Buchanan	Hanna	Nedzi
Burke	Hansen, Idaho	Nelsen
Burleson	Hansen, Wash.	O'Hara, Ill.
Burton, Calif.	Hardy	O'Hara, Mich.
Burton, Utah	Harvey, Mich.	O'Konski
Byrne, Pa.	Hathaway	Olsen, Mont.
Byrnes, Wis.	Hawkins	O'Neal, Ga.
Cabell	Hays	Ottinger
Cahill	Hébert	Patman
Callan	Hechler	Patten
Cameron	Helstoski	Pelly
Carey	Henderson	Perkins
Carter	Herlong	Philbin
Casey	Hicks	Pickle
Cederberg	Hosmer	Pike
Chamberlain	Hungate	Poage
Chelf	Hutchinson	Poff
Clark	Ichord	Pool
Clawson, Del	Irwin	Price
Cleveland	Jacobs	Pucinski
Clevenger	Jarman	Quie
Colmer	Joelson	Race
Conable	Johnson, Calif.	Randall
Conte	Johnson, Okla.	Redlin
Corbett	Johnson, Pa.	Rees
Curtin	Jones, Ala.	Reid, Ill.
Curtis	Jones, Mo.	Reid, N.Y.
Dague	Karsten	Reinecke
Daniels	Karth	Reuss
Dawson	Kastenmeier	Rhodes, Ariz.
de la Garza	Keith	Rhodes, Pa.
Denton	Kelly	Rivers, Alaska
Derwinski	King, Calif.	Rivers, S.C.
Devine	King, Utah	Robison
Dickinson	Kirwan	Rodino
Dole	Kornegay	Rogers, Colo.
Dorn	Krebs	Rogers, Fla.
Dow	Kunkel	Rogers, Tex.
Dowdy	Kupferman	Ronan
Downing	Laird	Roncalio
Dulski	Langen	Rosenthal
Duncan, Tenn.	Latta	Roush
Dyal	Leggett	Roybal
Edmondson	Lipscomb	Rumsfeld
Edwards, Ala.	Long, Md.	Ryan
Edwards, Calif.	Love	Satterfield
Edwards, La.	McCarthy	St. Onge
Erlenborn	McClory	Saylor
Evans, Colo.	McCulloch	Schisler
Farnsley	McDade	Schmidhauser
Farnum	McEwen	Schneebeli
Fascell	McFall	Schweiker
Findley	McGrath	Secrest
Fisher	McVicker	Selden
Foley	MacGregor	Senner
Ford, Gerald R.	Machen	Shriver
	Mackay	Sickles
	Madden	Sikes
		Sisk

Skubitz	Tenzer	Watkins
Slack	Thompson, Tex.	Watts
Smith, Calif.	Thomson, Wis.	Weltner
Smith, Iowa	Todd	White, Idaho
Smith, N.Y.	Tuck	White, Tex.
Smith, Va.	Tunney	Whitener
Springer	Tupper	Whitten
Staggers	Tuten	Wilson,
Stalbaum	Udall	Charles H.
Stanton	Ullman	Wright
Stratton	Utt	Wyatt
Stubblefield	Van Deerlin	Wydler
Sullivan	Vanik	Yates
Sweeney	Vigorito	Young
Talcott	Vivian	Younger
Taylor	Waggonner	Zablocki
Teague, Calif.	Waldie	
Teague, Tex.	Walker, N. Mex.	

NAYS—1

Hagen, Calif.

NOT VOTING—123

Adair	Dwyer	Mathias
Addabbo	Ellsworth	May
Andrews,	Everett	Minshall
N. Dak.	Evins, Tenn.	Morrison
Annunzio	Fallon	Multer
Ashley	Farbstein	Murray
Battin	Feighan	Nix
Berry	Fino	O'Brien
Blatnik	Flood	Olson, Minn.
Boland	Flynt	O'Neill, Mass.
Bolling	Fogarty	Passman
Bolton	Gilbert	Pepper
Bow	Gilligan	Pirnie
Bray	Goodell	Powell
Brock	Grabowski	Purcell
Brooks	Gray	Quillen
Brown, Calif.	Hagan, Ga.	Reifel
Brown, Clarence J., Jr.	Halleck	Resnick
	Hamilton	Roberts
Callaway	Hansen, Iowa	Rooney, N.Y.
Celler	Harsha	Rooney, Pa.
Clancy	Harvey, Ind.	Rostenkowski
Clausen,	Holifield	Roudebush
Don H.	Holland	St Germain
Cohelan	Horton	Scheuer
Collier	Howard	Scott
Conyers	Hull	Shipley
Cooley	Huot	Stafford
Corman	Jennings	Steed
Craley	Jonas	Stephens
Cramer	Jones, N.C.	Thomas
Culver	Kee	Thompson, N.J.
Cunningham	Keogh	Toll
Daddario	King, N.Y.	Trimble
Davis, Ga.	Kluczynski	Walker, Miss.
Davis, Wis.	Landrum	Watson
Delaney	Lennon	Whalley
Dent	Long, La.	Widnall
Diggs	McDowell	Williams
Dingell	McMillan	Willis
Donohue	Macdonald	Wilson, Bob
Duncan, Oreg.	Mackie	Wolff

So (two-thirds having voted in favor thereof), the rules were suspended and the bill as amended was passed.

The Clerk announced the following pairs:

Mr. Keogh with Mr. King of New York.
Mr. Brooks with Mr. Harvey of Indiana.
Mr. Duncan of Oregon with Mrs. May.
Mr. Holifield with Mr. Bob Wilson.
Mr. Corman with Mr. Clancy.
Mr. Jennings with Mr. Bob Wilson.
Mr. Morrison with Mr. Roudebush.
Mr. Addabbo with Mr. Andrews of North Dakota.
Mr. Howard with Mr. Horton.
Mr. McMillan with Mr. Ellsworth.
Mr. Feighan with Mr. Fino.
Mr. Grabowski with Mr. Goodell.
Mr. Pepper with Mr. Brock.
Mr. Williams with Mr. Quillen.
Mr. Stephens with Mr. Callaway.
Mr. Rooney of New York with Mr. Bow.
Mr. Celler with Mr. Widnall.
Mr. Roberts with Mr. Watson.
Mr. Dingell with Mr. Pirnie.
Mrs. Thomas with Mrs. Bolton.
Mr. Fallon with Mr. Minshall.
Mr. Lennon with Mr. Jonas.
Mr. Boland with Mr. Mathias.
Mr. Fogarty with Mrs. Dwyer.
Mr. Passman with Mr. Cunningham.
Mr. Macdonald with Mr. Davis of Wisconsin.
Mr. Kee with Mr. Stafford.
Mr. Landrum with Mr. Clarence J. Brown, Jr.
Mr. O'Brien with Mr. Adair.
Mr. Hagen of California with Mr. Harsha.
Mr. Hagan of Georgia with Mr. Cramer.
Mr. Flood with Mr. Collier.
Mr. Davis of Georgia with Mr. Battin.
Mr. Annunzio with Mr. Reifel.
Mr. Willis with Mr. Walker of Mississippi.
Mr. Cohelan with Mr. Don H. Clausen.
Mr. Denton with Mr. Berry.
Mr. Gilbert with Mr. Nix.
Mr. Everett with Mr. Long of Louisiana.
Mr. Hull with Mr. Trimble.
Mr. Huot with Mr. Conyers.
Mr. Shipley with Mr. Purcell.
Mr. Flynt with Mr. Scott.
Mr. Delaney with Mr. Holland.
Mr. Ashley with Mr. St Germain.
Mr. Powell with Mr. Mackie.
Mr. Hansen of Iowa with Mr. Olson of Minnesota.
Mr. O'Neill of Massachusetts with Mr. Steed.
Mr. Thompson of New Jersey with Mr. Rostenkowski.
Mr. Cooley with Mr. Gilligan.
Mr. Donohue with Mr. Gray.
Mr. Resnick with Mr. Diggs.
Mr. McDowell with Mr. Culver.
Mr. Cooley with Mr. Multer.
Mr. Evins with Mr. Kluczynski.
Mr. Blatnik with Mr. Farbstein.
Mr. Rooney of Pennsylvania with Mr. Wolff.
Mr. Scheuer with Mr. Toll.
Mr. Brown of California with Mr. Daddario.
Mr. Hamilton with Mr. Murray.

Mr. REUSS changed his vote from "nay" to "yea."

The result of the vote was announced as above recorded.

The doors were opened.

A motion to reconsider was laid on the table.

WHY NOT SPAIN?

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, there is a void in NATO, brought about by high-handed French action. The French have withdrawn their support from NATO and, in effect, have ordered allied units out of France. NATO is accordingly weakened. The situation has produced much discussion but little in the way of constructive action. There is an alternate course which would offset, at least in part, the French defection. Spain should be invited to join NATO, and the United States should take the lead in bringing this about.

Spain can provide bases for allied air and naval units. There are capable and well-trained ground forces which can readily be expanded. Spain is strongly anti-Communist—more anti-Communist than most of the friends we depend upon. Spain's location, admittedly, is a limiting factor for the most effective use of allied ground forces and logistical support, but this does not rule out the desirability of Spanish assistance in other areas. Now that France has finally closed the door on NATO, Spanish help is doubly important.

With an obvious situation like this confronting us, why is it that Spain has not been invited to participate in NATO? The reason is clear. There are a number of Socialist or Labor governments represented in NATO, which object to Spain's strong rightist government. There also are those who still resent Spain's neutralist attitude during World War II.

Paradoxically, today Spain offers much greater security against the march of communism than is provided by the present political complexion of France, or even of the average NATO nation. For their own protection, these countries should be knocking at Spain's door.

The opportunity for leadership in bringing Spain into NATO belongs peculiarly to the United States. The United States has benefited materially from its association with Spain. Spanish bases have, for years, been highly valuable to us, and the actions of the French now makes them doubly so. We in the United States understand the value of Spain's support in the common cause against communism, and we should be the first to urge general recognition and acceptance of that support in the family of free nations. The truth is, Spain has been treated like an outcast long enough.

INFLATION AND FARM PRICES

Mr. SCHISLER. 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 Illinois?

There was no objection.

Mr. SCHISLER. Mr. Speaker, earlier in the year several members of the executive branch of the Federal Government took various actions designed to freeze if not depress farm prices. The Department of Commerce, Department of Defense, Tariff Commission, and Council of Economic Advisers have all in the last 6 months either stated their desire or acted to halt rising farm prices.

These departments and agencies maintained that rising farm prices were contributing to creeping inflation. To be sure, food prices were rising. But farm prices when examined over the last 18 years were not. Unfortunately these executive branch actions have further aggravated the farmer's already precarious position in the American economy.

Farm prices have actually fallen during the last 20 years. During this same period food prices have steadily increased due to rapidly growing cost of packaging and marketing of farm products. The Economic Research Service of the Department of Agriculture recently reported that the farm return for commodities has declined from 1947–49 base period to 1965 by $59 or almost 13 percent. At the same time the retail cost of food from 1947–49 to 1965 increased by some $87. This was due in large part to the $146 increase in the cost of packaging and marketing the goods.

Thus food prices may be going up but the farmer has not been responsible. In 1965 food prices averaged 77 percent of

parity. Executive branch actions to further reduce this already inadequate percentage are indefensible. Surely it is not fair to make the farmer alone sacrifice to halt the threat of inflation.

The Congress of the United States in the Agricultural Marketing Agreement Act of 1937, as amended in 1948, stated that the Secretary of Agriculture should make every practicable and reasonable effort to aid the farmer in obtaining parity prices and parity of income. That Congress intended this policy to be carried out by the entire executive branch and not just the Department of Agriculture seems to me obvious.

Nevertheless statements and actions taken by previously cited departments and agencies have been completely inconsistent with this policy. I, therefore, Mr. Speaker, offer for the consideration of this body a resolution which makes it clear that congressional policy of aiding farmers in obtaining parity prices and parity of income was intended to apply to the entire executive branch and not just one department. It is my hope that the bipartisan support this resolution enjoyed in the Senate may be duplicated here.

CONVENTION ON THE SETTLEMENT OF INVESTMENT DISPUTES

Mr. FASCELL. 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 Florida?

There was no objection.

Mr. FASCELL. Mr. Speaker, I am today introducing legislation to implement the Convention on the Settlement of Investment Disputes Between States and Nationals of Other States. The U.S. Senate consented to the ratification of this convention by the United States on May 16, 1966.

The bill which I am introducing has been prepared by the executive branch. For the information of the House, I am including in the RECORD the text of a letter from the Secretary of the Treasury to the Speaker of the House of Representatives, dated May 21, 1966, transmitting the draft of this legislation and requesting congressional consideration thereof.

The text of the bill is also attached:

THE SECRETARY OF THE TREASURY,
Washington, D.C., May 21, 1966.

HON. JOHN W. MCCORMACK,
Speaker of the House of Representatives, Washington, D.C.

DEAR MR. SPEAKER: President Johnson transmitted to the Senate on February 16, 1966, for advice and consent to ratification the Convention on the Settlement of Investment Disputes between States and Nationals of Other States. On May 16, the Senate adopted a resolution of ratification of the Convention. So that the Congress will have before it the Administration's plan for giving effect to the Convention, I transmit herewith a draft bill to carry out the obligations of the United States under the Convention.

The Convention would establish an International Center for Settlement of Investment Disputes (the Center) under the auspices of the International Bank for Reconstruction and Development (the World Bank). The Center would be available on a voluntary basis to settle by conciliation or arbitration investment disputes between private foreign investors and sovereign States in which investments are made.

Section 2 of the bill provides that the President may appoint such representatives to the Center and panel members as may be provided for under the Convention. The Center would have an Administrative Council which would be composed of one representative of each Contracting State and one alternate. The Center would also maintain a Panel of Arbitrators and a Panel of Conciliators and each Contracting State would be entitled to name four persons to each Panel. Section 3 provides that U.S. District Courts shall have exclusive jurisdiction to enforce awards rendered by Arbitral Tribunals under the Convention. It also provides for enforcement of the pecuniary obligations imposed by such awards.

The Secretary of State joins me in submitting this bill to the Congress. It is the belief of both of us that the Convention will add significantly to the legal protection now available for private foreign investment. We recommend enactment of the proposed legislation as soon as possible.

It would be appreciated if you would lay the draft bill before the House of Representatives. A similar bill has been transmitted to the President of the Senate.

The Department has been advised by the Bureau of the Budget that enactment of this proposal would be consistent with the Administration's objectives.

Sincerely yours,

HENRY H. FOWLER.

H.R. 15785

A bill to facilitate the carrying out of the obligations of the United States under the Convention on the Settlement of Investment Disputes Between States and Nationals of Other States, signed on August 27, 1965, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Convention on the Settlement of Investment Disputes Act of 1966."

SEC. 2. The President may make such appointments of representatives and panel members as may be provided for under the convention.

SEC. 3. (a) An award of an arbitral tribunal rendered pursuant to chapter IV of the Convention shall create a right arising under a treaty of the United States. The pecuniary obligations imposed by such an award shall be enforced and shall be given the same full faith and credit as if the award were a final judgment of a court of general jurisdiction of one of the several States. The Federal Arbitration Act (9 U.S.C. 1 et seq.) shall not apply to enforcement of awards rendered pursuant to the Convention.

(b) The district courts of the United States (including the courts enumerated in 28 U.S.C. 460) shall have exclusive jurisdiction over actions and proceedings under paragraph (a) of this section, regardless of the amount in controversy.

ADDRESS BY PRESIDENT OF MEXICO

Mr. CHELF. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and include a speech by President Diaz Ordaz, of Mexico.

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

There was no objection.

Mr. CHELF. Mr. Speaker, it was my pleasure on April 18, 1966, to insert in the CONGRESSIONAL RECORD the texts of the speeches made by President Lyndon B. Johnson during his visit to Mexico City on April 14 and 15.

I was privileged to be one of those chosen for the official delegation from the Congress to accompany the President on this trip made upon the occasion of the unveiling of a statue of Abraham Lincoln given to Mexico by the United States.

I requested the text of the speeches made by the President of Mexico, the Honorable Gustavo Diaz Ordaz, during that visit with the thought that it would be appropriate to place them, also, in the RECORD. I received copies of the speeches from President Diaz Ordaz and upon checking into the matter, I learned that my good friend, Senator MIKE MANSFIELD, who was in the official delegation from the Senate to make the trip to Mexico, had already inserted in the RECORD the welcoming speech of President Diaz Ordaz. Therefore, I am including, at this time, the remarks made by the President of Mexico at the luncheon given at his official residence "Los Pinos": This function was highly delightful. The grace and charm of Mrs. Diaz Ordaz was exceeded only by her hospitality and the friendship manifested by both she and the President of our splendid neighboring country Mexico. Viva Estados Unidos y Mexico siempre.

SPEECH BY PRESIDENT DÍAZ ORDAZ

Mr. President and Friend of Mexico, and our personal friend, the distinguished Johnson family, distinguished members of President Johnson's party, ladies and gentlemen:

First of all, I want to ask the one who is becoming an old acquaintance and my friend, President Johnson's extraordinary interpreter, to be good enough to translate into English the few words I am going to say on this occasion.

(In giving the interpretation, Mr. Barnes omitted President Díaz' praise of him. This led the Mexican President to add: "And my request?" Then he went on to say: "I don't speak English, but I know when they trick me." Both remarks caused laughter among those present. The Chief of State insisted: "Translate that also, please." President Diaz Ordaz then went on.)

I was in the midst of the election campaign when the foreign correspondents accredited to Mexico asked me to grant them a press conference—those dangerous, terrifying press conferences where one is bombarded with questions; where one has the best intention in the world, the most sincere, the most honest, desire to inform the public; and where some reporter maliciously tries to catch the person questioned in an error. (Applause and laughter.)

Among the questions put to me, and in connection with the fact that, since the beginning of the election campaign, many jokes had been made, which, to my honor, were concerned basically with my personal homeliness, a lady reporter asked me if these jokes did not bother me. I replied saying that I had learned from history of the example of a man whose elevation to the highest office of his country, that of the President of the Republic, had been opposed on the ground that he was homely; and that I would be very proud if I, even though homely, could serve my country as effectively, loyally, and brilliantly, as that man did. The man was Abraham Lincoln. (Applause.)

"That homely man is the one who brings us together today, in the capital of the Mexican Republic, to pay to him the sincere, enthusiastic tribute of the government and people of the United States and the people and government of Mexico.

"But since, in addition, in the modest house in which I was born and lived my early years there was water and there were mirrors, I added in my reply to the reporter that we Poblanos—as those of us who were born in the State of Puebla are called—are accused of being insincere, which we Mexicans illustrate by saying that we are two-faced—certainly a very unjust reputation because, with the exception of a few not very honorable exceptions, the Poblanos are not like that.

"Then I asked the reporter's permission to answer her question with another question, saying: "Do you think that if I had two faces, I would use this one for my campaign pictures? (Laughter and applause.)

These matters about which I have been speaking, and which, happily, have amused you, I have mentioned in honor of our distinguished guests, because we want them to enjoy themselves and to feel at home, and so the toast I now have the honor to make is in the style in which the Americans make toasts.

If it were of the kind that some people consider "Mexican style," I would have confined myself to talking about blood, suffering, and death. (Laughter and applause.)

I think that this is the reason why toasts are so well received in the United States and why people look so unhappy in Mexico when someone gives an after-dinner speech. I shall now go on to that painful part. (Laughter.)

I want to express, in behalf of the Mexican people and government—rather, to reiterate, because the Minister of Foreign Relations already expressed our feeling at this morning's ceremony—our gratitude for the beautiful statue that has been given to the Mexican people.

Thank you, because it is a work of art in itself; it is a magnificent expression in the form of sculpture if we consider its classical value; but to us it represents the Lincoln whose face we first saw when we were small, in pictures in books, or whom we have known through stories of his life or his great deeds as the leader, the great leader, of the country which is our friend, the United States.

And thank you, also, Mr. President and the people of the United States, for as you cross the Rio Grande again and return to your country, you will have left behind you one more source of pride for us who live in this city, because the addition of the statue of Lincoln to this beautiful park has—I can tell you with pride—made our beautiful city even lovelier.

If you will permit me, I should like to take advantage of this occasion to express our very deep and sincere gratitude to two men whom the Mexicans will remember perhaps for many years, because they have raised their voices in support of Mexico—if I am omitting someone, I beg those of you who are omitted to forgive me, because it has not been intentional, but those to whom I refer are present, that is to say, Senator MANSFIELD and Thomas Mann. (Applause.)

On the previous occasion when I had the pleasure of talking with you, Mr. President and when you did me the honor of offering the hospitality of your ranch in Texas, after we had finished our discussion of various subjects, I said to you: I feel that I know the Mexican spirit; that I am aware of what my people feel; of those people whom you saw last night and who are making brave efforts to attain a higher standard of living in every respect; but who, if some day destiny should put them in the horrible position of having to choose between prosperity and liberty, these Mexican people, I say, driven by what is deepest in their being, will choose liberty over prosperity, because we Mexicans prefer to live and die poor but free, rather than prosperous but enslaved.

Although proud of our freedom, we are well aware that this anguished world must permit us to combine prosperity with freedom and to see that the modest material well-being of which I spoke yesterday at the airport, to which all men aspire: a roof over our heads, decent clothing, food and schooling for all, and opportunities without distinction as to color, race, religion, or political ideas, is an ideal that we must realize some day; and if not we, or our children's children, then our grandchildren's grandchildren will indeed have to achieve it on this planet. (Applause.)

We are proud and jealous of our dignity, our independence, and our freedom, but all of you, Mexico's distinguished visitors, saw last night that we are also capable of offering cordial, enthusiastic, loyal friendship to our friends.

And if I say this to you, to the wonderful people who last night poured into the streets from the airport to Chapultepec Park. I proudly say from here: Mexican people, this is the way the battles of friendship are won. (Applause.)

President Johnson, Lady Bird, the beautiful Misses Johnson, Mr. Secretary of State, Senators, Representatives, Mr. Ambassador, ladies, I raise my glass in a toast to the Johnson family—who have been so cordially welcomed in our home, which is not an exceptional home, but one like thousands, millions of other homes in Mexico—wishing them much personal happiness, and wishing that the people of the United States, our friends, may progress, live in peace, and attain happiness. And I also hope that the friendship between our two nations may be lasting, steadfast, and sincere. To your health.

(Loud applause was heard in the hall as President Diaz Ordaz finished his speech and joined in a toast with his distinguished guests.)

H.R. 14026: THE CERTIFICATES OF DEPOSIT BILL DRAWS LETTERS FROM THE SAVINGS AND LOAN INDUSTRY

Mr. PATMAN. 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 Texas?

There was no objection.

Mr. PATMAN. Mr. Speaker, to date I have received 214 letters from savings and loan associations in every section of the country concerning the serious situation existing in the money market, caused by the Federal Reserve Board's decision of December 6, 1965, to raise Regulation Q from 4 to 5½ percent, an inflationary rise of 37½ percent.

This action of the Fed, more than any previous action of recent years, has caused serious damage to the thrift industry, the homeowning public, the homebuilding industry, small commercial banks, and the real estate industry. The mortgage market is in as tight a condition as it has been in over 30 years. It is now impossible for families to obtain credit for homeownership. This action of the Federal Reserve Board has done damage to untold millions, destroying the hopes of homeownership for hundreds of thousands, causing a great outflow of savings from the savings and loan industry and making it face its most troublesome period in over 30 years, and causing a disastrous decline in the building of new homes.

Mr. Speaker, I am inserting in the RECORD a list of savings and loan associations who have written to me expressing concern over the difficulties caused by the increased use of small denomination, high-interest-rate certificates of deposit; also I am inserting excerpts from some of these letters representing the effects experienced by savings and loan across the country.

ALABAMA

Alabama Savings & Loan League, Montgomery, Alabama.

First Federal Savings & Loan Association, Hamilton, Alabama.

Jefferson Federal Savings & Loan Association, Birmingham, Alabama.

ARIZONA

American Savings & Loan Association, Tucson, Arizona.

ARKANSAS

Southern Federal Savings and Loan, Pine Bluff, Arkansas.

CALIFORNIA

Aetna Savings & Loan Assn., Long Beach, California.

Bay View Federal Savings & Loan Association, San Francisco, California.

Belmont Savings and Loan Association, Long Beach, California.

Citizens Federal Savings & Loan Association, San Francisco, California.

Broadway Federal Savings & Loan Association, Los Angeles, California.

Foothill Savings & Loan Association, Roseville, California.

Gibraltar Savings & Loan Association, Beverly Hills, California.

Glendale Federal Savings & Loan Association, Glendale, California.

Goleta Savings & Loan Association, Goleta, California.

Guardian Savings & Loan Association, Oxnard, California.

Industrial Savings and Loan Association, South San Francisco, California.

Marina Federal Savings, Los Angeles, California.

Newport Balboa Savings & Loan Association, Newport Beach, California.

Pacific Savings & Loan Association, Downey, California.

Premier Savings and Loan Association, Orange, California.

Santa Barbara Savings and Loan Association, Santa Barbara, California.

Southern Federal Savings and Loan Association, Los Angeles, California.

Tamalpais Savings and Loan Association, Corte Madera, California.

Thrift Federal Savings and Loan Association, Oakland, California.

Victoria Savings and Loan Association, Riverside, California.

Citizens Federal Savings & Loan Association, San Jose, California.

COLORADO

Capitol Federal Savings, Denver, Colorado.

First Federal Savings & Loan Association, Pueblo, Colorado.

Modern Savings and Loan Association, Grand Junction, Colorado.

Sheridan Savings & Loan Association, Denver, Colorado.

FLORIDA

Cape Kennedy Federal Savings and Loan Association, Cocoa, Florida.

First Federal Savings and Loan Association, Delray Beach, Florida.

First Federal Savings and Loan Association, Titusville, Florida.
Flagler Federal Savings and Loan Association, Miami, Florida.
Ormond Beach Federal Savings and Loan Association, Ormond Beach, Florida.
Security Federal Savings and Loan Association, Winter Park, Florida.
Tampa Federal Savings, Tampa, Florida.
University Savings and Loan Association, Coral Gables, Florida.
Winter Park Federal Savings and Loan Association, Winter Park, Florida.

GEORGIA

Family Federal Savings and Loan Association, Macon, Georgia.
First Federal Savings and Loan Association, Cedartown, Georgia.
First Federal Savings and Loan Association, Statesboro, Georgia.
First Federal Savings and Loan Association, Valdosta, Georgia.
Gwinnett Federal Savings and Loan Association, Lawrenceville, Georgia.
Home Federal Savings and Loan Association, Gainesville, Georgia.
Newnan Federal Savings and Loan Association, Newnan, Georgia.
Home Federal Savings and Loan Association, Augusta, Georgia.

HAWAII

Island Federal Savings and Loan Association, Honolulu, Hawaii.
Savings and Loan League of Hawaii, Honolulu, Hawaii.

ILLINOIS

Avon Savings and Loan Association, Avon, Illinois.
Chicago Federal Savings and Loan Association, Chicago, Illinois.
Clyde Savings and Loan Association, Cicero, Illinois.
Greater Belleville Savings and Loan Association, Belleville, Illinois.
Hanover-Wayne Savings and Loan Association, Bartlett, Illinois.
Morton Savings and Loan Association, Morton, Illinois.
Park Ridge Federal Savings and Loan Association, Park Ridge, Illinois.
Prospect Federal Savings, Chicago, Illinois.
Wood River Savings and Loan Association, Wood River, Illinois.

INDIANA

Anderson Loan Association, Anderson, Indiana.
First Federal Savings and Loan Association, Kokomo, Indiana.
First Federal Savings and Loan Association, Richmond, Indiana.
Indiana Loan and Savings Association, Noblesville, Indiana.
Mooresville Federal Savings and Loan Association, Mooresville, Indiana.
Mutual Federal Savings and Loan Association, Bloomington, Indiana.
Perpetual Savings Association, Lawrenceburg, Indiana.
Steel City Federal Savings and Loan Association, Gary, Indiana.

IOWA

First Federal Savings and Loan Association, Fort Dodge, Iowa.
Home Federal Savings and Loan Association, Fort Dodge, Iowa.

KANSAS

American Savings Association of Wichita, Wichita, Kansas.
First Federal Savings and Loan Association, Winfield, Kansas.
Goodland Savings and Loan Association, Goodland, Kansas.
Kinsley Savings and Loan Association, Kinsley, Kansas.
Southwest Federal Savings and Loan Association, Wichita, Kansas.

KENTUCKY

First Federal Savings and Loan Association, Ashland, Kentucky.

MAINE

Hallowell Loan and Building Association, Hallowell, Maine.

MARYLAND

Arundel Federal Savings and Loan Association, Baltimore, Maryland.
Premier Building Association, Baltimore, Maryland.
Westview Federal Savings and Loan Association, Baltimore, Maryland.

MASSACHUSETTS

Dorchester Minot Cooperative Bank, Dorchester, Massachusetts.
Beverly Cooperative Bank, Beverly, Massachusetts.
Merchants Cooperative Bank, Boston, Massachusetts.
North Abington Cooperative Bank, Inc., North Abington, Massachusetts.
Springfield Federal Savings and Loan Association, Springfield, Massachusetts.

MICHIGAN

First Federal Savings and Loan Association, Owosso, Michigan.
First Federal Savings and Loan Association of Oakland, Pontiac, Michigan.
Michigan Savings and Loan League, Lansing, Michigan.
Metropolitan Federal Savings, Detroit, Michigan.
Michigan Savings and Loan League, Lansing, Michigan.

MINNESOTA

First Federal Savings and Loan Association, Brainerd, Minnesota.
First Federal Savings and Loan Association, Willmar, Minnesota.
Home Federal Savings, Minneapolis, Minnesota.
Minneapolis Federal Savings and Loan, Minneapolis, Minnesota.
Moorhead Federal Savings and Loan Association, Moorhead, Minnesota.
Owatonna Savings and Loan Association, Owatonna, Minnesota.
Peoples Federal Savings and Loan Association, Minneapolis, Minnesota.
Savings and Loan League of Minnesota, Minneapolis, Minnesota.
United Federal Savings and Loan Association, South St. Paul, Minnesota.
Washington Federal Savings and Loan Association, Stillwater, Minnesota.

MISSISSIPPI

First Federal Savings and Loan Association, Jackson, Mississippi.

MISSOURI

Carondelet Savings and Loan Association, St. Louis, Missouri.
Central Federal Savings and Loan Association, Rolla, Missouri.
Community Federal Savings and Loan Association, St. Louis, Missouri.
Joplin Federal Savings and Loan Association, Joplin, Missouri.
Mark Twain Savings and Loan Association, Hannibal, Missouri.

MONTANA

First Federal Savings and Loan Association, Great Falls, Montana.
First Federal Savings and Loan Association, Kalispell, Montana.
Montana Savings and Loan League, Great Falls, Montana.

NEBRASKA

Columbus Savings and Loan Association, Columbus, Nebraska.

NEW JERSEY

Boonton-Mountain Lakes Savings and Loan Association, Boonton, New Jersey.
Newark Federal Savings and Loan Association, Newark, New Jersey.

NEW MEXICO

Albuquerque Federal Savings and Loan Association, Albuquerque, New Mexico.

NEW YORK

Columbia Savings and Loan Association, Woodhaven, New York.
Dollar Savings Bank, Bronx, New York.
Eastman Savings and Loan Association, Rochester, New York.
First Federal Savings and Loan Association, Hamburg, New York.
First Federal Savings and Loan Association, Middletown, New York.
First Federal Savings and Loan Association, Fort Jervis, New York.
Geddes Savings and Loan Association, Syracuse, New York.
Home Federal Savings and Loan Association, Ridgewood, Brooklyn, New York.
Hudson Savings and Loan Association, Hudson, New York.
Island Federal Savings and Loan Association, Hempstead, New York.
Mamaroneck Federal Savings and Loan Association, Mamaroneck, New York.
Serial Federal Savings and Loan Association, New York, New York.
South Short Federal Savings and Loan Association, Massapequa, New York.
Washington Heights Federal Savings and Loan Association, New York, New York.
Woodside Savings Loan Association, Long Island City, New York.

NORTH CAROLINA

Community Federal Savings and Loan Association, Burlington, North Carolina.
Enfield Savings and Loan Association, Enfield, North Carolina.
Home Federal Savings and Loan Association, Kinston, North Carolina.
Home Savings and Loan Association, Salisbury, North Carolina.
Martin County Savings and Loan Association, Williamston, North Carolina.
North Carolina Savings and Loan Association, Albermarle, North Carolina.
North Carolina Savings and Loan Association, Charlotte, North Carolina.
Peoples Savings and Loan Association, Whiteville, North Carolina.
Sanford Savings and Loan Association, Sanford, North Carolina.

NORTH DAKOTA

First Federal of Fargo, Fargo, North Dakota.
Metropolitan Savings & Loan Association, Fargo, North Dakota.

OHIO

The Broadview Savings & Loan Company, Cleveland, Ohio.
Cleveland Federal Savings & Loan Association of Cuyahoga County, Cleveland, Ohio.
Home Federal Savings & Loan Association of Lakewood, Lakewood, Ohio.
Gem City Savings Association, Dayton, Ohio.
Mansfield Building & Loan Association, Mansfield, Ohio.
Ohio Home Builders Association, Columbus, Ohio.
Washington Federal Savings & Loan Association, University Heights, Ohio.

OKLAHOMA

First Federal, Elk City, Oklahoma.
First Federal Savings & Loan Association, Seminole, Oklahoma.
State Federal Savings, Tulsa, Oklahoma.
Tahlequah Savings & Loan Association, Tahlequah, Oklahoma.
Tulsa Federal Savings & Loan Association, Tulsa, Oklahoma.

PENNSYLVANIA

Charleroi Federal Savings & Loan Association, Charleroi, Pennsylvania.

Crusader Savings & Loan Association, Philadelphia, Pennsylvania.
First Federal Savings & Loan Association of Lansdale, Lansdale, Pennsylvania.
First Federal Savings & Loan Association of New Castle, New Castle, Pennsylvania.
First Federal Savings & Loan Association of Pittsburgh, Pittsburgh, Pennsylvania.
Marquette Building & Loan Association, Erie, Pennsylvania.
Metropolitan Federal Savings & Loan Association, Philadelphia, Pennsylvania.
Olney Federal Savings & Loan Association, Philadelphia, Pennsylvania.
Peoples Federal Savings & Loan Association, North Wales.
York Federal Savings & Loan Association, York, Pennsylvania.

SOUTH CAROLINA

Anderson Savings and Loan Association, Anderson, South Carolina.
First Federal Savings & Loan Association, Charleston, South Carolina.
First Federal Savings & Loan Association, Darlington, South Carolina.
First Federal Savings & Loan Association, Sumter, South Carolina.
South Carolina Savings & Loan League, Columbia, South Carolina.

SOUTH DAKOTA

First Federal Savings & Loan Association, Beresford, South Dakota.

TENNESSEE

First Federal Savings & Loan Association, Johnson City, Tennessee.
First Federal Savings & Loan Association, Memphis, Tennessee.
Kingsport Federal Savings & Loan Association, Kingsport, Tennessee.
Lawrenceburg Federal Savings & Loan Association, Lawrenceburg, Tennessee.
Morristown Federal Savings & Loan Association, Morristown, Tennessee.

TEXAS

Bay City Federal Savings & Loan Association, Bay City, Texas.
Brazosport Savings & Loan Association, Freeport, Texas.
Brownsville Savings & Loan Association, Brownsville, Texas.
Center Savings Association, Houston, Texas.
Clear Lake Savings Association, Houston, Texas.
Cleburne Savings and Loan Association, Cleburne, Texas.
Colorado County Federal Savings & Loan Association, Columbus, Texas.
Corpus Christi Savings & Loan Association, Corpus Christi, Texas.
Exchange Savings and Loan Association, Dallas, Texas.
First Federal Savings and Loan Association, Amarillo. Texas.
First Federal Savings & Loan Association, Big Spring, Texas.
First Federal Savings & Loan Association, Waco, Texas.
First Savings Association, Port Neches, Texas.
First Savings & Loan Association, Alvin, Texas.
Guaranty Federal Savings & Loan Association, Galveston, Texas.
Heights Savings Association, Houston, Texas.
Karnes County Savings & Loan Association, Karnes City, Texas.
Lamar Savings Association, Austin, Texas.
Lancaster First Federal Savings & Loan Association, Lancaster, Texas.
Leader Savings & Loan Association, Dallas, Texas.
Mainland Savings Association, Texas City, Texas.
Mid Coast Savings & Loan Association, Edna, Texas.
North Plains Savings & Loan Association, Dumas, Texas.
Rusk Federal Savings & Loan Association, Rusk, Texas.
Sherman Savings & Loan Association, Sherman, Texas.
Spring Branch Savings & Loan Association, Houston, Texas.
Surety Savings Association, Houston, Texas.
Tulia Savings & Loan Association, Tulia, Texas.
Tyler Savings & Loan Association, Tyler, Texas.
Universary Savings & Loan Association, Houston, Texas.

VIRGINIA

Emporia Federal Savings & Loan Association, Emporia, Virginia.
First Federal Savings & Loan Association, Danville, Virginia.
Franklin Federal Savings & Loan Association, Richmond, Virginia.

WASHINGTON

Pacific First Federal Savings & Loan Association, Tacoma, Washington.
Shoreline Savings Association, Seattle, Washington.
Yakima Federal Savings & Loan Association, Yakima, Washington.

WISCONSIN

Atlas Savings & Loan Association, Milwaukee, Wisconsin.
Badger Federal Savings & Loan Association, Milwaukee, Wisconsin.
Equitable Savings & Loan Association, Milwaukee, Wisconsin.
Milwaukee Federal Savings & Loan Association, Milwaukee, Wisconsin.
North Short Savings & Loan Association, Milwaukee, Wisconsin.
Racine Savings & Loan Association, Racine, Wisconsin.
Wisconsin Savings & Loan League, Milwaukee, Wisconsin.
First Federal Savings & Loan Association, Racine, Wisconsin.

Aetna Savings & Loan Association, Long Beach, Calif.:

It is our understanding that as Chairman of the House Banking and Currency Committee you are considering possible legislation imposing limitations on the use of certificates of deposit by commercial banks. As an institution that has suffered the loss of more than 7% of total savings since March 28, 1966, we wish to urge in the strongest terms possible that Congressional action be taken now, without delay, to avert what could be irreparable damage to thrift institutions and related businesses.

* * * * *

California savings and loan associations have long been the principal source of residential mortgage credit, accounting for more than 70% of all institutional home financing in this state in 1965. Heavy withdrawals due to our competitive rate disadvantage have resulted in a sharp decline in funds available for mortgage lending, which if continued will adversely affect not only our institutions, but also related businesses, such as home builders, realtors, workers in the building trades, manufacturers and distributors of building materials and home appliances, title insurance companies, etc. Builders and brokers with whom we do business are complaining bitterly that they are either unable to obtain needed financing or the cost is prohibitively high.

Broadway Federal Savings & Loan Association, Los Angeles, Calif.:

For years, the savings and loan industry has supplied the building constructors with funds to help the residential growth of our country. Suddenly to be told that there is no financing possible would, in part, weaken public confidence. I am appealing to you, as one of the officials of our government who is concerned with our financial strength and our service to the public, to seriously consider the cumulative effect the present financial stringency would have on the public.

It would be too late to wait until the public confidence has been lost to attempt to remedy this situation. If we are to maintain the strength of both the savings and loan and the commercial banks, some governmental action must be taken at once to prevent this loss of faith. It isn't possible in our economy to injure the savings and loans without the banks being likewise affected. For the great banking institutions to enter the market of the small saver and pay them through Certificates of Deposit or other methods, greater interest than can be paid successfully by savings institutions, is unfair competition.

Banks should be permitted to pay the higher interest rates on deposits of $100,000.00 or more only. The savings industry is shackled sufficiently by the regulations insisted upon or imposed by the banking influence. To permit the great commercial banks to bid for the small investors' account will weaken both the banks and the savings and loans.

Bay View Federal Savings & Loan Association, San Francisco, Calif.:

While we are all exponents of the free enterprise system, we unfortunately, at times must come to the conclusion that any time any segment of business fails to regulate itself, it will be regulated either through legislation or regulation.

Whatever action you take to control this irresponsible use of C. D.'s by commercial banks, I am sure will be appropriate.

Capitol Federal Savings, Denver, Colo.:

The real problem here is that while the money has found its way into the bank CD's, it has not come back into the mortgage market in the form of funds used to supply the construction of housing. There is virtually no mortgage money available in the Denver metropolitan area and we forsee a rather severe recession here in late summer and early fall because of the expected lack of construction, unemployment and lack of business suffered by all those affiliated in one form or another with the construction industry.

First Federal Savings & Loan Association, Titusville, Fla.:

We urge you to act immediately to curb the spreading rate war in the savings market as a result of high rate, consumer-size certificates of deposit, by adoption of HJR 1148.

Builders (and new home buyers) in this area are suffering terribly from high interest rates and the dearth of mortgage money. Something must be done to relieve this unfortunate situation. We earnestly solicit your support of this Bill.

First Federal Savings & Loan Association, Cedartown, Ga.:

We here are very much concerned about the money situation in regards to the bank CD's on small denominations. We feel very strong if this is allowed to continue it will drastically effect thrift and home ownership of which I am sure you will agree is a large part of our economy system. As you are aware that our industry has been financing about 40 to 45% of all the homes in this country for a number of years and this percentage holds about true here in our area. In fact, in the past three years this small association has made 752 home loans amounting to $5,847,000, which as you see is a vital part of our economy. Our county population is around 28,000 and Cedartown is the county seat with about 10,000 population.

Avon Savings & Loan Association, Avon, Ill.:

I am of the opinion that your committee is strictly on the right track—first, in increasing your reserve requirement on the upper range of certificates of deposit that are negotiable. While these certificates are not money, they are serving the purpose of money in being the obligation of the issuing bank, and they have the added appearance of borrowed money but are not so stated in the financial statement—namely, deposit liability.

Your second proposal, that is as to maturity of the certificates is undoubtedly a good thing because it takes the certificates out of the category of "money."

The third thing that you mention relative to the ceiling limit of 4½% for both passbook and time deposits of all denominations under $100,000 is certainly correct, with 5½% limit under regulation "Q" for certificates of over $100,000. This regulation brings negotiable certificates in the right category and savings deposits in the right category, and I wish to compliment you on your study of the evidence that you have collected, and I hope for an early enactment of the legislation by both House and Senate.

Now I know by a study of the market, and I refer to the quotations in the "American Banker" that the New York banks are on the street, bidding 5½% for deposits; and I also note that they are resorting to borrowing of reserves. If they think that they can make money by paying 5½% for deposits, that is strictly their business. But I don't "go for borrowed reserves" in any sense of the word.

Greater Belleville Savings & Loan Association, Belleville, Ill.:

The first item on the agenda would be to convince the bankers that the transfer of money between Savings and Loan Associations and the banks is in actuality a transfer of funds from the demand deposits account of the association which exists at some local banks to the time deposit account of possibly this same bank or some other bank. The net effect and end result of this shift of money from demand deposits into time deposits acts as a depressant on the nation, slowing down economic activity and retarding economic growth.

The second item is that we must convince the banker that Savings and Loan Associations and banks are two different and distinct animals. The Savings and Loan Associations are financial intermediaries, that is to say they act as an intermediary between the saver and the borrower. The banker is not the same thing. The banker is the saver and the borrower. Whatever funds the saver or the borrower has, is in the hands of the bank.

The third and most important item, is that we must convince the banker that when the Savings and Loan Associations grow, the banks grow. From the end of 1939 to the end of 1959, the Mutual Savings Banks grew by $27.1 billion; Savings and Loan Associations, by $57.9 billion; and Life Insurance Companies, by $84.4 billion. Those are the three largest financial intermediaries, and their combined growth was $169.4 billion, or $10 billion less than the Commercial Banks alone grew in the twenty-year period.

First Federal Savings & Loan Association, Fort Dodge, Iowa:

We are only a small 30,000 population town 90 miles north of our big metropolitan area of Des Moines but the effects of rate changes are quick and dramatic.

A few months ago the prevailing rate on passbook savings in Iowa was 4% to 4-⅛% from S and L's and 4% from banks. A few banks were offering 4-½% on 1-year CD's. Ample funds were coming in to both banks and S and L's and interest rates on home mortgages was 5-¾ to 6%. Most of us were also in the FHA and GI markets with modest discounts of 1 or 2 points. We were in healthy balance.

Then when Regulation Q was changed a handful of banks in some of our larger cities made a move to 5% on consumer-size CD's, using a small minimum, paying quarterly and renewing automatically. Many small country banks felt they had to follow for self-preservation. The S and L's stayed at 4% to 4-⅛% with some moves to 4-¼% with 4-½% on year certificates.

With a low-yielding portfolio of long-term home mortgages most of us can barely pay 4-¼% and hold our reserve ratio intact and at 4-½% our reserve ratio will probably decline. Yet, we are faced with 5% bank CD's, paying quarterly, so the large city S and L's are probably moving up to 4-½% on passbook savings.

Because we cannot afford to pay 4-½% we are planning to stay at 4% if our local banks in Fort Dodge do not panic and move up from their 4% CD rate. Not knowing what to expect in withdrawals from money seeking a higher rate that will be available in Des Moines, we had to reduce our loan volume by withdrawing from the FHA, GI, Insured Conventional, Commercial, Out-of-Town Loans, and Income Property markets. We reduced our loan to value ratio from 80% to 75% and our mortgage rate was raised from 5-¾% to 6-¼%.

This will reduce our volume at least 50% and will seriously affect our housing market, both new and existing. A simple move of putting a floor of perhaps $20,000 or $25,000 under the bank CD's would have averted this housing crisis.

American Savings Association, Wichita, Kans.:

We urgently encourage passage of legislation that would establish a 4½% maximum rate on commercial bank certificates of deposit issued in amounts of less than $100,000. We are convinced this would relieve the pressure on our business and it would also give needed relief to a great many commercial banks that cannot advantageously enter the competition for time deposits at high interest rates.

A continued drain on savings from thrift institutions will cause serious repercussions in the residential building business and all related industries. If this important segment of our economy is severely crippled, it would take years for it to recover.

Beverly Cooperative Bank, Beverly, Mass.:

We in the Savings and Loan business believe that Certificates of Deposits in larger amounts would help stop the drain on our industry and give us a chance to service the home-financing field which, of course, is our business.

We certainly hope that your committee will be able to develop new legislation which will assist our industry to carry on its policy of thrift and home-financing.

Dorchester Minot Cooperative Bank, Dorchester, Mass.:

Statements have been made by certain members of the Federal Reserve Board of Governors in opposition to such limitations. Apparently these men are not fully aware of the impact of the current C of D rate war. I enclose for your consideration an advertisement appearing in the Boston Traveler, Wednesday, June 8, 1966. I submit that the effect of this sort of advertising is as follows:

(1) Because of its appeal to the small saver it is provoking a continued drain of funds from mutual savings associations;

(2) It is having a harmful effect on the home building and construction industries by reducing the amount of loanable funds available, the impact of which is only now beginning to be felt;

(3) It inspires rash rate competition between the banks themselves, as well as between savings associations and banks;

(4) Rather than dampening inflationary pressures, as has been contended by one member of the Board of Governors, it adds more fuel to the fire, by forcing those banks paying the higher rates into ever more risky high-rate commercial loans.

Another member of the Board of Governors has stated that higher rates are stimulating an increase in savings. This contention does not appear to match up with latest published data for the year 1966 to date.

Michigan Savings & Loan League, Lansing, Mich.:

In behalf of the savings and loan business in Michigan, I am writing to urge your strong support of legislation to establish controls over commercial bank certificates of deposit.

Our concern over the developments surrounding the usage of the CD instrument is not limited to its intrusion into the consumer savings market. In a broader sense we have a strong concern for the possible serious impairment to the monetary system that may develop if proper regulation is delayed. This evaluation finds support in the serious liquidity condition faced by a number of large commercial banks last December prior to the increase in the CD rate ceiling. As you know, the liquidity crisis caused by large amounts of maturing CD's was averted only through relief granted by the Federal Reserve in the form of a rate ceiling boost to 5½% on time deposits.

First Federal Savings & Loan Association of Willmar, Willmar, Minn.:

We congratulate you on your efforts in placing the bank CDs in their proper perspective. The commercial banks have at their disposal savings passbooks as we do to promote savings for mortgage lending. The passbook savings, which is the true thrift and savings media, has been neglected and can be modernized to the same high-plane that it has been in the thrift industry. The CD has been designed for another purpose and should be restricted by legislation, to that purpose.

First Federal Savings & Loan Association, Kalispell, Mont.:

(1) The action of the Federal Reserve Board in raising ceilings on C.D.'s to 5½% and leaving the minimum amount without control thereby giving commercial banks a long and distinct advantage over other home financing institutions such as our own association.

(2) As a result of (1) above we are in a very rough competing position with local commercial banks. Any further raise on rate by First Federal would only trigger a rate war which we could not win (and it would not be good business for anyone if we could do so).

(3) As a result of (2) above, our savings flow is not what it should be and likewise insufficient to meet our demand for home loan financing.

(4) Therefore, as in the past we must look to our line of lending credit at our Federal Home Loan Bank. But we find the said credit practically dried up for lending purposes, due to Federal Home Loan Bank policy of restriction on mortgage expansion credit to the various savings and loan associations (necessitated by heavy savings withdrawals and loan funds demand).

Now we come right back to the point of beginning: Until reasonable control is placed on commercial bank rate and use of C.D.'s we will continue to have the imbalance in the financial system that is costing the home owner too high interest rates, when he can get a loan.

At the same time the present situation is discouraging normal savings flow into our various savings institutions, from whence the great bulk of all long term home loan financing originates. Furthermore, the irony of it all forces the Federal Home Loan Bank to continually go on the market to try to provide the funds for homes, whereas we should be taking this money in over our counter at a rate within reason, and keeping our loan rates down likewise. This would help to offset inflation right at home.

* * * * *

If the Federal Reserve Board would revise their present regulation for ceiling on commercial bank C.D. rates to 4½% on 1 year C.D.'s up to $25,000.00, and on 1 year C.D.'s over $25,000.00 a ceiling of 5½%. In fact, it should be a minimum of at least $50,000.00 or more to qualify for the 5½% in order to keep a real balance. If this is not done, we will only be getting 'stop-gap' regulations that will attempt to better the present situation, but will not do the real job needed in curbing loan rates, getting homes for these people, and holding inflation.

Home Federal Savings & Loan Association of Kinston, Kinston, N.C.:

Speaking for Home Federal Savings and Loan Association and many other association managers in Eastern North Carolina, we are quite concerned over the commercial banks' present use of CD accounts. We feel very strongly that some curb should be placed on consumer-size CD's.

We here in Kinston have experienced considerable losses of our passbook savings to our local banks on this small consumer-size CD. In fact, the withdrawals have been so heavy that we have had to discontinue accepting new mortgage loan applications. Based on information available to me, this is the situation pretty much throughout the state of North Carolina.

If this trend continues, we feel that we will be out of the mortgage loan market until 1967. I am sure you know what this can mean to our local economy. Last year, our association loaned six million dollars in mortgage loans in our area. It now appears that we will lend less than three million in 1966.

Mansfield Building & Loan Association, Mansfield, Ohio:

The largest local commercial bank has siphoned off $25,176,210 from savings & loan associations and other sources in this area during the last two years . . . not surprising since the high rate on CD's authorized by the Federal Reserve Board is an invitation to commercial banks to make a raid on savings accumulated by Savings & Loan Associations.

State Federal Savings, Tulsa, Okla.:

I have read many articles appearing in trade journals, as well as AP and UPI reports across the nation concerning mortgage conditions, and am sorry to learn that not only here in Tulsa but generally everywhere the home mortgage industry is in a deplorable condition. In Tulsa, home mortgages, unless commitments were obtained in the early part of this year, are practically nonexistent. A small amount of mortgage money is available at 70% of appraised value, at 6¼% to 6½% interest plus a 2% loan fee. Ninety per cent of the buying public is forced out of the market by these terms. Many builders have speculative houses on hand that they are not able to sell because no loans are available. There are some 2,000 newly developed lots that are not salable because almost no construction money is available in Tulsa. I do not lay the entire blame on the local 5½% C.D. rate, but we do know that hundreds of thousands of dollars have gone out of the savings and loans into these high yielding certificates. In checking around at the commercial banks, I find that the only mortgage loan they are interested in making is on a 90-day note, with a mortgage filed as security, with the borrower having the opportunity to renew that note every 90 days at a possibly higher rate of interest until he is able to secure financing elsewhere. The borrower has to be a preferred customer of the bank to get even this type of financing. This is the thing that bothers me—the commercial banks are draining the savings, even from the small saver, and not placing the money into mortgage lending but only using it for high yielding short term loans. It is my sincere opinion that the C.D.'s should be restricted to a minimum of $25,000, which would help tremendously from taking the $5,000 and $10,000 savings customer out of our institutions.

I can say that I am not in favor of increasing dividends across the board, nor am I too enthusiastic about the variable rate that the Federal Home Loan Bank is proposing for the industry. I do think that some type of allowance should be made for the customer who has already been on our books for, say, three years or longer, with an allowance of an additional ½% above the regular dividend rate.

American Savings & Loan Association, New York, N.Y.:

Our type of institutions are now reduced to a "Weak Sister" role in that we cannot acquire new funds from the public because of our inability to pay a rate comparable to that of the "C.D." Accordingly, we do not have the funds to invest in mortgage loans on 1 and 2 family residential real estate, hence, the prospective home purchasers and builders are being rejected on applications for said funds, not because they do not merit the loan, but, on the strength or weakness of the current monetary situation.

The outflow of funds from thrift institutions together with the lack of new monies has created a good deal of consternation within our industry and further, has created a void in the Real Estate market of which Savings and Loans have always been the backbone. This void grows larger day after day and the damage done to our "Great Society" is tenfold.

To close, let us state unequivocally that the onus is now in the capable hands of your knowledgeable committee and we in our Association sincerely hope that we have set forth some of the inequities of the current ominous situation.

First Federal Savings & Loan Association, Beresford, S. Dak.:

We in the Savings and Loan business agree on the fact that we are interested in seeing people own their homes and which we pride ourselves in the fact that we have done a fairly good job in the past.

We are carrying loans which you realize carry no higher interest than some Certificates of Deposits bring. We feel this is a dangerous situation and if some legislation is not enacted to stop this it will be a very crippling effect on the small saver as well as future home owner.

First Federal Savings & Loan Association, Johnson City, Tenn.:

Recently I have attended several meetings of Savings and Loan Executives and I am distressed to find the degree of pessimism which is prevalent in many areas. This pessimism especially prevalent in California, Texas, and North Carolina seems to stem from a realization that with present trends continuing the savings and loan industry will be able to provide for the needs of prospective home owners. This will mean a very serious cutback all down the line as we involve manufacturers of building materials, dealers and suppliers, contractors, workmen and the many others who are a vital part of the building industry.

It is hoped that your committee will take whatever action is appropriate to see that the savings and loan industry will not face a serious decline because from lack of funds. One of the reasons for the present shortage of money seems to stem from the fact that same banks are selling CD's and denominations as low as $20.00 bearing 5% and 5¼% interest. A representative at a White Sulphur Springs meeting told me he was having to compete with this situation in Pennsylvania.

First Savings & Loan Association, Alvin, Tex.:

I am writing this letter regarding the Bill that you are sponsoring concerning bank certificates of deposits. I must say that I greatly appreciate your thinking in regards to this very critical matter. It is my understanding that you will amend the Bill to limit CD's at the 5½ rate only on deposits of $100,000.00 On CD's in denominations of less than $100,000.00, the rate will be 4½%. I believe that this is a regulation that the commercial banks and savings and loan business can live with.

I know that you are aware that a considerable amount of funds have been transferred from savings and loan associations to commercial banks. If no action is taken regarding this matter, it will unquestionably be of great harm to the savings and loan business. In order to have ample funds available through the country, it is essential that the savings and loan associations be at least on a competitive basis with the commercial banks.

Bay City Federal Savings & Loan Association, Bay City, Tex.:

I know that you have always been a friend of the Saving & Loan business and I feel sure that you will do what you can to prevent the Banks from putting the Savings and Loan Associations out of business, which will happen if the Banks go to 5% or 5½%, this will have a very bad effect on the entire economy of the U.S. With the free money (checking accts.) the banks have they could afford to pay 5½% for a long time to get rid of the Savings & Loan Associations and I am sure that they have made up their minds to do it.

Exchange Savings & Loan Association, Dallas, Tex.:

The three proposals which you recommend are all imperative, and I trust that you will get a favorable reply from the nine agencies.

It is important, as you indicate, that some action be taken before July 1st, if possible, because we anticipate another big drain on the savings and loan association, and naturally it will take that much longer to recover and continue to do the job that we were designed to do in helping the homeowner build his home at a reasonable rate. This rate war has caused the new purchaser to suffer, and it has not helped the commercial banks.

Rusk Federal Savings & Loan Association, Rusk, Tex.:

I think your position is indeed well taken and unless it prevails and interest rates generally decline, the present rate war between the banking industry and the savings and loan industry is going to "reap havoc" on both industries and for no good cause. The Federal Reserve Board should be forced to reduce its present 5½% limit back to 4½% and I hope you will be able to force them to do so.

HOMEBUILDERS, REAL ESTATE AGENTS, AND PRIVATE CITIZENS ASK FOR CD LEGISLATION

Mr. PATMAN. 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 Texas?

There was no objection.

Mr. PATMAN. Mr. Speaker, for the past month while the Banking and Currency Committee has been conducting hearings on the critical situation existing in the money market caused by high-interest, short-term negotiable certificates of deposit, I have received hundreds of letters from the thrift industry, commercial bankers, homeowners, home buyers, homebuilders, and real estate agents urging our committee to pass some remedial legislation to avert a disastrous turn down in the mortgage market and the crippling of the thrift industry.

Much attention has been focused on the efforts of the savings and loan industry in urging congressional action, but I would again like to draw the attention of Members of the House to other groups who are facing black days ahead, the homebuilders and real estate agents. Our banker friends would, of course, like to close down the savings and loan industry, but this would also close down the possibility of home loans to millions of our families. The housing market and its many closely connected businesses supply millions of jobs in our economy. The great shift in our savings market has seriously hurt the homebuilding industry and its allied industries. We must take action for the good of many instead of preserving the present status for the beneficial few.

Mr. Speaker, I would like to include in the RECORD following my remarks these letters from homebuilders, real estate agents, and private citizens, expressing grave concern over the present situation.

Birmingham Association of Home Builders, Birmingham, Ala.:

"One of the best sources of money for new home loans has always been the savings and loan institutions. However, since the Federal Reserve Board changed regulations permitting certificates of deposits to carry interest rates up to 5½%, savings are being withdrawn from the S&L institutions and placed in commercial banks where the funds are being channeled into consumer lending, rather than long-term residential lending. This is resulting in a critical shortage of residential mortgage funds."

Mr. William D. Davis, Los Alamitos, Calif.:

"I would like to ask why the commercial banks have been allowed to misuse their "Certificate of Deposit" as a method of circumventing the regulation which limits the amount they may pay on regular passbook savings accounts in their institutions. By allowing the banks, particularly the large eastern banks, to offer terms on C.D.'s designed to attract the savings dollar from the individual, has caused a considerable drain of savings dollars from Savings and Loan Associations and ultimately a shortage of funds in the mortgage market. This seems to prevail in Southern California more than in any other area. The shortage of funds in the mortgage market in Southern California is causing considerable unemployment in the construction field, real estate sales people, and personnel in mortgage financing firms."

Harbor Investment Co., Del Mar, Calif.:

"You have to do something to make money available so that the building and selling of homes can continue.

"The situation is desperate. In the garden spot of Orange County, the fastest growing area in the U.S.A., business has come to a standstill. Permitting banks to pay a higher rate of interest on time deposits is taking away the money needed for our business to survive."

P. A. Palmer, Inc., sales management, Newport Beach, Calif.:

"Savings and loan associations have just about stopped lending money for the construction, or refinancing of homes and buildings. If there isn't some relief in this direction, a major unemployment situation has to result. When one of the largest income producers in our economy is stopped, everyone suffers. In this case the suffering is going to be severe. Builders, real estate firms, architects, plumbers, building supply companies, etc. are beginning to go broke. Without funds to finance home purchases, older homes also are not selling. The main buyers of homes are working couples who can't possibly pay cash."

"H", Inc., home builders, Gainesville, Fla.:

"For the past month, we have been experiencing unusually tight mortgage money in this area. I realize that this is brought about by national economy, but it does seem a bit ridiculous for an economy to be getting along so well, such as in the Gainesville, Florida, area, and then be choked to death by something that it has no control over.

"This situation is already deplorable and is getting worse. Would you please advise if there is anything that you could do, or if there is anything that you know that we in Gainesville might be able to do to alter this situation?"

Storeyland Homes, Inc., Alton, Ill.:

"Unless some change is made in the situation, I will be compelled to discontinue my home construction business and thereby there will be a loss of employment of at least 25 people directly hired by me. This will also concern the employment of sub-contractors and the building material suppliers."

A. Weinman Building Co., Southfield, Mich.:

"I am the owner of a small and young building company near Detroit. The area seems to be expanding or is at least indicating a great potential for growth. I would like to build some apartments in the area however I am having difficulty in obtaining a mortgage from the bank as my company's reputation and worth is not yet great enough. I am sure the project would be successful otherwise I would not dare take the risk. I've even had calls from people wanting to rent yet cannot start to build. My lot is about 20 miles north of Detroit, farther than most companies have started to build. But the area is developing rapidly in business and industry and soon the larger building companies will move in.

"It is my opinion that if you could make it possible for people like me to obtain easier mortgages for safe investments, then the cause for increasing a more perfect competition would be greatly enhanced. I think the use of money in areas that are practically begging for investment would make ours a more stable economy. Lack of investment in one area produces less investment in related areas and retards growth where growth is the natural inclination. Easier mortgages and loans would not only distribute wealth it would increase it for everyone. The larger companies would have to become more honest in their investment since they would not be able to just wait around until the time they felt "they" were ready. New businesses and increased investment would reduce unemployment, expand the economy and in turn create more investment."

Maurice S. Hevelone, attorney at law, Beatrice, Nebr.:

"You will find . . .

". . . overwhelming support for the suggestion of an interest limitation of 4.5% for certificates of deposit of less than $100,000.00 in commercial banks.

"This county, Gage County, with a population of around 25,000 has eight small commercial banks located outside of Beatrice, the County Seat. These banks cannot afford to meet the competition of the two major banks in Beatrice paying 4¾% on one year certificates of deposit. As a result the county seat banks are draining off the certificate of deposit money in the smaller towns."

Plonski Agency, real estate-insurance, Jersey City, N.J.:

"There is anticipated a substantial increase in new family formations beginning in 1966 and extending to 1970. If the housing industry is unable to secure essential mortgage money from Savings Banks and Savings and Loan Associations (these institutions provide 80% of the funds for home mortgages) there will be a serious dislocation in our total economy. Please bear in mind with new home constructions goes drapes, furniture, carpeting, venetian blinds, bedding, dinnerware, silverware, etc.! Sure the newlyweds will buy some of these items, but they will be slowed down in kind and quantity. Newlyweds buy heavy to furnish a new home and light to furnish a temporary apartment."

Don-Mor Associates, Inc., mortgage financing, Garden City, N.Y.:

"This pressure is very apparent to me as a mortgage broker, as savings institutions have greatly cut down on money available for mortgages, or are out of the mortgage market entirely at the present time.

"The surveys of these savings institutions indicate that the money is flowing out of their savings accounts and flowing into CD accounts in the commercial banks. And the money that is going out of the savings institutions at such a fast pace is that of the average 'working man' saver who has maintained accounts of up to $10,000."

Mr. Charles V. Simms, president, Ohio Home Builders Association, Columbus, Ohio:

"As President of the more than 4000 member Ohio Home Builders Associations, I want to call to your attention, the current dilemma that the home building industry of our state is facing because of the Federal Reserve Board's action in late 1965 in amending Regulation Q, permitting CD's to carry interest rates of up to 5½%, and FNMA's action not to purchase any mortgage with an outstanding principal in excess of $15,000 per residence or a dwelling unit. This action has hurt the building market drastically and if not corrected soon, will have a great effect on the economy of Ohio and the Nation."

Mr. Walter Carrington, builder, Austin, Tex.:

"Our home building business has virtually stopped.

"Why? It all started last December with the Federal Reserve Board's increase in prime interest rates and the ensuing scramble for money.

"Now the burden of home financing is left on the shoulders of the local savings and loan institutions. They also have stopped, which is the reason why our business has stopped."

Cel Chemical Coatings, Inc., Houston, Tex.:

"Four and a half years ago, the Surey Savings and Loan association of Houston received its charter from the State of Texas, and was insured under F.S.L.I.C. During this period of time, we have built our assets to approximately $18,000,000. We have helped the community to build many homes, but it seems that the banks now are trying to put us out of business. As a matter of fact, we have not been able to make a loan for the past three weeks because of the lack

of money. Withdrawals have been extremely heavy—to be specific, more than 20% of our total deposits. We are quite concerned, but we are going to be more concerned, if the trend continues."

Dando Construction Co., Lake Jackson, Tex.:

"As a building contractor in the Brazosport area, I am well aware of the effect that high interest, consumer-type certificates of deposit issued by commercial banks has on the availability of mortgage funds. For all practical purposes, the conventional home mortgage lenders in this locality are unable to make further commitments either for speculative homes or for homes to permanent borrowers. These institutions, who are specialists in the mortgage loan field, are unable to fulfill their role in financing home ownership because the bulk of the funds which heretofore have been available for this purpose are being channeled to commercial banks in metropolitan areas which are offering a return of 5% and 5½% on certificates of deposit of $1,000.00 or more. Some banks are even offering 5% CD's on lesser amounts."

Mr. James H. Hand, Jr., Harlingen, Tex.:

"In retrospect, the decision in December by the Federal Reserve Board in raising the CD rate to 5½% could hardly have been expected to accomplish the proposed objective of economic restraint in view of the tremendous and rising pressure of the Viet Namese War.

"To avert the strangulation of thrift, home ownership, and better citizenship, it is necessary to restore a balance in the financial role of the banks and the savings and loan associations. This, I believe, can best be accomplished by rolling back the present 5½% CD rate or limiting the size of the CD on which this higher rate can be paid to a minimum of $100,000.00.

"Let us not also forget, that by far and large, banks and savings and loan associations are engaged in equally specialized lending areas, and that both have performed well their respective roles. To expect each to perform well outside of its specialized lending area is to invite inefficiency, excessive operating losses, and ultimately a stifling of the American economic scene."

Mr. Lloyd Baker, Spokane, Wash.:

"During the past few months I have become aware of intense competition among financial institutions for savings. The commercial banks liberal use of Certificate of Deposits of unrealistic amounts has helped them to acquire savings that have traditionally been placed with other types of financial institutions. This would be acceptable if these acquired funds were being used for the same purpose as though they had been accumulated by a different type of financial institution."

Anderer Realty Co., Milwaukee, Wis.:

"Please add my name to your growing list of dissenters about the existing CDs now being sold by the banks. This practice has had a crippling effect on our Savings and Loans and therefore has reflected in the Real Estate industry and the construction field. The Savings and Loans are not even taking mortgage applications in our city. Right now they wouldn't take an application for a $10,000 mortgage on the Alamo or the Shamrock Hotel, if you were willing to pay 10% interest."

Mr. Charles R. Dykstra, real estate broker, Racine, Wis.:

"I urge that action be taken to impose a ceiling of 4½% interest rate for certificates of deposit paid by all banks, and a like and equal restriction imposed upon all savings and loan associations.

"It is my opinion that such action would have a stabilizing effect upon the economics of the home-owner market in the state. The present imbalance of interest rates is reflected in the present market in this area, as surely it must be throughout the rest of the state."

Mr. H. E. Gilbert, realtor, Elkhorn, Wis.:

"As an individual in the real estate business, I have rather forcefully come to realize the effect of the Certificates of Deposits on the Savings and Loan industry and, in turn, the availability of money for mortgage loans for residential and smaller commercial properties, which effects not only those of us in the real estate business but all those in all phases of the building business.

"Commercial banks play, as we all know, a very useful and needed part in our Economy, but the vast majority of Commercial Banks are not real estate mortgage oriented or minded as they are not interested in mortgages of the length of time that is necessary for the bulk of real estate mortgages, particularly home mortgages; nor are they interested, willing or able to grant mortgages in the amount necessary for the average real estate loan."

SMALL BANKS URGE ACTION ON CERTIFICATES OF DEPOSIT

Mr. PATMAN. 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 Texas?

There was no objection.

Mr. PATMAN. Mr. Speaker, many reports that I have seen circulating around in the press and in my mail have characterized the Banking and Currency Committee's concern over the serious situation caused by the high-interest-bearing, short maturity certificates of deposit as a bail-out for the thrift industry.

For the information of Members, I would like to insert into the RECORD following my remarks a number of letters I have received from small banks around the country. Small banks are being hurt by this Federal Reserve caused high interest rate war, so it is a serious concern to both the banking community and the thrift industry. The whole push on these high rated CD's has been caused by the big money market bank without any care, concern, or study as to the effect these financial instruments have on the money market. As we all know, the mortgage market is out of reach of the homeowner; savings and loans, which have made over 40 percent of the home loans in America today, no longer make commitments on mortgage loans. Small banks find themselves also in a serious situation since they just cannot compete nor pay the high rates of the big banks.

Mr. Speaker, I call to the attention of the Members these letters from small bankers expressing deep concern over the CD problem.

Delaware Trust Co., Wilmington, Del.:

"In the interest of preserving the relationship among various savings institutions we urge the reduction of the rate ceiling on certificates of deposit of less than $100,000 to four and one half percent and we oppose any increase above four percent in the rate limits on passbook savings."

Lake View Trust & Savings Bank, Chicago, Ill.:

"While the general public is not averse in principle to receiving higher interest on their deposit accounts, there is considerable misgiving on the part of many to the eventual solvency of our banking system if we are to continue in what amounts to a rate war without abatement. Competition on the basis of service rendered will have their approval, but they are quick to recognize the weakening effect of large interest payments on the solvency of their banks."

State Bank of East Moline, East Moline, Ill.:

"Remember, the prime rate and the in allowable interest paid on savings accounts and CD's was not done for the benefit of the smaller banks, but for the banks of the Eastern Sea Coast. We smaller banks don't like to increase interest rates but are forced to go along by the big boys. The Treasury Department and the Federal Reserve Board are both to blame for this situation.

"I emphasize that you and your committee give very sincere consideration to this matter and for goodness sakes protect the smaller banking institutions from ruin. These smaller banks have been the backbone of our country and now like all other small business enterprises must stoop to the wishes of the big institutions. Let's preserve these institutions for the benefit of the small people who make up the bulk of our population."

People Trust Co., Linton, Ind.:

"It seems to me, and maybe I am wrong, that forces are in evidence that would destroy the function of small banks in small communities and finally be absorbed by larger banks in larger communities.

"Currently we are paying 4½% on Certificates of Deposit which item has increased considerably in the past two years. This was done recently. We had no pressure to do this except from competition in our immediate community. We were paying 3% on passbook Savings and 4% on Certificates of Deposit of six months or longer. Now we don't know where we are.

"Indiana Department of Financial Institutions has regulated a 4½% interest on Certificates of Deposits. We are what you might term a State Bank because we are principally regulated by the Department of Financial Institutions of the State of Indiana and the Federal Deposit Insurance Corporation. It appears to me that the present attitude, and maybe I am wrong, that the larger institutions are preparing to enlarge their activities where the larger will take over the smaller."

Willard United Bank, Willard, Ohio:

"We are a small bank with $20 million in assets, of which two thirds of our deposits are in savings and CDs. We have been an issuer of CDs for thirty years. They are non-negotiable and can only be transferred upon the books of the bank. We have never purchased outside CD money and never will.

"Our CDs are issued to our depositors in denominations of $100.00 and over the years we have accumulated over six million dollars in CD money divided among thousands of depositors.

"We pay 4% on the CDs and I was and am opposed to the action taken by Federal Reserve to raise the rate on negotiable CDs to 5½% without restrictions. I feel that the majority of the smaller banks should not be penalized by the action of some banks in raising CD rates, which in my opinion are beyond the ability to pay without subjecting their bank to some unsound and risky loans and investments.

"We have put most of our savings and CD money into local home, farm, and business mortgages. We also have been a Federal Housing lender since its inception and have helped others to buy their homes, farms, and businesses. We have kept our loan rates down and do not anticipate raising them."

Lehigh Valley Trust Co., Allentown, Pa.:

"Nevertheless, we believe it is not in the public interest to further increase interest rates. Such increases must inevitably result in increasing the cost to borrowers and will cause interest rates on loans and mortgages to rise. This will adversely affect business expansion and home buildings too. Already in various sectors of the economy the rate to

borrowers has advanced to 7% and 8% and the end is not yet in sight.

"We share the concern of the House Banking Committee and many responsible people in government that rates are advancing too sharply. We would approve the regulatory curbs the Committees of Congress are now exploring. Nor do we think it is the function of commercial banks to divert the deposits of the Building and Loan Associations to their own accounts. It is not in the public interest to advantage one group to the detriment of others."

The First National Bank, Marshall, Tex.:

"The excessive competition for these kinds of savings accounts is creating a vicious circle. It is my feeling that a large amount of the savings in certificates of deposit is what I would call "hot money." The depositor is looking for the highest yield and will move his account from time to time to the bank which will pay him more interest. In turn, the bank which is paying a lesser interest rate will have to give a long hard look at the possibility of increasing its rates in order to avoid loss of its accounts. It could be argued that this situation would continue until every bank in the United States would be paying five and one-half per cent on certificates of deposit.

"A very important consideration is the effect that this would have on the borrower. Simple economics states that the more we pay for money the more we will have to charge the borrower. This would have an adverse effect on business, and would add to the cost of living to every individual. I believe that on savings accounts banks, together with savings and loans, should pay a fair rate of interest and charge a reasonable rate to their borrowers.

"I am in favor of Regulation Q being amended so that banks can pay up to four and one-half per cent on six month or one year certificates of deposit up to $100,000.00. If the big city banks need to pay five and one-half per cent on amounts over $100,000.00 in order to remain competitive then that would be all right with me."

INDEPENDENT BANKERS, 6,400 STRONG, CALL FOR END TC HIGH INTEREST RATE WAR—4½ PERCENT CONSIDERED FAIR AND EQUITABLE

Mr. PATMAN. 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 Texas?

There was no objection.

Mr. PATMAN. Mr. Speaker, to end the terrible interest rate competition between all the Nation's financial institutions, I recently introduced House Joint Resolution 1148, to fix for a temporary period a 4½ percent maximum rate of interest payable on time deposits, including the notorious CD's.

My purpose is to provide for the liquidity of all our financial institutions and to insure adequate mortgage credit for the home builder and the home buyer—which has almost entirely dried up. Interest rates on home loans are sky high because of this rate competition prompted by the defiant Federal Reserve Board's money starvation policy.

So, it was with great pleasure that I received and read a telegram from the top officials of the Independent Bankers Association informing me of their support for a sensible and sound 4½ percent temporary rate ceiling on time deposits.

The Nation's 6,400 independent bankers should be congratulated for their forthright and responsible stand. The entire telegram follows:

INDEPENDENT BANKERS ASSOCIATION OF AMERICA.

Hon. WRIGHT PATMAN,
Chairman, House Banking and Currency Committee, Washington, D.C.:

Federal legislative committee of the Independent Bankers Association, representing more than 6,400 member banks, has been meeting in Washington, yesterday and today, giving priority among pending bills to your H.J. Res. 1148, H.R. 14026 and related bills. The committee attended the public hearing today and listened to the testimony of Chairman Martin and his interrogation by members of your committee.

We are familiar with the draft of the various bills under consideration and respectfully offer the following as expressing the sense of the Independent Bankers Association: we recognize that the thrust of this bill arises from concern for restraining a potential rate war between the mutual thrift associations and the commercial banks. This possible rate competition contains the elements of damage to both and is clearly not in the public interest. Likewise we recognize the potential for interest rate competition with the banking industry, as well as with the thrift institutions. However we are opposed to the imposition of restraints on the commercial banks without comparable and appropriate restraints on the thrift institutions, which action we believe is equitable and fair. We are mindful of the experiences of the banking industry with former increases in the maximum permissible rates, where the permissible rate has rapidly become the floor as well as the ceiling.

In view of this we do not believe a five percent rate will accomplish relief in the rate competition between the thrift institutions and the commercial banks. For such purpose it is our belief that the ceiling should not exceed four and one half percent. Our other principal positions include: authorization to increase reserve requirements should be premised upon authorizing appropriate reserve requirements for thrift institutions and other financial intermediaries. Further we believe that a system of graduated reserve requirements by size of bank would be desirable. We are opposed to proposals to require interagency coordination on changes in interest rate limitations. We believe the Federal Reserve Board should be given the power to distinguish between certificates of deposit as money market instruments and time deposits and passbook savings accounts which are in the nature of thrift accounts.

We are opposed to revision of section 14(b) of the Federal Reserve Act to make obligations of the Federal Home Loan Bank and of the FNMA issued a secondary market operation eligible for purchase by the Federal Reserve Board. We believe the purpose of injecting funds into the mortgage market is best accomplished directly through the Treasury Department.

PAT DUBOIS,
President.
REED H. ALBIG,
Chairman of Federal Legislative Committee.

MINNESOTA CREDIT UNIONS ASK CONGRESS TO CONTROL FEDERAL RESERVE BOARD

Mr. PATMAN. 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 Texas?

There was no objection.

Mr. PATMAN. Mr. Speaker, the Minnesota Credit Union League, at its recent 37th annual meeting, adopted a resolution in opposition to the Federal Reserve Board's stand on higher interest rates. The resolution calls on Members of Congress to amend the Federal Reserve Act to place restraints on the Federal Reserve Board's power to increase interest rates without approval of Congress.

Savings institutions and home buyers throughout the country have been seriously damaged by the December action of the Federal Reserve Board in raising interest rates 37.5 percent. This action by the Board has virtually cut off mortgage loans in many sections of our country and has made it extremely difficult for middle- and low-income families to obtain much-needed mortgage money.

FED DISDAINS LOW INTEREST RATES

The tight money situation which the Federal Reserve Board has arbitrarily thrust upon the American people is a typical example of the utter disregard for low interest rates which the Federal Reserve Board holds.

Many economists do not understand how the Federal Reserve Board operates, but it does not require any economic skill to see the havoc which the Federal Reserve Board has raised in our economy. Talk to perspective home buyers, savings and loan and mortgage companies and you will quickly learn that the Federal Reserve Board has so severely tightened credit through various devices, including pumped-up certificates-of-deposit rates, that the homebuilding market is faced with one of the most critical periods in recent years.

A copy of the resolution adopted by the Minnesota League of Credit Unions follows:

RESOLUTION NO. 1—FEDERAL RESERVE BOARD ACTION ON INTEREST RATES

Whereas, Article I, Section 8, paragraph 5 of the Constitution of the United States provides that Congress shall have the right to coin money and regulate its value, and

Whereas, this provision of the Constitution places the responsibility directly upon Congress to control inflation, deflation, and economic stability, and

Whereas, Congress has created the Federal Reserve System as its agent, subject to no other control but itself, and

Whereas, the Federal Reserve Board has on repeated occasions taken steps to increase interest rates for the avowed purpose of controlling inflation, and

Whereas, such actions have failed to adequately limit the creation of money by the banking system during periods of inflation, and have added a crushing burden of debt to consumers, wage earners, home owners, and tax payers, as well as having served to add to the rising cost of living and interest on the national debt, now therefore

Be it resolved, that the Minnesota League of Credit Unions at it annual meeting in Rochester, Minnesota on April 23, 1966, does hereby go on record as opposed to the policy of increased interest rates as an inflationary control, and requests the members of Congress to amend the Federal Reserve Act to place restraints on the Federal Reserve

Board's power to increase interest rates without approval of Congress, and

Be it further resolved, that a copy of this resolution be sent to Congressional members of the Senate and House from Minnesota, as well as to the Chairman of the Banking and Currency Committee of each House, and a copy to the Legislative Committee of CUNA International, Inc.

SAXON ATTEMPTS PROPAGANDA SMOKESCREEN TO HIDE TRAGIC TOLL OF HIGH INTEREST

Mr. PATMAN. 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 Texas?

There was no objection.

Mr. PATMAN. Mr. Speaker, the truth about the tragic toll of high interest rates is at last coming before the American people. No longer can the facts about this situation be hidden behind the public relations propaganda of the Federal Reserve Board and its big banker allies.

Too many people are hurting and hurting badly from the Federal Reserve's high interest, tight money policies for this propaganda smokescreen to succeed.

As a result, the defenders of the big banks and high interest are growing desperate in their attempts to come up with a justification for this heavy blow against the American people and the American economy.

The latest defense for high interest comes from the Comptroller of the Currency, James J. Saxon, in an article in Sunday's Washington Post. Mr. Saxon, a former registered lobbyist for the American Bankers Association, has this amazing justification for gouging the public with high interest rates:

> Most of the recent discussion of high interest rates and competition for funds has neglected certain important aspects of the current situation. Perhaps most important, high interest rates benefit savers. The millions of people with savings in financial institutions are receiving a higher return on their funds.

It is not surprising that Mr. Saxon takes this myopic view of the U.S. economy. The Comptroller apparently assumes that everyone in the country is either a banker, a corporation president, or at least a millionaire.

But the facts simply do not support him. No, Mr. Saxon, not everyone is so fortunate as to have several hundred thousand dollars invested in certificates of deposit at 5½ percent.

I would suggest that the Comptroller, before making more public statements of this nature, take a look at the Nation's income distribution figures.

The fact is that more than half of the population has annual incomes of less than $4,600. Surely Mr. Saxon does not suggest that this group has amassed huge fortunes in savings accounts.

About one-fourth of the Nation's families and single individuals have no liquid assets—that is, no savings. On the other hand, virtually all of this group must borrow to survive. Higher interest rates take more dollars out of the already inadequate incomes of this segment of the population.

Another 28 percent have liquid assets or savings of under $500 and another 12 percent, liquid assets of between $500 and $999. In other words, 64 percent of the Nation's families and single individuals have savings of less than $1,000.

But the big question is, How much debt is on the backs of this group of nonsavers and small savers which make up the great majority of the population? The interest on this debt is staggering and does not begin to be offset by the minimal interest gained on small savings accounts.

Millions of Americans have home mortgages ranging between $10,000 and $20,000. Millions of these same Americans also owe $1,000 or $1,500 on an automobile. Millions of small businessmen and farmers are deeply in debt for capital.

I hope Mr. Saxon is not suggesting that the small saver who may draw interest on a $300 or $400 savings account is benefited when he must pay 25 percent more for interest on a $20,000 home. For example, a 1-percent increase in interest rates adds $4,734 in interest costs to a $20,000 loan over a 30-year schedule of maturity. This is roughly equivalent to the annual income for more than half the population. In other words millions of people will have to work a full year just to pay the added interest costs on their home mortgage as a result of the Federal Reserve Board's action.

Mr. Saxon's upside-down economics notwithstanding, the truth is that interest income goes primarily to a handful of high income groups, large corporations, and financial institutions. It takes money from the pockets of the average- and low-income citizen.

Not even the Comptroller of the Currency can escape the fact that it takes money to make money with money.

In his Washington Post article, Mr. Saxon plays down the effect of high interest costs on the building industry and on the home buyer. This part of his article must have read like a cruel bit of bureaucratic hypocrisy to everyone concerned with housing.

I place in the RECORD two articles which appeared in the Wall Street Journal only last week. These articles illustrate some of the serious crises faced in housing as a result of high interest rates.

[From the Wall Street Journal, June 13, 1966]

HORNE'S EMERGENCY PLAN: SLUMP IN HOUSING STARTS ANTICIPATED BY S. & L. OVERSEER BECAUSE OF CD'S

(By Richard F. Janssen)

WASHINGTON.—Housing starts will fall steeply soon unless the ability of banks to drain funds from mortgage-issuing savings and loan associations is restricted, cautioned John E. Horne, the Government's chief S&L supervisor.

Mr. Horne is discussing with banking authorities a proposal to let the Federal Reserve, in case of emergency, pump newly created money directly into the savings and loan system.

Mr. Horne, chairman of the Federal Home Loan Bank Board, predicted in an interview that, unless either Congress or the Federal Reserve Board curbs banks in issuing high-yielding certificates of deposit, housing starts in the second half of this year will decline to an average annual rate of 1,270,000 to 1,100,000. That would put the full year's total around 1,300,000, down 13% from the 1,505,000 of last year. Not since 1961 have housing starts been under 1,400,000.

The chairman said he wishes Congress would slash to 4¾% or even 4½% the maximum interest rate on CDs of less than $100,000. In contrast, Federal Reserve Board Chairman William McChesney Martin and Treasury officials appear to favor a ceiling of 5% on these "consumer sized" CDs. The present limit is 5½% annually.

SMALLER CD'S CAUSE WORRY

CDs are receipts for funds deposited for a specified time. Big ones are usually negotiable; depositors can receive their money in advance of maturity by selling them to a dealer. It's the increasing use of smaller non-salable ones that's worrying the savings and loan industry. Without Congressional authority, the Federal Reserve Board doesn't believe it could vary the rate ceiling according to size.

A 5% ceiling on the smaller certificates would cause some reduction of the current drain on savings and loan associations, Mr. Horne said, but he fears it still wouldn't be low enough to assure S & Ls "adequate funds to meet the responsibility Congress charged them with, of providing sound and economical home financing."

Mr. Horne disagrees with Mr. Martin on CD maturities, too. He said the Federal Reserve should act on its own to require that CD have maturities of at least six months if not a year. Mr. Martin has said this would be unfair to small banks that issue such certificates in place of passbook savings accounts.

The practice of letting CD holders cash them in every 90 days instead of holding them to maturity also should be halted, Mr. Horne asserted.

HORNE'S SCHEME

The Horne emergency plan for bolstering savings and loan resources would require action by Congress to make securities issued by the Federal Home Loan banks eligible for purchase by the Federal Reserve. Some of these securities would be sold directly to the reserve system instead of being offered on the open market to compete for existing savings. If the Federal Reserve were to buy such issues, it would mean a net increase in the nation's money supply because of the Federal Reserve's power to create the funds with which it makes securities purchases.

Such a law, Mr. Horne said, would put the Home Loan banks "in a better position to relieve some of the strain on the mortgage market." He complained that present Home Loan Bank debentures can't be offered more than once a month "and there is some limit to how big a chunk of funds we can obtain" at any one time. Selling these debentures provides funds for the 12 district Home Loan banks to lend to member associations.

The Federal Reserve would decide whether to make such purchases, and they probably wouldn't be made except to meet "emergency" needs of associations. So far, board officials haven't had any response from the Federal Reserve, but they believe there's some sentiment for the idea in Congress.

HOME LOAN RESOURCES

The Home Loan Board will have exhausted its ability to aid the competitive stance of savings and loan associations once it issues the rule changes it proposed in mid-May, Mr. Horne said. Unless Congress, in the meantime, restricts the rates banks can offer on CDs, on July 1 the board probably will begin letting associations, among other things, pay up to 5% on regular passbook accounts in California and Nevada without losing their borrowing power at the district banks. If Congress does curb bank CD rates, though, Mr. Horne hinted that the

board might be less liberal in its rule changes.

Some associations, Mr. Horne complained, have entered "a state of undue caution" about mortgage-fund shortages by telling would-be borrowers they are "completely out of the lending business." Some banks and insurance companies have said the same thing to prospective mortgage borrowers, he said, calling this "obviously an extreme response to . . . a difficult situation." He expressed hope that associations soon will realize that their repayments on older loans provide funds for new loans even though their new-savings inflow is small or nonexistent.

Yesterday, in Atlanta, C. A. Duncan, Jr., president of the U.S. Savings and Loan League, said that new loan commitments by S&Ls fell 50% in May from the year-earlier level. The calculation was derived from a special survey made by the trade group of league members with 20% of the nation's savings and loan assets, he said.

The May decline, plus a 20% year-to-year drop in April, "foreshadows a severe cutback in home building and real estate sales as the year moves along," Mr. Duncan told the annual meeting of the Georgia Savings and Loan League.

[From the Wall Street Journal, June 14, 1966]

USED HOUSING WOES: SALES OF EXISTING HOMES FALL EVEN MORE SHARPLY THAN NEW HOUSE RATE—SHORTAGE OF MORTGAGE MONEY IS BLAMED; SOME FAMILIES DECIDE AGAINST RELOCATING—WILL LOAN RATE REACH 6.75 PERCENT

(A Wall Street Journal News Roundup)

Trouble in the housing industry has shown up most dramatically in figures that report the number of new homes started across the nation each month—the total has been dropping with distressing regularity. However, it is becoming increasingly evident that in many areas the used home market is getting into an even more serious bind.

As is the case with new homes, the culprit in the used home picture is tight money. It is getting a great deal tougher for a prospective used home buyer to get a mortgage loan, a Wall Street Journal survey of mortgage lenders and real estate agents shows. At the same time, the survey indicates, used homes are becoming much harder to sell in many parts of the country.

In the San Francisco area, for instance, real estate men estimate that sales of used homes are running some 50% behind the year-ago pace; this drop exceeds the estimated 30% drop in new home sales in the area. Robert King, vice president of Colwell Co., a California mortgage banking firm, lays the blame squarely on tight money. "It's the key factor," he says. A San Francisco realtor declares: "Money has dried up and the used home market is being hurt as a result."

OFFICES CLOSE

In the past three weeks, in fact, Colwell Co. has closed two of its major offices in Northern California and laid off some 40% of its personnel, an official reports. And in one county in the San Francisco Bay area, 16 real estate offices have been closed in the past year. In both instances, slumping home sales, especially used homes, were held responsible.

The relatively mild drop in new home sales, some authorities contend, can be traced to the fact that many builders take considerable pains to be sure mortgage money will be available for families who buy their houses. This obviously is not a factor where used homes are involved. In addition, housing men report, many used homes are proving difficult to sell because they are the wrong size or are in unattractive neighborhoods.

"Too many small two-bedroom homes were built after World War II," says Charles McCarthy, a vice president of the Bank of America. "And many of these homes were constructed without the comforts people are demanding these days." Raymond Mason, executive vice president of Security Savings & Loan Association, San Jose, Calif., remarks: "There aren't too many people looking for the massive, older-type luxury home these days. Five bedrooms and three baths are just too much for most people."

Sluggish demand for certain types of used homes is by no means confined to California. John Baird, president of Baird & Warner, Inc., a large Chicago real estate concern, reports ranch-type homes with no basements, built shortly after World War II, are especially "sticky" to sell. "I had a guy call the other day who is moving to Detroit," the executive relates. "He has a one-story ranch home with no basement. I found in his particular area there are four other similar homes on the market. They had been there for periods of up to a year."

SUMMIT'S SNOB APPEAL

The importance of neighborhood is emphasized by Allen G. Butler, president of the Butler Agency, a real estate concern in Summit, N.J. "The biggest factor is location, and by that I mean snob appeal and convenience to New York City," Mr. Butler says. "What we'd call a 'dog' will go for a fantastic price in a prestige area like Summit, even though the house may need thousands of dollars of work and may not have a well laid-out floor plan. The other day a family with six children moved into a three-bedroom, bath-and-a-half house here. The guy liked the area, but I know darn well the house wasn't his dream home."

Overriding all other considerations, however, is the tight money problem. "We are turning away borderline applicants for used home loans that we would have accepted only a few months ago, when money was more plentiful," reports an officer of Boston Five Cents Savings Bank. In Los Angeles, a salesman for a large West Coast manufacturer recently was cleared for a loan on a used home by a local savings and loan association—only to have the S&L at the last moment decide not to lend the money. "This has been done to a lot of people recently," says a Los Angeles realtor.

Even when loans are made, they are getting much costlier and require larger down payments.

"We still had some loans available at 5⅜% in March," says John E. Krout, mortgage vice president for Philadelphia Savings Fund Society, the city's largest savings bank. "But now everything is at 6%." Henry Moog, a partner of Clover Realty Co., Atlanta reports: "When you pass the age of 10 years old in a house, you have to pay one-half of 1% more to get a loan, and on a house 40 years old in a neighborhood of questionable stability, we just can't get financing—period. All we can hope is that the buyer will take over the existing mortgage and put up the rest in cash, or that the seller will take a second mortgage for the difference."

RATES ON THE RISE

Government figures indicate that interest rates on most older homes are relatively high. John E. Horne, chairman of the Federal Home Loan Bank Board, recently reported that in April, the latest month available, the average interest rate on conventional used home mortgages stood at 6.09%, up from 6.01% in March and from 5.89% in April 1965. The corresponding rate for new single-family home mortgages in April was 5.99%, up from 5.90% in March and from 5.74% in April 1965, according to Mr. Horne.

Unless steps are taken to make more mortgage money available, Mr. Horne and his aides estimate the average rate on used homes will hit 6.75% by year's end; the new home rate will reach 6.25%, they also predict.

John Corcoran, who heads a Boston real estate agency of the same name, is among those who report that down payment requirements are getting tougher. "The marginal home buyers, the people who can pay only a little down, have been eliminated," Mr. Corcoran says. "The banks now want a minimum down payment of 10% or more," while several months ago only about 5% down was required. The change, he says, is a major reason that used home sales handled by his agency are running some 10% behind a year ago.

"Where we used to ask for a 20% down payment a year ago, we now require 25%," says David Weiner, vice president and mortgage officer of First Federal Savings & Loan Association, New York. A larger down payment also is required on new homes, Mr. Weiner reports. At 20%, however, the percentage remains well below the 25% down payment now required on used homes, the executive notes.

Surprisingly, prices of many used homes are remaining quite firm. In the San Francisco area, for instance, realty men say prices of used homes are about unchanged from a year ago, despite the 50% decline in used home sales. The reason for this surprising firmness, officials claim, is that many would-be home sellers are putting off moving plans. "They're just sitting back and asking their price," says Bank of America's Mr. McCarthy. Colwell Co.'s Mr. King reports: " Many people are staying put."

Although the overall used home market shows signs of trouble, the situation in a few parts of the country is remarkably bright, tight money notwithstanding.

For instance, in Detroit, where auto production set a record last year, used home sales are booming. "The used home market is the greatest we've seen in our 44 years," says Jack Jominy, executive vice president of United Northwest Realty Association, a suburban Detroit agency. The agency's first-quarter gross sales amounted to $37 million, he says, up from $26 million a year before, and "we're having more of the same" in the second quarter. Even in Detroit, however, "demand undoubtedly will slacken" if money remains tight for very long, the official predicts.

The consequence of high interest, which Mr. Saxon takes so lightly, of course is affecting everyone in the economy. The housing industry is being hit very hard, but they are not alone.

Only last Thursday, one of the Nation's largest banks, Chase Manhattan Bank of New York, announced substantial increases in its rates on all types of consumer loans. The net effect is about a 1-percent increase to the borrower. The announcement by this huge New York institution has touched off similar announcements by other banks across the country. So this means higher costs for automobiles, home improvements, and all types of installment loans. I place in the record an article from the New York Times of June 16 outlining the Chase Manhattan Bank's plans for higher interest rates to consumers.

[From the New York Times, June 16, 1966]

CHASE INCREASES RATES ON LOANS FOR CONSUMER: RAISES INTEREST FOR CARS AND HOME IMPROVEMENTS—OTHERS MAY FOLLOW

(By H. Erich Heinemann)

New Yorkers will pay higher finance charges on automobiles, home improvements and most other installment loans at New York City's largest bank.

The Chase Manhattan Bank, in a move reflecting the rising cost of money, announced yesterday that the increase, of one-half of

a percentage point, would go into effect immediately.

The new rates will range from 4¾ per cent for automobile loans without insurance on the life of the borrower to 5¼ per cent on most other types of consumer loans that the bank makes.

These rates are quoted on a "discount" basis. This means that the interest charge is deducted at the time the loan is made from the amount borrowed, with the result that the effective simple annual interest rate on the loan is approximately double the stated rate.

Thus, the half-point increase actually means a rise of about one per cent in the cost of borrowing; the 4¾ per cent rate means an increase of 9½ per cent, and the 5¼ per cent rate involves an increase of 10½ per cent.

The new rates apply only to consumer-type loans up to $5,000.

INCREASE COULD SPREAD

However, Chase Manhattan's rate increase immediately touched off speculation that increases in other lending rates might also be in the works.

Some bankers, for example, have been saying lately that their prime, or minimum business lending rate—now 5½ per cent simple interest—is beginning to "look cheap" relative to the cost of borrowing in the open market.

The prime rate has been increased twice since last December—from 4½ per cent to 5 per cent on Dec. 6, and to 5½ per cent on March 10.

At the present time, however, the consensus among bankers seems to be that a general increase in business lending rates is not imminent.

Other major banks in New York and in the suburbs were caught off guard by the Chase action.

JANUARY RISE CITED

Bankers said that whether the rate increase became general would depend on the reaction of the First National City Bank which is second largest in over-all size in New York, but by far the biggest consumer lender in the city.

The only comment that First National City would make on the Chase move was that "we are not raising our rates, but we are studying the situation."

Other bankers, however, predicted that First National City "won't let another 24 hours grow under its feet" before joining the Chase Manhattan increase.

It was widely felt that if First National City did increase its rates, most other banks in the area would follow.

The increase in consumer lending rates announced yesterday was the second that banks in New York City had put into effect in the last six months.

In January, led by First National City and the Meadow Brook National Bank on Long Island, the banks increased the rate that they charge on unsecured personal loans to 5¼ per cent from 4¾ per cent, discounted in advance.

The unsecured personal loan was one of two types of consumer loans on which Chase did not announce a rate increase yesterday. The other type not involved was home-improvement loans with maturities of four to five years; the rate rise affected home-improvement loans with maturities of three years or less.

Under the Chase Manhattan's new rates, a man needing $2,000 to buy a new automobile will have monthly payments (assuming no life insurance or other extra charges) of $91.25 per month if the loan is for 24 months, or $63.47 if the loan is for 36 months.

Under the old rate schedule, the payments were $90.42 and $62.64, respectively. This is a difference of only 83 cents per month, but over the life of the loan it adds up to $19.92 more on a 24-month loan, or $29.88 for 36 months.

In detail, the changes in rates (all discounted in advance) announced by Chase Manhattan were as follows:

Automobile loans made directly to the purchaser, but without life insurance—to 4¾ per cent from 4¼ per cent.

Automobile loans made directly to the purchaser, with life insurance—to 5¼ per cent from 4¾ per cent.

Home-improvement loans with maturities up to 36 months—to 5¼ per cent from 4¾ per cent.

Small business loans up to $5,000—to 5¼ per cent from 4¾ per cent.

Collateral loans (secured by stocks, insurance policies, savings passbooks or other collateral) up to $5,000—to 4¾ per cent from 4¼ per cent.

In its formal explanation of the rate increase, Chase would say only that it was the "direct result of money-market conditions and higher operating costs." A spokesman for the bank declined to elaborate.

It was noted, however, that the interest rates that banks pay on negotiable time certificates of deposit, which are sold in denominations of $500,000 and up to corporations, have climbed to the maximum legal rate of 5½ per cent in recent weeks.

Chase Manhattan does not publicly quote the rates that it is paying on such "C.D.'s," but the presumption is that it, along with its competitors, is paying the top rate.

Such interest charges are a major part of the expenses of all New York City banks.

Likewise, bankers made the point that since business lending rates had increased by one percentage point since last December, it was "certainly logical" that consumer lending rates should also be raised.

Installment debt of this type today stands at about $90 billion. This means that the new 1-percent increase announced by the major banks last week will add $900 million just to the cost of paying off installment debt. And of course this $90 billion in consumer installment debt is but a small fraction of the total of $1¼ trillion total public and private debt existing at the end of 1965.

A 1-percent increase in interest rates on this total debt, of course, adds a staggering $12½ billion to the cost of paying off this debt.

To the bureaucrats at the Federal Reserve and in the Comptroller's office, this figure may seem insignificant. However, I do not believe that the American people regard it so lightly. And I hope this Congress does not regard it lightly.

TRIBUTE TO HARRY SAUTHOFF—JUNE 3, 1879–JUNE 17, 1966

Mr. KASTENMEIER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

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

There was no objection.

Mr. KASTENMEIER. Mr. Speaker, it is my sad duty to inform the House of Representatives of the passing of one of our former colleagues, Harry Sauthoff of Madison, Wis., who represented the Second District of Wisconsin for 8 years in the Congress of the United States. His colorful political career spanned over 30 years during which time he served his county, State, and National government. His death recalls for many in Wisconsin and throughout the country the prominent role he played in the life of the Progressive Party and the Progressive political era of the 1930's and the 1940's.

He was the newly established Progressive Party's first—and successful—candidate for Congress in 1934 from the Second District of Wisconsin. He served three more terms, four in all, and in 1944 was the unsuccessful candidate for the U.S. Senate on the Progressive ticket. The years he served in Congress were difficult times, marked first by deep depression and then by war. He distinguished himself and the State of Wisconsin in bringing his own vitality and that of the Wisconsin-born Progressive Party to bear on the problems of this era.

A native of Madison, Wis., Mr. Sauthoff was a graduate of the University of Wisconsin and its law school. He served as Dane County district attorney soon after graduating from law school and later was secretary to Wisconsin Governor John J. Blaine. He subsequently was elected to the Wisconsin State Senate, and practiced law in Madison before being elected to Congress in 1934. He returned to private practice in Madison following his campaign for the Senate in 1944 and practiced law until he retired in 1955.

His death last Thursday at the age of 87 brought to an end a distinguished career of a fine man, an honorable and honored public servant and respected citizen. I wish to extend my deepest sympathies to his family and friends.

GENERAL LEAVE TO EXTEND

Mr. KASTENMEIER. Mr. Speaker, I ask unanimous consent that all Members who wish to do so may extend their remarks on the life of former Congressman Harry Sauthoff.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

APPRECIATION FOR JOB CORPS AID IN TOPEKA

Mr. PUCINSKI. 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 Illinois?

There was no objection.

Mr. PUCINSKI. Mr. Speaker, we have heard considerable criticism in this Chamber of the Job Corps. Undoubtedly some of this criticism may be exaggerated and some of it may be justified. I believe if we are going to criticize, we ought also to praise where praise is due.

I am very much interested in an AP story out of Topeka, Kans., which says:

"They worked until I thought some of them would drop."

That was the kind of praise 200 young Job Corpsmen from all over the Nation won by their toil in helping East Topeka residents clean up tornado damage last week.

"You just wouldn't believe the spirit those guys had," continued Sandy Bailey, of the Kansas City Regional Office of Economic Op-

portunity. "They came in here and saw the challenge and really tore into it."

Eighty of the 18- to 20-year-old corpsmen pleaded to be allowed to help finish the job and they are staying. The others returned Sunday to their camps at Poplar Bluff, Mo.; Puxico, Mo., and McCook, Nebr.

Lacking chain saws and highloaders, they have used only their hands in helping clear debris from private property of people who already were in lower income groups.

I believe, to be fair, we ought to recognize where the Job Corps is doing a good job, and that it deserves a great deal of credit.

LOWER FARM PRICES

Mr. BUCHANAN. Mr. Speaker, I ask unanimous consent that the gentleman from Minnesota [Mr. LANGEN] may extend his remarks at this point in the RECORD and include extraneous matter.

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

There was no objection.

Mr. LANGEN. Mr. Speaker, the Johnson-Humphrey administration may be losing the war on poverty but it is clearly winning its battle for lower farm prices.

When Presidential Economic Adviser Gardner Ackley and Agriculture Secretary Orville L. Freeman predicted earlier this year that farm prices would tumble, they were not just whistling "Dixie." Mr. Freeman has proved to be an exceptionally gifted prophet. On March 31 he called a press conference at which he expressed pleasure over the fact that farm prices had begun to decline and confidently predicted a drop of as much as 10 percent by year's end.

Since that time, the parity ratio, which measures prices received by farmers against those they pay for goods and services, has declined from 82 to 79. Over the past 2 months, farm operating costs boomed to a new record high, while farm prices dropped. In some circles, this is known as the "double whammy."

Paradoxically, while farm prices have been moving downward, retail food prices and the Labor Department's cost of living index have climbed to new record highs. This confirms an earlier charge by the House Republican Task Force on Agriculture that the farmer is being made the whipping boy for rising living costs when, in fact, the inflationary policies of the administration are to blame.

The farm price break did not just happen. It was deliberately planned. Over the last few months the administration has taken several actions which were carefully calculated to push farm prices down. There was the wholesale dumping of Government-owned corn and wheat, export controls on hides, slashes in Defense Department buying of butter, beef and pork, easing of import restrictions on sugar and cheddar cheese and "jawboning" against food prices by the President himself.

Today we have a situation where farm prices are 13 percent lower than they were at the height of the Korean war, while retail food prices are 18 percent higher than they were at that time. Only in what Mr. Freeman himself has described as the "great wonderland" could government bring this about.

ACTION STILL NEEDED TO TEMPER THE BOOM

Mr. BUCHANAN. 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 pro tempore. Is there objection to the request of the gentleman from Alabama?

There was no objection.

Mr. CURTIS. Mr. Speaker, the administration is exhibiting a disturbing tendency these days to take the easy road to achieving essential objectives, ignoring the fact that short-term advantages may be matched and even overpowered by damaging consequences in the long run. Nowhere is this "government by expediency" more evident than in the administration's economic policy—or lack of it—to deal with the current inflation.

It is now fashionable in administration circles to maintain that inflation will soon die a natural death and that no really effective remedial action by the Government is necessary. Thus, we can avoid implementing the distasteful side of the "new economics"—fiscal restraint—and also have a cooling of the inflationary boom. However, there is good reason to believe that more inflationary pressure may lie ahead and that effective action is needed now. An editorial in the June 4 issue of Business Week notes both of these points and throws some cold water on the administration's euphoria.

Although I agree with the editorial's analysis of current economic conditions and its support of a tighter monetary policy coupled with effective Federal expenditure restraint, I disagree that a tax increase is also required to check inflation. I commend this editorial to the attention of all interested in the health of our economy and ask unanimous consent that it be placed in the RECORD at this time.

THE BOOM IS STILL GOING TOO FAST

There is an unfortunate tendency in Washington just now to assume that the threat of inflation is receding and that there will be no need for President Johnson to ask for a tax increase. This is dangerous because, even though the breakneck pace of business has slowed a bit, the worst of the inflationary pressure facing the U.S. economy may still lie ahead.

The excellent record of growth combined with price stability during the period 1961–1965 now has been broken. The climb in the consumer price index at an annual rate close to 4% thus far this year has gravely weakened the Administration's wage guidepost of 3.2% which was supposed to keep the average increase in labor's compensation in line with productivity gains. If labor seeks to get enough to cover both productivity increases and cost-of-living hikes when the big wage contracts come up next year, this may ensure wage-push inflation even if the economy is by then losing altitude.

The reluctance to take adequate fiscal action to temper the boom already has generated problems that may have painful consequences in the future. The boom has stimulated a rate of rise in capital spending for new plant and equipment that may not be sustainable. It has pushed up the demand for money so rapidly (despite moderately restrictive policies by the Federal Reserve) that interest rates have climbed sharply, causing serious strains upon savings and loan institutions, mutual savings banks, and housing construction—with the full impact still to come.

The inflationary boom also has hurt the nation's balance of payments by stepping up imports and curbing exports—at a time when Vietnam is adding its own strains to the nation's external position.

THE NEW ECONOMICS

As yet, the Administration is still far from ready to acknowledge that much of the trouble could have been avoided if it had followed through on its own commitment to modern economic policy. The so-called new economics is a symmetrical body of thought. It calls for (1) stimulating a sluggish economy suffering from unemployment but (2) curbing a racing economy pressing against its physical limits. The Administration found the stimulating job pleasant and politically popular; it found the job of restraint much harder to undertake, essentially because it was painful and unpopular.

This, of course, is precisely the danger that some critics of the new economics predicted during the debate over the big tax cut bill. And it must be conceded that their point will appear well-taken if the U.S. now cannot demonstrate that the government of a democracy is able to find the courage to do the right thing even when it is unpopular.

The problem now, however, is not to argue about what might have been but to construct a policy that at a minimum will avoid aggravating present and future difficulties and that may, if we are lucky, keep the economy on a reasonably steady growth course. The job of fashioning such a policy is harder—not easier—now that the economy is showing some hesitancy.

Although it is barely possible that this present modest tempering of the boom may be the start of a genuine decline, it seems highly improbable. Rather, the forecast of the overwhelming majority of economists is that the U.S. economy will keep growing quarter by quarter through the rest of the year fast enough to lift gross national product 8% or more over 1965 in current dollars—while the real gain in output is likely to fall below last year's 5½%. This means that the prospective rate of advance still needs to be moderated.

The money supply has been growing too fast; its 6.4% growth rate over the past 12 months has been the fastest for any years since World War II. The Fed, therefore, should try to hold the growth of money down to no more than a 5% rate—and 4% would be better.

Monetary policy, however, cannot succeed unless it is accompanied by adequate fiscal restraint. If the Administration refuses to face this fact, it will put the Fed in an intolerable position, and it will thereby risk discrediting monetary policy as well as the new economics.

Fiscal restraint should be applied to both the expenditure and tax sides of the budget. Though most of us hate the thought of paying higher taxes, it must be made clear that this may be the only course if more serious troubles are to be avoided. Such responsible and thoughtful business leaders as David Rockefeller deserve credit for trying to drive this point home to members of the business community—as well as to government officials.

It may be perfectly true, as the Administration has pointed out, that the inflationary

danger arises from the Vietnam war and not from any miscalculation in domestic policy. But the need for restraint is no less urgent on that account. The Administration has shown its determination to protect the U.S.—and the free world—position in South East Asia, as well as in Europe and elsewhere. It now must show equal determination to take the steps necessary to guard the health and stability of the U.S. economy. The two are inextricably linked together.

ADMINISTRATION POLICY THREATENS SAVINGS AND LOAN INSTITUTIONS

Mr. BUCHANAN. 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 pro tempore. Is there objection to the request of the gentleman from Alabama?

There was no objection.

Mr. CURTIS. Mr. Speaker, one of the sources of instability in the economy today is the competition among savings institutions for deposits. The chief threat lies in the drain in deposits suffered by the savings and loan institutions. In order to forestall a serious liquidity crisis among these institutions a number of suggestions are already being made for curbing the interest which commercial banks can pay on time and savings deposits.

It is interesting to note that one of the main reasons for the current squeeze on the savings and loan institutions is the administration's overreliance on monetary policy to control inflation. As a New York Times editorial of June 15, 1966, points out, the result of this policy—combined with the sales of high-yield participations in Government-owned loans—has been to make money scarce and expensive.

Arbitrary ceilings on interest which commercial banks can pay offers no solution to the problem as long as underlying demand for credit remains at an extraordinarily high level. The most useful step the administration could take would be to apply fiscal restraint through a reduction and deferral of nonessential civilian spending.

Under unanimous consent, I include in the RECORD the Times editorial of June 15, 1966.

THE SAVINGS WAR

In intervening in the interest rate war between banks and other savings institutions, the Treasury is supporting a proposal to ban commercial banks from paying more than 5 percent on deposits of up to $100,000 and is reportedly considering legislation to keep them from paying more than 4½ percent on small accounts.

Such restrictions would blunt one of the competitive weapons employed by the commerical banks, but it will not halt the bitter and harmful battle for the savings dollar between the banks on the one hand and the mutual savings banks and savings and loan institutions on the other.

The thrift institutions lost over $1.1 billion in deposits in April, losses that have meant a shortage of funds available for investment in mortgages. There could be a real scarcity of mortgage money as well as serious liquidity squeeze on individual institutions if fresh withdrawals took place at the end of the current quarter.

Representative WRIGHT PATMAN of Texas has proposed restricting the powers of commerical banks as a means of equalizing competition. James L. Robertson, vice chairman of the Federal Reserve Board, has suggested an expansion in the powers of the savings institutions so that they can wage more effective war against the banks, a proposal that would have the effect of turning savings institutions into commercial banks. The Treasury, going along with Mr. PATMAN, wants to preserve the differences between the banks and the thrift institutions, which traditionally channel funds from small savers into the housing market.

These differences are worth preserving. But the restoration of a better competitive balance essential to protect the position of thrift institutions does not lie in measures to penalize commercial banks or the public. Whatever the Treasury does about commercial banks, the position of the thrift institutions will not be restored so long as demand for credit continues to grow and the monetary authorities are forced to ration the supply.

The Administration's own policies have worsened the situation. It's over-reliance on credit policy has made money scarce and expensive. It new practice of selling participations in Government-owned loans—a move designed to make its budget deficit look smaller—at rich yields of up to 5.75 percent is hitting at both commercial banks and thrift institutions. And the high interest rates now prevailing on other Federal and local government obligations and on other securiities available to the public may well bring further erosion in the position of the savings institutions even if the power of the banks were to be curbed.

So unless demand lessens voluntarily or the Administration takes action to restrain it, the battle for savings and the threat of a liquidity shortage in savings and loan institutions will not fade away.

THE ECONOMISTS SPEAK OUT

Mr. BUCHANAN. 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 pro tempore. Is there objection to the request of the gentleman from Alabama?

There was no objection.

Mr. CURTIS. Mr. Speaker, hardly a day goes by without an administration statement noting the good health and balance of the Nation's economy. As a contrast to this daily diet of administration optimism, it is refreshing and enlightening to hear what the professional economists have to say.

Chase Manhattan Bank recently polled professional economists in universities and business to try to determine a concensus on the major economic issues facing our country today. The results in many cases show a striking divergence from the views generally expressed by the administration.

A majority of both the 340 university economists and the 220 business economists who answered the questionnaire stated that inflation was the most pressing economic problem facing us today, and nearly all respondents thought inflation was now underway. As a remedy for this inflation, a significant number of respondents supported reduced Federal spending and tighter money. It is especially interesting to note that half of the university economists and 60 percent of the business economists did not favor the wage-price guideposts as a technique for restraining prices.

An additional issue on which the economists were polled was the proposed increase in the minimum wage. A significant majority of both business and university economists did not favor an increase to $1.40 in February 1967. Many were opposed outright to minimum wage laws.

We hear all the time about polls on many economic issues. I would like to think that this one presents especially responsible and well-informed opinions on economic issues. I think the administration would do well to give more weight to the views of professional economists outside government in developing its own policy positions.

Under unanimous consent, I include in the RECORD an article describing this poll which appeared in the June 1966 issue of Business in Brief. I also include a column by Murray Rossant from the New York Times of June 8, 1966, which discusses the Chase Manhattan poll.

ECONOMISTS COMMENT ON PUBLIC ISSUES

What do economists, both academic and business, think about key public issues like inflation, wage-price guideposts, and the economic impact of discrimination?

To find answers to these and other questions, the Chase Manhattan's Economic Research Division mailed questionnaires this April to 500 economists teaching in universities, and to 300 economists working for businesses. About 340 or nearly 70%, of the university group completed the form and returned it to us. About 220, or nearly 80%, of the business group did so.

Here are the conclusions drawn from their replies:

Economists are now more worried about inflation than about unemployment and poverty.

They recommend a broad-based attack against inflation, including cutbacks in government spending, tighter money and higher taxes.

Economists give widespread support to many of the Administration's welfare programs, but they also display considerable interest in preserving the role free-market forces play in directing the economy.

The majority of university and business economists see eye-to-eye on many issues. But university economists line up somewhat more heavily on the "liberal" side than do business economists.

INFLATION IS THE MOST PRESSING PROBLEM

The first quesion asked was: "What do you consider the most pressing economic problem now facing the U.S.?" The majority of both business economists, 54%, and university economists, 51%, answer inflation. But the two groups differ about the second most pressing problem, with business economists citing the international payments deficit, and university economists citing poverty.

Emphasizing the concern about inflation are answers to the question "Do you think inflation is now underway across the U.S?" Almost 95% of business economists and over 85% of university economists answer "yes."

Asked what policies the nation should stress in containing inflation, both groups favor the broad use of monetary and fiscal policies. But business economists put more emphasis on reducing federal spending, while university economists put more emphasis on raising taxes.

Despite 6 years of steady gains in general business activity, neither group is willing to buy the proposition that the business cycle

is dead. Over 90% of both groups say they disagree with this notion, although 50% or more of both groups consider it unlikely that the next business downturn will be as deep or as long as the downturn of 1957–58. Many of our respondents also comment that they do not believe the nation will ever undergo another Great Depression of the 1930s variety.

SUPPORT FOR WELFARE MEASURES

Support for some of the government's economic programs and proposals shows up in answers to several questions. For instance, nearly 90% of university economists and almost 75% of business economists say they generally support the idea of a government "War On Poverty." Much smaller percentages, however, approve the direction of the "war" has taken so far. Less than 60% of university economists approve, and less than 45% of business economists do so.

Additional support for government innovations is revealed by answers to questions about state and local governments. Almost 80% of our university respondents and almost 70% of our business respondents say they believe there is a growing need for federal aid to state and local governments. The university group favors untied federal grants (sometimes called the "Heller Plan"), while the business group favors federal tax programs designed to release tax sources to state governments.

Asked about the social and economic problems now confronting the nation's cities, almost 80% of university economists and almost 70% of business economists say cities need help from other levels of government. An identical 43% of both our university and business respondents feel that the formation of area-wide governments is a good way of tackling the country's urban troubles.

SUPPORT FOR THE MARKET SYSTEM

But although strong backing is given to some of the newer proposals for economic and social innovation, one also finds a pervasive desire to rely heavily on free-market forces. For example, in reply to the inflation question about 80% of both groups polled suggest either general monetary or fiscal policies as the best way to contain inflation, while less than 20% presently suggest either selective credit controls or price controls.

Other evidence of support for market forces shows up in attitudes toward the wage-price guideposts as a technique for combating inflation. Half the university economists oppose the guideposts. Business economists oppose the guideposts by a margin of 60% to 40%. And many of those who register themselves in favor of the guideposts remark that they do so with some reluctance and with the hope that they will be used only temporarily and in a strictly voluntary way.

But perhaps the strongest opposition to government interference with market mechanism shows up in the question on minimum-wage legislation. Over 60% of university economists and almost 80% of business economists oppose increasing minimum wages to $1.40. The primary reason they oppose the boost is that they dislike minimum-wage laws in general.

NEED FOR EDUCATION

Whereas both university and business economists believe racial discrimination constitutes a serious obstacle to economic efficiency, only the university group believes it should be attacked through further federal legislation. Some 65% of the academics now think further legislation is needed, as against 75% who thought so when we asked the same question in 1963.

One issue on which virtually all economists agree is the need for teaching more economics in high school. Almost 95% of the business economists and 90% of the university economists in our survey believe the subject should be taught in high school. And the vast majority of both groups believe that the effort deserves either a major or moderate effort.

Technical Note: This survey is based on a sample drawn from the American Economic Association's 1964 *Handbook* and from the National Association of Business Economists' 1965–66 *Membership Directory*.

Of the 500 teachers asked to participate, about 320, representing colleges and universities in 46 states, filled out the questionnaire and returned it. Of the 300 business economists asked to participate, about 220, representing business firms in 29 states, did so.

Owing to a lack of space, this report does not contain all the questions posed. If you would like a copy of the complete results, just drop us a note requesting it.

Highlights from the Chase Manhattan survey of university and business economists

[In percent]

	University economists	Business economists
1. What do you consider the most pressing economic problem now facing the United States?		
Inflation	51	54
Poverty	25	8
Balance-of-payments deficits	9	19
Inadequate growth	4	5
Unemployment	2	2
Other	9	12
2. Do you think inflation is now underway in the United States?		
Yes	86	94
No	14	8
If your answer is "yes," what policies should be stressed in containing it?		
Higher taxes	34	28
Reduced Federal spending	27	40
Tighter money	21	17
Selective credit controls	12	12
Wage-price controls	6	3
3. After about 6 years of steady gains in general business activity, a rumor has begun making the rounds to the effect that the business cycle is dead.		
Do you disagree	93	95
Agree	7	5
4. In general, do you support the idea of a Government "war on poverty"?		
Yes	88	74
No	12	26
If your answer is "yes," do you generally approve the direction the "war" has taken so far?		
Yes	57	44
No	43	56
5. Do you believe there is a growing need for Federal aid to State and local governments?		
Yes	78	68
No	22	32
If so, what form should the increased aid take?		
Untied grants	44	22
Grants-in-aid tied to specific programs	33	28
Federal tax programs designed to release tax sources to State governments	21	48
Other	2	2
6. It is frequently said that U.S. cities face great social and economic problems. Do you think these problems should be met by:		
Greater assistance from other levels of government	79	67
The cities themselves	21	33
If your answer is "other levels of government," what do you think is the best approach:		
Forming new metropolitan areawide governments	43	43
Greater Federal responsibility for local problems	32	23
Greater State responsibility for local problems	25	34

Highlights from the Chase Manhattan survey of university and business economists—Con.

[In percent]

	University economists	Business economists
7. In general do you favor the Government's "wage-price guideposts" as a technique for holding the line on prices?		
No	50	60
Yes	50	40
If your answer is "no," is it primarily because:		
There are better ways of restraining the overall price level	44	32
Guideposts involve too much interference in the market	42	52
Other	14	16
8. Organized labor is calling for a rise in the minimum wage from $1.25 an hour to $1.40 in February 1967. Do you favor such action?		
No	61	79
Yes	39	21
If your answer is "no," it is primarily because:		
You generally oppose minimum-wage laws	54	60
The timing is inappropriate	26	22
The boosts are too big	19	18
Too small	1	0
9. Does racial discrimination constitute a serious obstacle to economic efficiency?		
Yes	74	62
No	26	38
If your answer is "yes," should the problem be attacked through further Federal legislation?		
Yes	64	44
No	36	56
10. Should economics be taught in high school?		
Yes	90	94
No	10	6

[From the New York Times, June 8, 1966]

A VERDICT ON INFLATION—POLL OF ECONOMISTS FINDS MANY THINK UPWARD PRESSURE IS ALREADY HERE

(By M. J. Rossant)

The slowdown in the pace of business activity experienced in the current quarter has lessened the threat of a serious inflationary wage-price spiral. But the threat has not been eliminated. In fact, economists say that inflation is already here.

That is the verdict of 86 per cent of the academic economists and 94 per cent of the business economists answering a poll conducted by the economic research division of the Chase Manhattan Bank.

A majority of both groups also contends that inflation is "the most pressing problem now facing the United States."

VICTORY OF SORTS

These responses represented a victory of sorts for economists who have disputed the Johnson Administration's consistent contention that inflation was nothing to worry about. Even Administration economists are now prepared to admit that inflation may be a serious problem late this year or early in 1967.

The Administration had been right earlier in the expansion when they argued that there was enough slack in the economy to ward off inflationary pressures. Now its economists think that a slower rate of advance will be accompanied by the re-emergence of a little slack that will help to halt the recent upward creep of prices.

But some private economists expect the creep to turn into a strut. They fear that price and wage pressures will become more pronounced even if business activity continues to rise at a slower rate.

Economists predicting a stepping up of inflationary pressure think that the recent rise in consumer prices will prompt labor to

demand much higher wage increases this year and next.

As the Pittsburgh National Bank puts it, "Factory workers only tolerate a slowdown in real income for a short period of time during generally healthy business conditions. Then . . . workers press for larger increases in wages in order to counteract the effect of rising consumer prices. This pressure can easily translate itself into a wage-cost-price-push inflationary spiral if workers continue to force higher wage settlements which in turn are followed by price increases. . . .

The Administration is aware that labor will be demanding much higher wages unless prices are stabilized. But it is pointing out that food prices are expected to level off. And it is hopeful that the slowdown in automobile sales and the decline in the stock market will help to cool inflationary psychology.

If businessmen and consumers show less concern about inflation, Administration economists reason, inflationary pressures may subside.

Certainly one of the reasons that inflation has been so slow to make itself felt during the current expansion is that inflationary psychology was conspicuously absent for so long. It faded away during the latter days of the Eisenhower Administration and did not show itself again until late last year.

HELD AT BAY

Inflation was also held at bay because most of the important industrial wage settlements that now prevail took place when unemployment was relatively high. As a result, labor unions probably settled for less than they would have if unemployment was relatively low.

The Administration will have a lot going for it if inflationary psychology fades once again. But it is doubtful that it will be as lucky again when it comes to labor.

Economic Advisers, concedes that if price rises are not checked now, both upcoming labor negotiations and "market forces would generate a tendency for wages to catch up."

Those who think that inflation will accelerate argue that the economy does not have spare resources. So even if the rate of climb slows, they see price and wage pressures intensifying.

They also question whether inflationary psychology is really dead. They think that it could start up again if there was a fresh increase in spending for the Vietnam war or if consumers resumed their spending spree.

Unquestionably, there is still a real risk of a serious inflationary problem. Business activity, if not inflationary psychology, is still rising. And prices, if not expectations, are following suit.

Prices must be stabilized now to avoid a sharp rise in labor demands later on. Admittedly, inflation has had a slow start, but if labor is driven to demand excessive wage increases in a period of low unemployment, inflation will probably linger on long after the expansion has passed its peak.

A POSITIVE APPROACH

Mr. BUCHANAN. Mr. Speaker, I ask unanimous consent that the gentleman from Ohio [Mr. ASHBROOK] may extend his remarks at this point in the RECORD and include extraneous matter.

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

There was no objection.

Mr. ASHBROOK. Mr. Speaker, the Joint Council on Economic Education, a nonprofit group set up to encourage instruction on economics in the schools, reports that this year some 1,500,000 students in more than 4,500 elementary schools are receiving courses in basic economics. It has long been recognized that instruction in rudimentary economics was lacking in the curriculums of many schools.

For some time now a noteworthy effort has been made to give more emphasis to this subject by the U.S. Jaycees in courses to members as a national Jaycee project. Entitled "Freedom Versus Communism: The Economics of Survival," these study sessions seek to give participants an opportunity to make an informed, objective appraisal of the Communist challenge by comparing our private competitive enterprise system with the economic system of Communist Russia. The course material was developed by the Chamber of Commerce of the United States and the success of the venture can be judged by typical comments from Jaycees chapters:

From the Glasgow, Ky., Jaycees:

When the Glasgow Jaycees agreed to sponsor Freedom vs. Communism, they expected to organize a single class. But four times as many people enrolled and completed the course.

These people represented a cross section of the community including lawyers, educators, doctors, housewives, mechanics, plumbers, etc. More courses are now being organized.

This project brought the local Jaycees more sustained publicity than any project held prior to this.

An editorial from the Current-Argus, of Carlsbad, N. Mex., has this to say about the program of the Carlsbad Jaycees:

At least nine other local civic organizations have joined the Jaycees in promoting this program, Freedom vs. Communism. The Freedoms Foundation at Valley Forge, Pennsylvania, lends its support to the program, as does the Chamber of Commerce of the United States, FBI Director J. Edgar Hoover and Governor Jack M. Campbell. The program is deserving of support.

The reason for the success of the Freedom Versus Communism course is not difficult to discern. Authorities on communism from the executive and legislative branches of the U.S. Government were consulted in the preparation of the course material. In addition, leading economists and educators and training experts made qualified contributions to the effort. The course consists of eight informal discussion sessions with case studies and workshop problems lending variety to every 2-hour session. Pamphlets of background information provide a preparation for each session. The subjects covered in the sessions include:

First. The Communist challenge—what communism is and how it threatens the free world.

Second. Consumer control or controlled consumers—how consumer influence in a competitive enterprise economy differs from consumer influence in a controlled economy.

Third. Profit motive or master plan—how the profit motive influences the way resources are used and distributed; contrasted with how, in a Communist country, production and distribution are controlled.

Fourth. Who gets what—how the rewards of production are distributed under the two contrasting systems.

Fifth. The role of government—the effect of government on an economic system.

Sixth. The big picture—how the private and government sectors of an economic system influence one another, their impact on people and the economy of a country.

Seventh. Meeting the economic challenge—what can be done to solve the problems of inflation, unemployment, and economic growth in the battle for economic survival.

Eighth. What you can do about communism—what concerned citizens can do to help fight communism.

The U.S. Chamber of Commerce is certainly to be commended for making this worthwhile training program available to the public. In addition, the efforts of the U.S. Jaycees to give the program wider dissemination should be supported wherever possible.

When one reads of campus riots, draft-card burnings, and disrespect for law enforcement, it is refreshing and reassuring to learn of responsible programs which seek to accentuate the positive in our way of life. And more importantly, it is hoped that the theme of the Jaycee creed will serve as a guideline to an increasingly larger number of citizens in confronting the crises of these troublous times:

We believe—

That faith in God gives meaning and purpose to human life;

That the brotherhood of man transcends the sovereignty of nations;

That economic justice can best be won by free men through free enterprise;

That government should be of laws rather than of men;

That earth's great treasure lies in human personality;

And that service to humanity is the best work of life.

FREEDOM TO BE LOYAL

Mr. BUCHANAN. Mr. Speaker, I ask unanimous consent that the gentleman from Ohio [Mr. ASHBROOK] may extend his remarks at this point in the RECORD and include extraneous matter.

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

There was no objection.

Mr. ASHBROOK. Mr. Speaker, today the House passed the freedom of information bill for which there has been a crying need for many years. By means of misclassification and downright refusals, executive branches have withheld information which properly belonged to Congress and the people. Equally important is the fate of those in executive offices who forthrightly provide information to Congress derogatory to their particular agency. The case of Otto Otepka and the State Department is an excellent case in point.

As is generally known, Otepka testified before Congress concerning bad security practices in the State Department and was fired in November 1963. Otepka's sin consisted in literally believing rule 1

of the "Code of Ethics for Government Service" which was passed by Congress on July 11, 1958: "Put loyalty to the highest moral principles and to country above loyalty to persons, party, or Government department."

The Otepka treatment by the State Department reads like a James Bond thriller, complete with wiretaps, inspection of waste containers, and false testimony before a congressional subcommittee. Fortunately, the Senate Subcommittee on Internal Security has made public for all to read the record of this man's 3-year-long fight to "put loyalty to country above loyalty to Government department."

The latest development in the case is especially pertinent in view of the passage of the freedom of information bill in the House. As reported by Willard Edwards of the Washington office of the Chicago Tribune on June 2, 1966, the use of the classification "secret," is once again being employed to keep from the public information which apparently is not complimentary to the State Department. Because the freedom of our Government employees to be loyal is at stake, I include Mr. Edwards excellent article, "Suppression Bid Bared in Otepka Case," in the RECORD at this point:

SUPPRESSION BID BARED IN OTEPKA CASE—PLEA MADE BY STATE DEPARTMENT

(By Willard Edwards)

WASHINGTON, June 1.—The state department has moved to suppress vital portions of the final volume of secret evidence taken during a three-year investigation of the Otepka case.

Nine members of the Senate internal security subcommittee today received letters from George W. Ball, acting secretary of state, protesting the proposed release of documents and testimony baring details of lax security in the department.

Each letter was labeled "secret," provoking indignation in some of the recipients who could determine no reason for such classification of a communication between a government department and a Senate subcommittee which disclosed no details of the documents sought to be suppressed.

In addition to Sen. JAMES O. EASTLAND [D., Miss.], the chairman, the letter was sent to Senators JOHN L. MCCLELLAN [D., Ark.], SAM J. ERVIN [D. N.C.], BIRCH BAYH [D. Ind], GEORGE SMATHERS [D., Fla.], ROMAN L. HRUSKA [R., Neb.], EVERETT M. DIRKSEN [R., Ill.], and HUGH SCOTT [R., Pa.].

Ball asked for deletions of the transcript in four places. He pleaded that publication of certain documents and testimony would violate the state department's classification of "confidential," and, in one instance, would seriously affect relations with foreign countries.

CLEARED BY GROUP

This material, after examination by the subcommittee and its staff, had been cleared for publication as essential to public understanding of what has been called "the Otepka tragedy." It was to have appeared shortly in volume 20, the last of the series of transcripts of secret hearings. When galleys were sent to the state department for examination, Ball's last-minute letter of protest, dated May 31, was dispatched.

Otto F. Otepka was a highranking state department security officer who was fired Nov. 5, 1963. He incurred the wrath of Secretary of State Dean Rusk and other superiors by testifying candidly about bad security practices in the department.

The subcommittee began its publication of the 1,500,000-word transcript in July, 1965, and 19 volumes have been released thus far. Another five volumes were devoted to its probing of the case involving Abba Schwartz, chief of the bureau of security and consular affairs, who resigned several months ago.

REFUSED BY ONE

One senator refused to accept the letter under these circumstances. Another remarked that he had never noted a more serious distortion of the much-abused practice of applying the "secret" stamp to government papers. The only excuse for the secret label in this instance, it was noted, was to cover up the state department's attempt to suppress evidence.

FOUGHT TWO YEARS

The state department fought for two years against release of the hearings. As the volumes were released periodically, in the last 10 months, the reasons for its opposition became apparent. A tale of intrigue was disclosed and a pattern of procedures which seemed designed to operate to the benefit of security risks.

Otepka appealed his dismissal and is still awaiting an opportunity to present his defense to charges of conduct unbecoming a state department officer. He has been tentatively promised a hearing in July. Altho he has remained on the payroll, because of his appeal, he has been stripped of all security duties and assigned to clerical work in virtual isolation.

AVAILABILITY OF AMMUNITION TO MEN SERVING IN VIETNAM

Mr. BUCHANAN. Mr. Speaker, I ask unanimous consent that the gentleman from Ohio [Mr. AYRES] may extend his remarks at this point in the RECORD and include extraneous matter.

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

There was no objection.

Mr. AYRES. Mr. Speaker, I was deeply shocked when I received a letter signed by 29 members of the 94th Ordnance Company serving in Vietnam that outlined a situation that seemed almost unbelievable to me.

I can understand the deep sense of frustration that must be enveloping these men—a frustration that would cause them to turn to a Member of Congress for help.

These men were chosen for service by the armed services. They underwent stringent mental and physical examinations. They have undergone military training. Certainly they are to be trusted with ammunition—particularly in that part of Vietnam that has been under sniper attack.

I have turned this letter over to the distinguished and able L. MENDEL RIVERS, chairman of the House Armed Services Committee, and have asked that a full-scale investigation be held to find the reasons behind the action charged in this letter.

I have no answer to send to these men but I intend to pursue this question until one is forthcoming. I have written to these men informing them that I have called for this investigation and have asked them to inform me of any repercussions that they might possibly suffer because of their action in reporting these facts to me.

The letter that I received from 29 members of the 94th Ordnance Company follows:

APO SAN FRANCISCO,
June 6, 1966.

DEAR SIR: I don't know for sure whether I have a legitimate complaint or not but I thought that I had better find out.

We are serving our country in Viet Nam with our ammunition locked up in a conex. Even though we are in the second safest place in Viet Nam there have been several incidents where people on guard duty have been shot at.

Too, GI's were shot at and killed just 1,500 feet from where we are based.

At any time we could be attacked. We would like to know if there is anything that could be done about this situation.

We would appreciate any help that you could give to us.

Sincerely,

The GI's from the 94th Ordinance Co.: Pfc. Marvin F. Hettinger, Jr.; Sp4c. Charles F. Engle; Pvt. E–2 John Kruis; Sp4c. Donald G. Baker; Sp4c. David M. Marks; Sp4c. Cleveland E. Storns; Pfc. John A. Blackburn; Sp4c. Frank D. Fowler; Sp4c. Craig H. Roe; Pfc. John J. Mytych; Sp. David A. Michad; Sp. Melrich C. Dio; Sp4c. Lloyd Perkins; Pfc. Charles Penir; Sp4c. Leonard Einhorn; Sp4c. Howard N. Swecker; Pfc. Harry D. Diaf; Sp4c. John Gleyduos; Pfc. Marlin Farabaugh; Sp4c. Steve Pagle; Pfc. Byron Donohoe; Pfc. Fred Bennicoff; Pfc. John Hoffman; Sp4c. Lawrance Stone; Pvt. Clifford Mesker; Pfc. Wallace Waldcop; Pfc. William Smith; Sp4c. James M. Bamorietz; Sp4c. Louis Sember; Richard Stoner.

DISTRICT OF COLUMBIA SCHOOLS "REPORT"

Mr. BUCHANAN. Mr. Speaker, I ask unanimous consent that the gentleman from Florida [Mr. GURNEY] may extend his remarks at this point in the RECORD and include extraneous matter.

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

There was no objection.

Mr. GURNEY. Mr. Speaker, on Friday morning, June 17, there was released a committee print entitled "A Task Force Study of the Public School System in the District of Columbia as It Relates to the War on Poverty." The report further states that this study was conducted by the Task Force on Antipoverty in the District of Columbia of the Committee on Education and Labor.

Mr. Speaker, I am a member of that task force, and the first time I saw that report was Friday morning. I was not afforded an opportunity to participate in the drafting of the report; I was not informed that it was about to be published. The report was not discussed at a meeting of the subcommittee called for that purpose.

Furthermore the minority staff of the committee was not notified, nor were they given an opportunity to even read the report before it was released. No provision was made for the preparation of minority views or additional comment.

In short, that report is not the work of any task force in which I participated, although it purports itself to be such. I wish at this time to disassociate myself

from the report and to make it very clear that I had no part in determining its contents.

CLARIFYING AND PROTECTING THE RIGHT OF THE PUBLIC TO INFORMATION

Mr. BUCHANAN. Mr. Speaker, I ask unanimous consent that the gentleman from Florida [Mr. CRAMER] may extend his remarks at this point in the RECORD and include extraneous matter.

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

There was no objection.

Mr. CRAMER. Mr. Speaker, I was unavoidably detained at an important meeting and missed by a few minutes being present for the vote on S. 1160, clarifying and protecting the right of the public to information. Had I been present, I would have voted for passage of the bill and, for the record, want to announce my position in support of the legislation, which is best evidenced by my introduction of a similar bill, H.R. 14915.

In support of this position, I can do no better than to quote the conclusion of the Committee on Government Operations in reporting the bill to the House:

A democratic society requires an informed, intelligent electorate, and the intelligence of the electorate varies as the quantity and quality of its information varies. A danger signal to our democratic society in the United States is the fact that such a political truism needs repeating. And repeated it is, in textbooks and classrooms, in newspapers and broadcasts.

The repetition is necessary because the ideals of our democratic society have outpaced the machinery which makes that society work. The needs of the electorate have outpaced the laws which guarantee public access to the facts in Government. In the time it takes for one generation to grow up and prepare to join the councils of Government—from 1946 to 1966—the law which was designed to provide public information about Government activities has become the Government's major shield of secrecy.

S. 1160 will correct this situation. It provides the necessary machinery to assure the availability of Government information necessary to an informed electorate.

THE FUTURE FOR CORN

Mr. BUCHANAN. Mr. Speaker, I ask unanimous consent that the gentleman from Illinois [Mr. FINDLEY] may extend his remarks at this point in the RECORD and include extraneous matter.

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

There was no objection.

Mr. FINDLEY. Mr. Speaker, on June 6, Robert C. Liebenow, president of the Corn Industries Research Foundation, Inc., which is composed of the companies which process corn for industrial and food uses, made an unusual speech at French Lick, Ind. He discussed corn and its importance in most interesting terms, but he went further and stated firmly and persuasively that farmers should receive a fair price in the market for their products. He also criticized recent efforts to beat down farm prices, pointing out that these prices are low in comparison to wages and industrial prices.

Below are extracts from his excellent speech:

THE PROCESSOR MARKET—PRESENT AND FUTURE

A booming and an exciting processor market lies ahead for today's corn producers. It is a market whose value will be increased in the years ahead.

Much of this is due to the versatility of corn, our top crop. Much of this is due to the imaginative efforts of our corn farmers, seed producers, the agribusiness community—and to processors like those I represent.

Nor should we overlook the vital marketing role played by grain and feed dealers, the commodity exchanges, our transportation industries—and many others. Their teamwork makes it possible for the 7 percent of our population living on farms to feed the other 93 percent of us, and have food left over for some of the rest of the world besides.

All of us are dedicated to doing a better job for agriculture. This we can do, but there are some stern tests of our patience and our ability just ahead of us.

First, let me say that the health of corn processing is and will continue to be excellent. I am confident that the market I represent will be an important—and growing—market for corn producers and the grain trade for years to come.

Last year's record corn crop was produced only through the cooperation of the farmer and all of agribusiness. The approximately two billion bushels of corn which are moving through marketing channels so efficiently are a tribute to the know-how and efficiency of the membership of your great association and others in other states.

I think it is unfortunate that so few of us take time to consider some of the measures of corn's importance to this economy of ours. One indication of this importance is the fact that the value of the crop raised by American corn farmers each year is exceeded by no other crop. The 1965 crop value amounted to more than $4 billion, and the proportion of corn sold in the cash market is trending upward. Corn is the real King!

Corn refiners purchase about 5 percent of our total corn crop. The exact percentage varies slightly with the size of the total crop. If we consider only that corn which is marketed, including exports, corn refining purchases rise to 10 percent to 12 percent of the total crop available for sale—and this, let me remind you, is the part that you handle.

One more measure of our importance to your business is this: corn refiners purchase more than half the corn crop that is neither exported nor fed to livestock.

And in our domestic economy—as many of you know—the products of corn refining go into hundreds of food, paper, textile, metal-working, medicinal and other uses so essential to our life.

Recently, we of Corn Industries wanted to describe the contributions of corn refining to America in a few words. We finally said: "Corn refining affects all Americans."

So basic is corn in so many food and nonfood uses in our economy today that its use normally is not subject to the economic cycle or other disturances in buying power.

Since the beginning of the present century a marked change has occurred in diets. Price changes, taste, the introduction of convenience foods, rising incomes, changes in occupations and continuing farm-to-city migration all have affected our food consumption habits.

A few months ago, R. F. Daly and A. C. Egbert, two U.S. Department of Agriculture economists, published a most interesting study of what U.S. food consumption patterns might be in 1980.

Between now and 1980, according to Daly and Egbert, our per capita consumption of beef, veal, chicken and turkey will increase, but we will eat less pork. Our use of milk, milk products and eggs will decline some more, but not as much as the experience of the last two decades. Our consumption of food fats and oils will remain steady, and the shift from animal to vegetable sources of fats and oils—which is now well under way—will continue.

Turning to grains, Daly and Egbert indicate our per capita wheat consumption will continue downward, dropping to 143 pounds in 1980 in comparison to 165 pounds in 1959–61.

Corn consumption, however, follows a far different pattern, and this really interests us. One would expect our consumption of corn to parallel the decline in wheat. Cornmeal consumption has been declining steadily over the years. What could possibly take its place? The answer is all sorts of things, among them corn sweeteners and corn oil—two products of corn refining produced in rising volume.

Daly and Egbert tell us we may expect per capita food consumption of corn to continue at or near the present level through 1980, when—according to their estimates—the grain equivalent of per capita U.S. food consumption of corn will be 52 pounds.

Another of the growth products of corn refining is oil. U.S. corn refiners have doubled their output since 1948, and today margarine usage accounts for 36 percent of the total domestic use of corn oil. A decade ago margarine use was negligible.

Corn processors, of necessity, have certain quality standards. One important requirement they emphasize is that the corn they use should not be overheated during drying. We of Corn Industries have carried on an educational program on proper corn drying for a number of years, and the Federal Government supports extensive research in this same subject.

Correct drying procedures are all the more important today. First, artificial drying of corn is a growing and valuable practice. Second, the amount of corn that is field-shelled is increasing year after year. We quarrel with neither of these developments because we know they represent the type of producer efficiencies our farmers must have to keep their costs in line with the value of their marketings.

All of us have a real stake in corn drying. Corn refiners, by the way, are not alone in this. Distillers report lower yields of alcohol, and dry millers and breakfast food manufacturers are troubled by shattered and broken kernels also. Even exporters find customers abroad who complain about broken corn.

I mention these facts because I think organizations like your own which link corn producers with corn processors have a special responsibility in the quality picture. You, perhaps, are closest to the producer. You are his first point of contact with his markets. This is why we would encourage and welcome your support of the corn drying program and other campaigns designed to help producers market crops of consistently better quality.

One new development which may have vast implications of a worldwide scale is high lysine corn, a project that has been carried on by scientists at your own Purdue University.

Dean Earl L. Butz of Purdue's School of Agriculture told me last week that the discovery of high lysine corn will likely prove to be one of the great scientific breakthroughs of this decade, having great consequences in those parts of the world where corn is the basic energy source of the human diet.

If—and while it is a big "if," no one says it can't be done—high lysine corn can be developed commercially that is of consistently higher lysine content, and if the yield of this corn can reach that of present hybrids, we will see within the next decade a corn revolution possibly just as sweeping as the one which followed Henry Wallace's successful development of hybrid seed corn four decades ago.

There is a strong, compelling reason why it is so essential that agriculture throughout the world develop to its fullest potential possible in the shortest period of time. The 1.6 billion acres of world grain cropland today is equivalant to one-half acre for each man, woman and child on earth. By the end of this century we expect the world's 3.4 billion population to double. Little additional cropland is expected to be brought into cultivation during this next third of a century. The grim reality we face, therefore, is that our present half-acre-per-person grain cropland average will decline to one-quarter acre per person by the year 2000.

If we do not intervene in the world food crisis—if we do not use our great agricultural resources wisely—the world hunger and malnutrition problem, already acute, will worsen. Greater political instability would be sure to follow. A desperate, starving people will seize almost any alternative—even communism. We must not allow this to happen.

The job confronting us, therefore, is a difficult one. Agriculture in the less developed countries must be modernized. We must reach a balance between increased shipments of foodstuffs from this country and those other types of assistance which can help the less developed nations increase their own agricultural productivity.

However, there is a third most important element to this new equation. That is that we do all this and yet preserve enlightened farm policies here at home which improve the income position of the American farmer.

Despite the recent growth of the American economy, the farmer has not been receiving his fair share. Claude W. Gifford, economics editor of *Farm Journal*, observed recently that since 1947–49, average weekly wages in manufacturing industries rose 107 percent, Federal Government spending increased 173 percent, and farmers themselves are paying 28 percent more for what they buy.

Yet, says Gifford, over-all farm prices received by farmers are still 9 percent below 1947–49. "Hardly an excuse for a cap on farm prices," Gifford added.

In this I agree. And whether one attempts to measure parity, or even "parity of income" a newer term of rather unprecise meaning, it seems obvious to me that we are permitting a vicious double-standard to exist in our economic life today.

All around us we see evidence of increases in price for goods and services. Wages are climbing—particularly in manufacturing industries and the construction trades—both within and without the Administration's guidelines. Not so for the farmer. He is harnessed to a price structure that is not reflective of wage and price advances that are achieved elsewhere in the economy.

The 7 percent of our population who comprise our farm families take the risks of early frost, flood, disease and insects, drought, hail, wind and tornadoes. Then, when they complete the harvest, they face uncertain markets. While we can do little to cushion them from the acts of nature, we as a nation—and I speak for the 93 percent which is nourished by his crops—do owe them an equitable marketing system which can offer remuneration more in keeping with the advances achieved by others.

Recently, we witnessed market actions which did little to hold down food costs but which cut into farm income. I think it is not only politically unwise to do this, but morally wrong. If we seek scapegoats for inflation, let us look elsewhere.

Obviously, as a consumer I want low food prices, but I do not want such prices at the expense of the farmer's prosperity, efficiency and stability—particularly at a time when other segments of the economy are appreciably better off. The per capita income of our farm population is only about two-thirds that of our non-farm population. Although net farm income has risen from the $11.7 billion of 1960 to the $14.1 billion recently reported for 1965, farm operating expenses rose from $22.2 billion to $30.3 billion during the same period. Farm debt at the beginning of 1966 was $41.1 billion—a record high that mounts heavily each passing year.

When industrial wages, salaries and all prices are taken into account, farm prices are low. Consumers have been accustomed to food prices that are based on farm prices that are substantially below parity. Naturally, when food prices begin to move up, there are complaints and grumbling. It takes little encouragement for the public then to blame the inflation they see on the higher food costs they have to pay.

The consuming public would be in for a rude awakening if the prices received by farmers were representative of the same guidelines we apply to industry's wages. Our marketing system, of course, subjects the farmer to supply and demand and we cannot gurantee his continuing price advances. But, by the same token, we should not relegate him to a permanent economic status below that of labor and industry.

It is evident that our own domestic requirements and the world food situation make it necessary that we maintain adequate food reserves. But Government stocks should, under ordinary circumstances, be *insulated* from the market. Otherwise, it is clear that they can be used for political purposes—to the detriment of farmers and the entire national economy.

The conditions under which such reserves would be retained and the basis for distribution of such stocks should be announced in advance. But most important of all, the minimum sale sprices should be substantially higher than present law provides. To the maximum extent possible, the CCC sales prices should reflect the prevailing supply-demand situation.

Ordinary stocks essential to normal business operations should be carried by the private trade. Every policy encouragement should be given to the private trade to carry its own inventories. The Commodity Credit Corporation was not designed to be a great national agricultural warehouse.

Since the 1940's this country has given away mountains of foodstuffs to other countries. Some nations showed little gratitude and, while eating our provender, assailed the system which kept them from starving. Nevertheless, in an unstable world, there is little question that American food—supplied at sacrifice by the American farmer—has been a great tool of stability and peace. It will be such a factor in the years ahead.

Unfortunately, the farmer has received little credit for supplying this assistance. The cost has been charged to the Department of Agriculture—and the farmer. In my opinion, it should be charged to foreign aid and national security.

Today what many will regard as the most significant piece of farm legislation since 1933 is now on its way through Congress. This is the Food for Freedom bill— or H.R. 14929 as it was recently reported out of the House Committee on Agriculture This legislation, with many worthwhile modifications added by the Committee on Agriculture, represents a new hard-headed approach to world hunger. No longer will we contribute from surplus only; we will make all food and fiber available. But tied to this new approach is the strict admonition that the receiving nations help themselves.

I am happy to report that a companion measure—the so-called "reserves" bill—seems dead for this year. If enacted, this proposal would give the Secretary of Agriculture vast powers to accumulate reserves, ostensibly to meet any demands, foreign or domestic. I think, however, that our recent experiences with Administration farm price controls served to put everyone on notice that price management was the real goal of the legislation.

Our foremost task today is to maintain the peace and to halt Communist aggression. To do so we must help bolster the income position of the American farmer so he can assume his rightful role in this most challenging task and lead the War on Hunger.

We need to show that while food is the American consumer's best buy, some of this price advantage has been at the expense of a sizable segment of the nation's population that has for far too long been denied income on a par with others.

We need to tell the people about the great strength imparted by the unique American marketing system, in which you play so important a role.

We need desperately to communicate—not with ourselves but with the 93 percent of the American public which has little appreciation for, and even less understanding of, agriculture.

We will not advance and progress as a nation unless each segment of our economy shares fairly in the abundance which all help to produce, process and distribute. Each of us in the agribusiness community has a responsibility in this. Let us resolve to carry the program forward. Thank you.

PERSONAL ANNOUNCEMENT

Mr. CHAMBERLAIN. Mr. Speaker, I was absent on Thursday last, and therefore am not recorded on rollcall No. 145. Had I been present, I would have voted "nay," and would like to have the RECORD so indicate.

HUMAN INVESTMENT ACT OF 1966

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois [Mr. MICHEL] is recognized for 30 minutes.

Mr. MICHEL. Mr. Speaker, economists have been in a dilemma for several years over the paradox of persistent unemployment during the most prosperous period in the Nation's history.

When prodded into offering a solution, the Democratic administration fell back on programs pursued by the New Deal three decades ago—programs that were questionable even then. Although war was declared on poverty, the fight has been largely conducted by big city machine politicians more concerned with patronage than with progress. Even when the phrase "retraining the unskilled" was heard, it was accompanied by the endless jingle of Federal coins being doled out in large sums. The average cost per trainee of the Job Corps, for example, has been far greater than the cost of education in the most expensive universities in the Nation.

Republicans have been offering a solution of their own—one that is being given more and more attention daily and one that does not stray from traditional

American principles. It is called the Human Investment Act.

With industry doing the training, a man is certain to be prepared for skills needed in the economy. Any loss of revenue under this plan would be repaid many times to the Federal Treasury as the unemployed once again become taxpaying members of our society.

The bill which I propose to introduce, like other bills on the subject, provides a tax credit to business as an incentive to assist the economy by training unemployed persons so that they may find employment and by retraining employed persons so that they may take advantage of new job opportunities. In pursuit of this goal, however, my bill differs in several important respects from the other bills. The effect of these differences is that my bill gives greater assurance that the legislative intent of a human investment credit is realized. The bill is much more specific than the other bills and thus narrows the area for interpretation and for abuse. It places emphasis on vocational training, making it perfectly clear that the bill is intended to provide a tax credit for the expenses of providing job training and not for providing general education or higher education. The bill reduces the need for bureaucratic interference. Programs under the bill would require neither the approval of the Secretary of Health, Education, and Welfare—as required under S. 3184—nor of the Secretary of Labor—as required under S. 2343. Moreover, my bill should provide a broader base of participants because it undoubtedly will attract the participation of more businesses than would the other bills.

I present a brief summary of my proposed bill within the framework of the chief points of differences between it and the other human investment credit bills. My bill, like the other bills, allows an employer to take as a credit against his tax liability the entire first $25,000 of the creditable amount of his training expenses. Above $25,000, one-fourth of the creditable amount is allowed. All the bills permit a 3-year carryback and a 5-year carryover of unused credits.

Unlike the other bills, however, my bill places a maximum upon the total amount that may be taken as a credit. On page 259 of part I of the Labor-HEW hearings held by the appropriations subcommittee on which I serve, Mr. Stanley Ruttenberg, Manpower Administrator, pointed out:

> The average estimated cost for on-the-job training was $570 per trainee in 1966. That will go to $996 in 1967 because the basic education component of getting at these hard-to-reach people and giving them refresher education will increase the cost substantially.

In checking with industry in my own district, I find that the liberal estimate for fiscal year 1967 for the on-the-job training of an individual will be $500, or about half of the Federal Government cost.

The Department of Labor recently announced six on-the-job training programs in Maryland, Connecticut, Illinois, Kansas, and Pennsylvania averaging about $85,000 per project. These, I feel, present a good cross section of a typical Government program, so the $40,000 limitation for private industry, to my way of thinking, is reasonable.

In addition, this bill uses a different method of calculating the amount of training expenses that make up the creditable amount. In most bills the amount eligible to be taken as a credit, either fully or at the 25-percent rate, is a flat 7 percent of the allowable training expenses. The proposed bill uses a graduated scale instead. This scale tentatively is 40 percent of the first $25,000 of the allowable training expenses, 20 percent of the next $75,000, and 7 percent of the allowable expenses in excess of $100,000. Small businesses that could not afford a training program under the flat 7 percent of cost formula will be attracted to the program under the formula contained in the proposed bill. It might be noted that S. 3184 permits 100 percent of the first $25,000 of allowable training expenses to be taken as a full credit and one-fourth of the amount in excess of $25,000. I believe that financial incentive of this magnitude probably is greater than is necessary and causes an unduly large loss of revenue to the Federal Government.

The definition of employees' training expenses in my bill parallels that of other bills to some extent: namely, wages and salaries paid employees who are apprentices in approved apprenticeship programs or who are enrolled in an on-the-job training program under the Manpower Development and Training Act qualify as training expenses. There are significant differences, however, which underscore the fact that the credit is intended to encourage vocational education. Other bills, although excluding from the credit expenses incurred in training individuals in professional or scientific skills at the post-graduate level, permit the inclusion of expenses incurred at the undergraduate level and cover tuition and course fees paid by the taxpayer to institutions of higher education as defined in the National Defense Education Act. In contrast, my bill specifically excludes expenses for scientific or engineering courses creditable to a baccalaureate degree by an institution of higher education as defined in the National Defense Education Act. It does cover expenses to schools or colleges certified as vocational education schools as defined in the Vocational Education Act of 1963 or that are eligible institutions under the National Vocational Student Loan Insurance Act of 1965.

Being aware, however, that some advanced study might be essential, I provide in my bill that expenses incurred for courses offered in a 2-year program in engineering, math, or science be allowed so that a student may learn the basic principles in these fields in order to work in them as a technician or a semiprofessional.

Those bills that are concerned with cooperative education programs merely specify that an individual must alternate between study and employment in order for his wage or salary to qualify as an allowable employee training expense. My bill, on the other hand, requires that the time spent in each of the two pursuits be approximately equal. This equal time requirement serves as a safeguard against abuse. Without it, a primarily full-time worker might spend a token amount of time in studying merely to enable the employer to include his wage toward the human investment credit. Or conversely, an individual might be primarily a student but he paid a wage by being assigned a token volume of work. Further, in a cooperative education program my bill does not permit the inclusion of wages and salaries paid persons attending either secondary schools or schools of higher education as defined in the National Defense Education Act.

The proposed bill defines in careful detail "organized job-training," thus removing the area of uncertainty and of possible controversy present in the provisions for "organized group instruction" in other bills. To assure the greatest flexibility in getting the type of training needed, the bill permits such training to be through a trade association, a joint labor-management apprenticeship committee, or through other nonprofit associations if the taxpayer is a member of the organization giving the training. The plan, which must be formulated or approved by the taxpayer, must give full details including the job objectives for which the individuals are being trained, the length of the training period for the various operations to be learned, the wages to be paid at the different stages of the training period, and the wages that employees with such training receive. Such detail helps to prevent abuses such as the indefinite continuation of a training program or the padding of wages claimed for credit.

I have eliminated the requirement of other bills that expenses cannot be counted unless an individual works for the taxpayer for at least 3 months following his training period. This commitment might discourage employers from participating, or if they do participate, they might be cautious and train the minimum number. In bills requiring this commitment, poor business conditions are not a sufficient reason to permit the firing of a former trainee before he has worked 3 months. An individual may only be fired for cause based on his behavior.

In my bill tuition and fees paid on behalf of an individual or those for which he is reimbursed and which qualify as employee training expenses are not considered gross income to the individual, thus giving him an incentive to take the training courses.

In short, the human investment bill of 1966 that I propose to introduce retains those features of predecessor bills that I believe to be worthy, while replacing other features with provisions that assure that the legislative intent of Congress in enacting a human investment tax credit is fulfilled. This will be accomplished without Government interference and with fiscal soundness.

WOMEN ARE BEING DEPRIVED OF LEGAL RIGHTS BY THE EQUAL EMPLOYMENT OPPORTUNITY COMMISSION

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Michigan [Mrs. GRIFFITHS] is recognized for 1 hour.

Mrs. GRIFFITHS. Mr. Speaker, I regret that it has become necessary to tell the House about the disregard of the enforcement of the law shown by key officials of the Equal Employment Opportunity Commission toward the provisions of title VII of the Civil Rights Act of 1964, which forbid employment discrimination on the basis of sex. These EEOC officials are completely out of step with the President, the rest of the administration, the courts, and indeed the country as a whole. They disregard the fact that Congress, by enacting title VII, declared a national policy against discrimination in employment based on sex. They close their eyes to the President's insistence on encouraging greater employment of women at every level. It apparently makes no difference to them that a three-judge Federal Court ruled in February—White against Crook—that the 14th amendment protects women from discriminatory State laws; pertaining to jury duty, or that 48 States have established commissions on the status of women.

I charge that the officials of the Equal Employment Opportunity Commission have displayed a wholly negative attitude toward the sex provisions of title VII. I would remind them that they took an oath to uphold the law—not just the part of it that they are interested in.

In the beginning, I excused their unprofessional attitude on the assumption that these men had not ever really thought about sex discrimination. Surely, I thought, when the evidence of discrimination began to pile up in the form of case histories and statistics, these men would understand the necessity of prohibiting discrimination because of sex. I had expected that these men would have a high degree of compassion for the underprivileged and great respect for facts. Surely, I thought, they could not fail to see the close relationship between race discrimination and sex discrimination and to understand that race discrimination in employment would be only half eradicated if employment discrimination continued on the basis of sex. Surely, I thought, they would not ignore the fact that women's wages are much less than men's and that the poorest families in the Nation are those headed by women.

But their negative attitude has changed for the worse. They started out by casting disrespect and ridicule on the law. At the White House Conference on Equal Opportunity in August 1965 they focused their attention on such silly issues as whether the law now requires "Playboy" clubs to hire male "bunnies."

More recently, the Executive Director of the Commission, Mr. Herman Edelsberg, speaking at New York University's Annual Conference on Labor—Labor Relations Reporter of April 25, 1966, 61 LRR 253–255—stated that the sex provision of title VII was a "fluke" and "conceived out of wedlock." This is the same Mr. Edelsberg, who in his first press conference as Executive Director of the EEOC, stated that he and others at the EEOC thought men were "entitled" to have female secretaries. The House and Senate, of course, have resisted these calls to natural rights and gone along for years with male reporters.

The current issue of the EEOC Newsletter, May–June 1966, emphasizes such oddities as whether a refusal to hire a woman as a dog warden, or a man as a "house mother" for a college sorority house, violates the law.

This emphasis on odd or hypothetical cases has fostered public ridicule which undermines the effectiveness of the law, and disregards the real problems of sex discrimination in employment. By emphasizing the difficulties of applying the law in these odd cases, the impression is created that compliance with the law is unnecessary and that its enforcement can and will be delayed indefinitely or wholly overlooked.

I ask in all seriousness: What is this sickness that causes an official to ridicule the law he swore to uphold and enforce? Are such men qualified professionally to enforce title VII? Are they qualified temperamentally? Can they properly enforce this law when they are hostile to one of the groups the law was designed to protect? Is it humanly possible for a person to be genuinely concerned about the rights of "some" others but not "all" others?

What kind of mentality is it that can ignore the fact that women's wages are much less than men's, and that Negro women's wages are least of all?

Here are the facts for workers employed year-round full time: the median earnings of white men are $6,497, of Negro men $4,285, of white women $3,859, and of Negro women $2,674. This adverse differential exists in spite of the fact that white females in the labor force have 12.3 years of education on the average as compared to 12.2 years for white men; and nonwhite females have 11.1 years of education to 10 for the nonwhite males. The unemployment rate is highest for the nonwhite female. The same disparities exist when we examine the data for all workers, including temporary as well as full time.

The EEOC has a legal and moral duty to take positive and vigorous action to encourage employers, employment agencies, and unions to eliminate practices which discriminate against women in employment. A positive approach is especially important to Negro women since they are victims of both race discrimination and sex discrimination, and have the highest unemployment rate and the lowest average earnings.

However, the Commission is doing just the opposite. It reached the peak of contempt for women's rights when it issued its "guideline" of April 22, 1966, interpreting the advertising provision of the law.

At this point in the RECORD I include three tables showing data on earnings, education, and unemployment, by sex and by race. I believe these facts are conclusive evidence of the great need to protect women against discrimination in employment.

TABLE I.—*Average earnings of workers, 1964 (median wage or salary incomes)*

A. YEAR-ROUND FULL-TIME WORKERS

	White	Nonwhite
Men	$6,497	$4,285
Women	3,859	2,674

B. ALL WORKERS (INCLUDING PART TIME)

Men	$5,853	$3,426
Women	2,841	1,652

Source: U.S. Department of Commerce, Bureau of the Census: Current Population Reports, series P–60, No. 47.

TABLE II.—*Average education of persons in labor force, 1965*

	White	Nonwhite
	Years	*Years*
Men	12.2	10.0
Women	12.3	11.1

Source: U.S. Department of Labor, Bureau of Labor Statistics: Special labor force reports.

TABLE III.—*Unemployment rates, April 1966*

	White	Nonwhite
	Percent	*Percent*
Men	2.9	5.9
Women	4.1	7.7

Source: U.S. Department of Labor, Bureau of Labor Statistics: Special labor force reports.

Section 704(b) of title VII explicitly states:

It shall be an unlawful employment practice . . . to print or publish . . . any notice or advertisement relating to employment . . . indicating any preference, limitation, specification, or discrimination, based on race, religion, sex, or national origin.

But the Commission's new "guideline," published in the Federal Register of April 28, 1966—31 F.R. 6414—simply ignores this congressional directive, and interprets women's rights out of the law's protection.

The new EEOC "guideline" says:

Advertisers covered by the Civil Rights Act of 1964 may place advertisements for jobs open to both sexes in columns classified by publishers under "Male" or "Female" headings to indicate that some occupations are considered more attractive to persons of one sex than the other. In such cases the Commission will consider only the advertising of the covered employer and not headings used by publishers.

This guideline on sex advertising is totally different from the Commission's interpretation of the very same words of section 704(b) with respect to race. Here is what they said in an announcement of August 18, 1965—Commerce Clearing House Employment Practices Guide, EEOC, page 7354:

It is a violation of Sec. 704(b) of Title VII to specify 'colored' or 'white' in help-wanted ads or to permit ads for help to be included in racially separated lists.

Unbelievable as it is, the EEOC interprets the identical words of section 704 (b) of the law as meaning one thing when applied to race or color, but exactly the opposite when applied to sex. This is a legal schizophrenia which has no basis in the law or in ethics, and is in my judgment intellectually dishonest.

There is not the slightest justification in the statute for the EEOC's twisting and distortion. Nor is there the slightest basis in the legislative history of the law for permitting such discrimination against women. In fact, the language of section 704(b) is very clear, as the EEOC recognized, when it very promptly announced in August 1965 that racially separate job ads violate the prohibitions of title VII.

When I saw the EEOC's sex advertising guideline, I wrote to the Commission on May 19, 1966, as follows:

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D.C., May 19, 1966.

DR. LUTHER HOLCOMB,
Acting Chairman, Equal Employment Opportunity Commission, 1800 G Street NW., Washington, D.C.

DEAR DR. HOLCOMB: I note in the Federal Register of April 28, 1966 (31 F.R. 6414) that your Commission has issued new policy guidelines to permit advertisers covered by the 1964 Civil Rights Act to "place advertisements for jobs open to both sexes in columns classified by publishers under 'Male' or 'Female' headings to indicate that some occupations are considered more attractive to persons of one sex than the other."

I would appreciate your advising me how this new ruling can be reconciled with the specific prohibitions in section 704(b) of the Civil Rights Act of 1964, which provides:

"It shall be . . . unlawful employment practice for an employer . . . to print or publish . . . any notice or advertisement relating to employment . . . indicating any preference, limitation, specification, or discrimination, based on race, color, religion, sex, or national origin . . ."

The statute prohibits any advertisement indicating a preference, limitation, specification, or discrimination, irrespective of which of the five bases is involved (i.e., race, color, religion, sex, or national origin), and irrespective of whether such advertisement is motivated by an intent to discriminate. Thus, the Commission's guideline can be tested for compliance with section 704(b) by examining whether the advertisement would pass muster if words denoting race or religion are substituted for words denoting sex. I assume you will agree that advertisements under the heading "white" or "Negro" or "Protestants" would be prohibited by the statute, and therefore I have difficulty seeing how advertisements under the headings of "male" or "female" could be in compliance with the very clear prohibitions of section 704(b).

The statement in your Commission's new policy guidelines that "some occupations are considered more attractive to persons of one sex than the other" encourages, I think, practices which are inconsistent with the basic nondiscrimination policy of the statute. I am convinced that advertising in columns labeled by sex (or other prohibited types of specification, such as race, etc.) is most pernicious because it reinforces prejudicial attitudes limiting women to the less rewarded and less rewarding types of work.

I shall appreciate your early response on both the legal basis and the policy justifications for your Commission's new guideline authorizing job advertisements in columns headed "male" and "female".

Sincerely yours,
MARTHA W. GRIFFITHS,
Member of Congress.

The Acting Chairman of the EEOC, Mr. Luther Holcomb, wrote the Commission's reply to me on June 1, 1966. His response in my judgment disregards both the law and the inconsistencies which riddle his letter. It rejects the basic purpose of the law to prohibit sex descrimination in employment. It is filled with naive assumptions and superficial thinking.

Here is the text of Mr. Holcomb's letter:

EQUAL EMPLOYMENT OPPORTUNITY COMMISSION,
Washington, D.C., June 1, 1966.

HON. MARTHA W. GRIFFITHS,
House of Representatives,
Washington, D.C.

DEAR MRS. GRIFFITHS: Thank you for your May 19 letter, affording us your thoughts on the recent revision of the Commission's sex guidelines in the area of job opportunities advertising.

You ask how section 1604.4, as amended, of our guidelines can be reconciled with section 704(b) of Title VII, which provides that it shall be an unlawful employment practice for an employer to print, publish, or cause to be printed or published any advertisement relating to employment which indicates any preference, etc., based on the several prohibitions of the statute except where a bona fide occupational qualification is involved.

The amended sex guidelines have not altered our opinion in the matter of determining compliance with section 704(b). It continues to be our position that this section refers only to the individual advertisement of the covered employer or labor organization, etc. This advertisement itself shall not indicate any preference, limitation, specification, or discrimination relating to race, color, religion, sex, or national origin.

Now it is true that the individual advertiser may select the heading under which the ad will appear, and it is true that the overwhelming majority of major newspapers still retain "male" and "female" headings. However, it is our view that the advertiser's decision to place his ad in one column or the other is generally based principally, if not entirely, on his desire to obtain a maximum reader response and not on a desire to exclude applicants of a particular sex. For example, we have been informed that those advertisers who, in the early days of the operation of Title VII, moved their advertising from the "male" or the "female" column to the "male and female" column found that the response to these ads dropped off markedly. Thus, it is primarily the reading habits of job seekers which presently dictate the placement of ads. Of course, it should be noted that these column headings do not prevent persons of either sex from scanning the area of the "jobs available" page where jobs of particular interest to the individual may be found. Nor do the headings indicate that qualified persons of either sex will not be considered on an equal basis for the advertised job.

It may well be that the best solution to this problem would be total abandonment of help wanted columns classified by sex. However, the newspaper industry does not regard this as a feasible solution, and, as you know, section 704(b) is not applicable to the policies of the newspapers in classifying advertising.

We do not regard the classification of help wanted advertising by sex as completely analogous to such classification by race. While some job categories are and are likely to remain of particular interest to members of one sex or the other, this cannot be said of job classifications by race, and accordingly where an advertiser places his ad in a column classified to one race we would be compelled to the conclusion that his purpose is to exclude applicants of other races.

As was said when the Commission first published its sex guidelines, our day-to-day experiences will be reviewed often, and our policies will be altered and updated in our continuing effort to eliminate job discrimination based on sex.

We appreciate very much your comments and also look forward to receiving your help and counsel in every area of our activity.

Please call on us if you have further thoughts or inquiries in this matter.

Best regards,
LUTHER HOLCOMB,
Acting Chairman.

P.S.—I appreciated your visit to our Commission.

L.H.

Mr. Holcomb's statement that section 704(b) "refers only to the individual advertisement of the covered employer or labor organization, etc." is flatly inconsistent with the EEOC's announcement of August 18, 1965, in which the EEOC ruled it is a violation of section 704(b) "to permit ads for help to be included in racially separate lists." If it is unlawful to have ads in separate lists based on race, then it is equally unlawful to have ads in separate lists based on sex.

Mr. Holcomb then says:

Now it is true that the individual advertiser may select the heading under which the ad will appear. . . .

That statement is true only because the EEOC distorts the law. The EEOC announcement of August 18, 1965, to which I just referred, clearly stated just the opposite, namely, that the individual advertiser may not lawfully select a list with a racial heading in which to put his ad. It is only because the EEOC fails to enforce the law that the individual advertiser is able to select a sex-labeled heading under which the ad will appear.

I read with amazement Mr. Holcomb's statement that it is the Commission's "view that the advertiser's decision to place his ad in one column or the other is generally based principally, if not entirely, on his desire to obtain a maximum reader response and not on a desire to exclude applicants of a particular sex."

His statement is loaded with qualifying adjectives, such as "generally," "principally," or "not entirely," "if," and so forth. I do not care what an advertiser does "generally" or "principally" or "not entirely." The law prohibits every employer from engaging in every discriminatory employment action on the basis of sex. It is not the Commission's function to modify the law by talking about the "generally" and the "principally," and the "not entirely." If even a single employer uses sex-segregated ads for the purpose of discrimination, that is prohibited by the law.

In any event, even if a particular employer has no intention or desire to exclude applicants of a particular sex, the law prohibits any action which tends to accomplish such discrimination. There is an extraordinary insensitivity

in Mr. Holcomb's failure to realize that advertising in columns labeled by sex reinforces traditional prejudicial attitudes limiting women to the less rewarded and less rewarding types of work. The inevitable consequence of putting the ad in the "male"—or "female"—column is to cut off at the outset any further reading of the ads under that label by persons of the opposite sex. Mr. Holcomb squarely admits this when he referred to the "reading habits of job seekers."

Mr. Holcomb tries to gloss over this inevitable consequence by saying that "these column headings do not prevent persons of either sex from scanning the area of the 'jobs available' page." My answer is: I have never entered a door labeled "men" and I doubt that Mr. Holcomb has frequently entered the women's room. The long standing custom that women do not enter a men's washroom, and men do not enter a women's washroom, is an effective barrier in almost all instances.

The same principle operates in the job seeking process. There has been a long standing tradition which has excluded women from jobs reserved for men, and a custom of labeling certain jobs—generally the lower paid jobs—for women. When the job seeker sees columns headed "male" or "men wanted," or "female" or "women wanted," this long standing tradition exerts enormous power and operates to keep the job seeker from reading any further. The situation is similar to that which existed in the race field, when "white only" and "colored only" signs in the waiting rooms in railroad and bus stations operated for many years to segregate Negroes, even though the Supreme Court had repeatedly ruled that racial segregation in interstate transportation facilities was unlawful. *Mitchell* v. *United States*, 313 U.S. 80 (1941); *Morgan* v. *Virginia*, 328 U.S. 373 (1946); *Henderson* v. *United States*, 339 U.S. 816 (1950).

I totally reject Mr. Holcomb's statement that the headings do not "indicate that qualified persons of either sex will not be considered on an equal basis for the advertised job." The heading "male" or "men wanted" clearly conveys only one meaning—that the jobs in the ads under that heading are for men only. The heading "female" or "women wanted" says the jobs in the ads under that heading are for women only. It is utterly naive to say that ads under such sex-segregative headings give the job seeker any assurance that his or her sex is not going to be considered by the advertiser.

I just cannot understand the EEOC's concern for the newspaper industry views as what is "a feasible solution" for classifying the help wanted advertisements.

In the first place, the experience of those newspapers which do not segregate their job ads by sex headings shows that sex-segregated help wanted ads are not essential to effective job advertising.

Secondly, it is the Congress, not the classified ad managers of the newspapers, that writes our Nation's laws. The law prohibits employers, employment agencies and unions from publishing job advertisements "indicating any preference, limitation, specification, or discrimination, based on race, religion, sex or national origin." The sex headings over the job ads constitute a direct violation of that prohibition. The EEOC's sanction of these headings as a device to evade the law is nothing short of disregard for the law and total insensivity to the adverse effects which those headings exert on equal job opportunity.

Thirdly, Mr. Holcomb's statement that section 704(b) "is not applicable to the policies of the newspapers in classifying advertising", is another of his irrelevant assertions. The fact is that the law does apply to the job advertisements made by employers, employment agencies and unions who are covered by title VII. It is they who are covered and it is they who are responsible for violations of the law. If newspapers insist on putting job ads in columns headed "men" only or "women" only, then at least the EEOC should see to it that such ads relate only to jobs not covered by title VII. It is EEOC's duty to insure that those covered by the act do not permit or cause their job ads to be published in a manner that violates the law. I am sure that if the EEOC stops its own evasionary interpretation, and lays down a firm ruling against sex segregated job advertisements, the newspaper industry will comply with it. Moreover, I believe the industry will also find that its compliance is not as destructive to its advertising revenues as Mr. Holcomb's letter implies.

Mr. Holcomb tries to distinguish sex labeled job advertising from race labeled job advertising by saying that although some job categories are "of particular interest to members of one sex or the other, this cannot be said of job classifications by race." I agree that race labeling generally tends to cause discrimination and is intended for that purpose. As the Supreme Court pointed out in *Anderson* v. *Martin*, 375 U.S. 399, 402 (1964), the label "furnishes a vehicle" for arousing discriminatory prejudice. However, Mr. Holcomb goes overboard in asserting that sex headings are proper but race headings are always discriminatory. For example, an employer who is seeking a Negro to act in a movie dealing with the history of Negroes, or to work in a Negro neighborhood as an investigator for a detective agency, may be interested in the employee's race without necessarily being motivated by race discrimination.

Congress recognized the commonsense fact that there are some instances in therefore made an exception for sex-which the sex of the employee is a bona fide occupational qualification, and labeled advertising in such cases. I want to make it very clear that I am not complaining about cases involving bona fide occupational qualifications. In such cases the law permits sex labeling right in the middle of the ad. What I am complaining about is the EEOC's sanction of sex headings over columns of ads for jobs which do not have a bona fide occupational qualification based on sex.

In the absence of a proper bona fide occupational qualification it is plain that the law set up the same standard for the use of sex labels and race labels in job advertisements; namely, that there shall be no advertising which indicates "any preference, limitation, specification or discrimination, based on race or sex."

The fact of life is simply this—that the result of using the label "men" only or "women" only for jobs that ought to be, and can be, performed by either a man or a woman, is to perpetuate the traditional discriminations based on sex that title VII was specifically designed to prevent.

One would suppose, from the lack of understanding displayed by the EEOC officials, that the Commission's sex advertising guidelines were issued inadvertently or without having adequate advice about them.

I want the House to know that the Commission's sex advertising guidelines were not issued inadvertently. They were promulgated in flat disregard of the views of the Citizens Advisory Council on the Status of Women—in flat disregard of the views of other Government agencies which administer similar laws—in flat disregard of the views of prominent business leaders—and in flat disregard of the experience of various newspapers operating under State laws which forbid employment discrimination on the basis of sex.

THE CITIZENS ADVISORY COUNCIL ON THE STATUS OF WOMEN

This Council consists of 20 distinguished private citizens—men and women—appointed by the President under Executive Order 11126. Its chairman is Miss Margaret Hickey, senior editor of the Ladies' Home Journal. Its other 19 members are as follows: Mrs. Ellen Boddy, civic leader; Mrs. Mary E. Callahan, executive board member of the International Union of Electrical, Radio, and Machine Workers, AFL–CIO; Dr. Henry David, head of the Office of Science Resources Planning, National Science Foundation; Mrs. Elizabeth Wickenden Goldschmidt, consultant on social welfare; Mrs. Anna Roosevelt Halsted, a civic leader and the daughter of the late first lady of the world, Mrs. Eleanor Roosevelt; Miss Dorothy Height, president of the National Council of Negro Women; Mrs. Viola H. Hymes, chairman of the Governor's Commission on the Status of Women, Minnesota, and former president, National Council of Jewish Women; Mr. Maurice Lazarus, vice chairman of the Federated Department Stores; Dr. Richard A. Lester, professor of economics at Princeton University; Miss Margaret Mealey, executive director of the National Council of Catholic Women; Mr. Norman Nicholson, vice president of Kaiser Industries Corp.; Dr. College; Miss Marguerite Rawalt, a dis- Rosemary Park, president of Barnard tinguished attorney and a former president of the National Federation of Business and Professional Women's Clubs; Mr. Edward A. Robie, vice president and personnel director of the Equitable Life Assurance Society of the United States; Mrs. Mary Roebling, president and chairman of the board of Trenton Trust Co.; Mr. William F. Schnitzler, secretary-treasurer, AFL–CIO; Dr. Anne Firor Scott, associate professor at Duke University; Dr. Caroline Ware, distinguished

civic leader; and Dr. Cynthia C. Wedel, assistant general secretary of the National Council of Churches.

On October 1, 1965, the Citizens Advisory Council sent a memorandum on policy to the EEOC. I want to emphasize that that memorandum was approved by the Interdepartmental Committee on the Status of Women, which consists of the Attorney General and the Secretaries of State, Defense, Agriculture, Commerce, Labor, Health, Education, and Welfare, and the Chairman of the Civil Service Commission. The Council's memorandum on policy stated—page 8—as follows:

Under section 704(b) of the Act, it is an unlawful employment practice for an employer, labor organization or employment agency to publish any advertisement which indicates any preference, limitation, specification, or discrimination as to sex, with only one exception—when sex is a bona fide occupational qualification for employment.

The Council is alarmed at the lack of compliance with this provision as evidenced by the continued advertising in sex-segregated newspaper columns. Separate "help-wanted men" and "help-wanted women" columns in newspapers serve only to advise prospective job applicants not to apply where they are not wanted, thus perpetuating discrimination. Moreover, sex-segregated newspaper columns actually encourage employers to place a sex label on jobs, which unintentionally, restricts the employment opportunities of both men and women.

The Council urges that the EEOC make clear to employers that the law prohibits placing an employment advertisement in a newspaper column which indicates a sex preference unless they can show that being a man or a woman as the case may be is a bona fide qualification for the job. The cooperation of the newspapers should also be sought. The Council believes that the adoption by the EEOC of a firm position on advertising would yield ready cooperation from the newspapers.

The Phoenix Gazette and the *Honolulu-Star-Bulletin,* for example, no longer segregate their employment advertisements. (The advertising provisions in the Arizona and Hawaii fair employment laws are similar to the Federal law.) Where an employer can show that sex is a bona fide occupational qualification, the sex limitation could be expressed in the individual advertisement.

The discontinuance of sex-segregated newspaper columns would also help to eliminate sex discrimination in employment not covered by Title VII. Moreover, the lack of a strong Federal position on advertising may hamper effective implementation of advertising provisions of State fair employment laws which do not have numerical limitations of coverage.

OTHER GOVERNMENT AGENCIES

The District of Columbia Council on Human Relations is the agency charged with administering the District of Columbia fair employment regulation—Article 47, 10 R.R.L. Report No. 944. Section 4(d) of that ordinance has language concerning discriminatory advertising which is identical with section 704(b) of title VII—indeed, it was copied from that section. The District of Columbia Council had no doubt as to its meaning and promptly issued a ruling—news release of July 14, 1965—as follows:

In response to questions from employers, the Council has stated that the advertising of positions as "Help Wanted—Men," and "Help Wanted—Women", is in violation of the new Regulation unless the positions involved are such that "sex is a bona fide occupational qualification reasonably necessary to the normal operation of the particular business or enterprise."

The Civil Service Commission, which operates its job advertising programs under provisions of law prohibiting sex discrimination, does not, so far as I am aware, advertise in columns designated by sex. The Civil Service Commission's practice should certainly provide a measure of guidance for the EEOC in understanding and interpreting the congressional purpose set forth in section 704(b) of title VII, and I see no justification for the EEOC's disregard of that guidance.

Business spokesmen certainly had no difficulty in understanding section 704(b). For example, the vice president of the National Association of Manufacturers, Mr. Charles Kothe, conducted seminars on title VII for businessmen all over the country, at which he stated unequivocally that the law forbade advertising in sex segregated columns.

Prior to the effective date of title VII, the Blade and Toledo Times, two newspapers in Toledo, Ohio, stopped the publication of separate columns of job ads for men and women and printed the following notice:

Attention: Help Wanted Advertisers. Effective July 2, 1965, it will be unlawful to discriminate among employment applicants because of sex unless this is a bona fide occupation requirement. This is one of the provisions of the new Civil Rights Act and is covered in Title VII, section 704(b) of the Act. No reference to sex should be made in your ad unless necessary for the performance of the job.

The Phoenix, Ariz., Gazette and the Honolulu Star-Bulletin are other newspapers that have stopped the unfair practice of separate columns of job ads for men and women. They operate under advertising provisions in the Arizona and Hawaii State fair employment laws which are similar to title VII of the Federal law.

What, then, is the reason for the EEOC's blatantly disregarding the law, the advice and guidance they received from responsible sources, and the good experience of newspapers which abstain from sex-segregated discriminatory job advertising?

Is it because the Commission does not want to recognize that women's rights are human rights? Or is it an unconscious desire to alienate women from the Negroes' civil rights movement?

Human rights cannot be divided into competitive pieces. The importance of prohibiting all forms of discrimination, including sex discrimination, in fair employment legislation, is being more and more recognized. The December 1965 issue of the George Washington Law Review contains a thoughtful article by Murray and Eastwood entitled "Jane Crow and the Law: Sex Discrimination and Title VII"—34 George Washington Law Review 232, 235, 256—which states:

* * * the problems of women are not as unique as has been generally assumed. That manifestations of racial prejudice have been more brutal than the more subtle manifestations of prejudice by reason of sex in no way diminishes the force of the equally obvious fact that the rights of women and the rights of Negroes are only different phases of the fundamental and indivisible issue of human rights.

The United Nations Charter and the Universal Declaration of Human Rights both stress respect for human rights and fundamental freedoms for all persons without distinction as to race, sex, language, or religion. Until the enactment of the Civil Rights Act of 1964, "sex" generally had not been included with "race, color, religion and national origin" in federal laws and regulations designed to eliminate discrimination. As a practical matter, "civil rights" had become equated with Negro rights, which created bitter oppositions and divisions. The most serious discrimination against both women and Negroes today is in the field of employment. The addition of "sex" to Title VII of the Civil Rights Act, making it possible for a second large group of the population to invoke its protection against discrimination in employment, represents an important step toward implementation of our commitment to human rights.

* * * * *

Hopefully, our economy will outgrow concepts of class competition, such as Negro v. white, youth v. age, or male v. female, and, at least in matters of employment, standards of merit and individual quality will control rather than prejudice.

Studies have demonstrated that the burdens of discrimination in employment of women are similar to the burdens of racial discrimination. Congress adopted the same requirements of law to prevent both types of discrimination. There is utterly no justification whatever for the EEOC to interpret the same language of section 704(b) in one way as applied to race discrimination and in the very opposite way as applied to sex discrimination. The Commission's action in doing so is nothing more than arbitrary arrogance, disregard of law, and a manifestation of flat hostility to the human rights of women.

THE EEOC GUIDELINE IS NOT ONLY UNLAWFUL—IT IS UNCONSTITUTIONAL

The EEOC guideline of April 22, 1966, permitting job advertising in separate columns for men and women encourages violation of the law which the EEOC was set up to enforce. It also violates the fifth amendment of the Constitution. All government officials—State and Federal—are obligated to carry out their duties in compliance with the due process and equal protection of the law guarantees of the 14th and 5th amendments of the U.S. Constitution. There is reason to believe, at long last, that women are protected by the Constitution from arbitrary class discrimination. The President's Commission on the Status of Women stated in its 1963 report "American Women," page 44:

Equality of rights under the law for all persons, male or female, is so basic to democracy and its commitment to the ultimate value of the individual that it must be reflected in the fundamental law of the land. The Commission believes that this principle of equality is embodied in the 5th and 14th amendments to the Constitution of the United States.

It should be noted that the Attorney General signed the 1963 report on "American Women."

This view was adopted and approved by the three-judge Federal court in Alabama on February 7, 1966, which held that the Alabama law discriminating

against women in jury service in State courts is unconstitutional. The court said—*White* v. *Crook*, 251 F. Supp. 401, M.D. Ala. Feb. 7, 1966:

> The argument that the Fourteenth Amendment was not historically intended to require the states to make women eligible for jury service reflects a misconception of the function of the Constitution and this Court's obligation in interpreting it. The Constitution of the United States must be read as embodying general principles meant to govern society and the institutions of government as they evolve through time. It is therefore this Court's function to apply the Constitution as a living document to the legal cases and controversies of contemporary society. When such an application to the facts in this case is made, the conclusion is inescapable that the complete exclusion of women from jury service in Alabama is arbitrary.
>
> * * * The Alabama statute that denies women the right to serve on juries in the State of Alabama therefore violates that provision of the Fourteenth Amendment to the Constitution of the United States that forbids any state to 'deny to any person within its jurisdiction the equal protection of the law.' The plain effect of this constitutional provision is to prohibit prejudicial disparities before the law. This means prejudicial disparities for all citizens—including women.

On the basis of this decision, the Circuit Court of the First Judicial District of Hinds County, in Mississippi has ruled that a similar Mississippi jury exclusion law is also unconstitutional. Mississippi against Pendergaft.

The White against Crook decision was a dramatic departure from previous confused court cases denying claims of women to equal protection under the Constitution. Those cases are summarized in the "Report of the Committee on Civil and Political Rights," President's Commission on the Status of Women, appendix B, U.S. Government Printing Office, 1963.

There is every reason to believe that this enlightened view of human rights for women will be extended to areas other than jury service. On February 23, 1966, the Los Angeles Municipal Court stated that a California law prohibiting women from working as bartenders—although the law permitted them to serve liquor in the lower paid jobs as waitresses—would likely be found by a higher court to be inconsistent with the 14th amendment, *California* v. *Gardner*—L.A. Mun. Ct. No. 247955; 53 Labor Cases 6567, par. 9015.

The protections of the 14th amendment equal protection clause are included in the due process of law guarantee of the 5th amendment—*Bolling* v. *Sharpe*, 347 U.S. 497 (1954). The EEOC is required to act in conformity with these constitutional provisions.

The EEOC's advertising guidelines of April 22, 1966, prescribe a standard which permits an employer to indicate to the publisher his preference as to the sex of desired applicants for a job, and to cause the ad to be printed or published under a column heading which specifies sex. The ruling affirmatively condones the continuation of outmoded and prejudiced concepts of restricting women to "women's work." The Commission's guidelines thus formally announce a Federal policy which deliberately perpetuates discrimination against women, in direct contradiction to section 704(b) of the Civil Rights Act of 1964. This action is inconsistent with the fifth amendment of the U.S. Constitution. It is no different than the regulation or guideline issued by the Interstate Commerce Commission permitting railroads to provide separate table service for Negroes in railroad dining cars, which was held invalid by the Supreme Court in *Henderson* v. *The United States*, 339 U.S. 816 (1950).

The whole attitude of the EEOC toward discrimination based on sex is specious, negative, and arrogant. The Commission is failing in its duty to educate the public toward compliance with the law, to inform working women of their rights under the law, and to show an affirmative and positive attitude of encouraging employers, employment agencies and unions to comply with the prohibitions against discrimination in employment based on sex.

I am sick of reading the many heartbreaking letters from women trying to earn a living for their families who are denied equal job opportunity because they are women. It is time for the EEOC to wake up to its responsibilities.

EEOC'S SPECIOUS EXCUSES

The whining of Equal Employment Opportunity Commission members and officials has centered around three specific excuses for their attitudes:

First. That the sex provisions of title VII were a "fluke," introduced by Representative HOWARD SMITH, who is no friend of the civil rights movement, and "conceived out of wedlock," and so forth.

I reject that slur on Congress. Congress had enacted the Equal Pay for Women Act in 1963 and was thoroughly familiar with the fact that job discrimination is imposed on women and inflicts severe consequences on their earning capacity. The sex provisions in title VII were supported by the great majority of the House and Senate. I also fought vigorously for the amendment, and I have received many commendations on my fight for the adoption of the sex bias prohibition. Congressman SMITH and I have disagreed on other civil rights bills, but I certainly welcomed his support of the sex provisions in title VII to give to women—white women as well as Negro women—full and equal opportunity to seek and keep jobs to support themselves and their families.

Since when is it permissible for an agency charged with the duty of enforcing a law, to allude to the assumed motive of the author of legislation as an excuse for not enforcing the law? Are they imputing a base motive to all who voted for the law?

I recommend to executive branch officials that they should quit making themselves look foolish by discussing the motives of the Members of Congress who voted for the bill and should get on with the business of enforcing the law.

Second. The second excuse used by some EEOC officials is that there is no legislative history on the sex provisions in title VII, and that the intent of the Congress is so shrouded in doubt that it is impossible to interpret and administer the law.

The EEOC officials who resort to this excuse just have not made the effort to read the extensive legislative history of the long battle to eliminate sex discrimination in employment.

There was considerable debate on the sex provisions in title VII. I know, because I participated in it personally. I shall be glad to make available to any EEOC official the page reference to the CONGRESSIONAL RECORD and the committee reports which carry this legislative history. But there is even more legislative history. The whole debate and struggle to enact the Equal Pay Act of 1963 is part of the legislative background which led to the enactment of the sex provisions in title VII of the Civil Rights Act of 1964. Furthermore, there is the long background of the efforts to eliminate job discrimination based on sex by means of the proposal to incorporate an equal rights amendment in the Constitution. There is, indeed, much legislative history showing that Congress intended to put men and women on an equal basis in searching for and keeping any job for which they were qualified, except in those few cases where sex difference constitutes clear-cut "bona fide occupational qualification."

In any event, however, I remind those who resort to the excuse of "no legislative history" that such history is pertinent only where the statutory language is unclear. There is nothing unclear about the statutory language of title VII. It says plainly that sex discrimination is forbidden, just as discrimination based on race or color or religion or national origin is forbidden, unless the factor of sex—or religion, or race, or national origin—constitutes a bona fide occupational qualification.

On the question of the guidelines for advertising the statutory language is most clear. It says that it is—

> unlawful . . . to print or publish . . . any notice or advertisement relating to employment . . . indicating any preference, limitation, specification, or discrimination, based on race, color, religion, sex, or national origin.

It is impossible to be more clear and explicit, and it is sheer doubletalk for the EEOC to contend that this prohibition does not mean what it so plainly says.

One of the much-vaunted problems of the EEOC, with reference to which some EEOC officials talk about the "lack of legislative history," is the effort by some airlines to obtain a "bona fide occupational qualification" exception for the hiring of flight attendants—stewards and stewardesses. This is a totally unwarranted request. It is an excellent example of how the EEOC brings on its own problems. The airlines would not be making such a ridiculous argument if the EEOC had not been shilly-shallying and wringing its hands about the sex provision.

Since both men and women are employed by the airlines as flight attendants, how in the name of commonsense can it be argued that the employment of either sex alone is "reasonably necessary

to the normal operation" of the airlines? How would such a "bona fide occupational qualification" exception apply to an airline that had been employing only stewardesses, or to an airline that had been employing only men, or to those that had been employing both men and women?

The so-called "BFOQ" exception is applicable only to "those certain instances where religion, sex, or national origin is a bona fide occupational qualification necessary to the normal operation of that particular business or enterprise." Can any Equal Employment Opportunity Commissioner seriously believe that the business of the airlines would suffer if all of them hired flight attendants on the basis of their individual qualifications and ability? Do they really think for one moment that men or women make plane trips for the sole purpose of having a female—or male—flight attendant serve them lunch or give them an aspirin? Does anyone at the EEOC believe that persons will travel by bus, train, or private automobile in preference to a plane solely because they cannot count on having a female—or male—flight attendant? If any EEOC official believes this kind of foolishness, then the headquarters of EEOC, at 1800 G Street NW., should be called "Fantasyland."

I urge the EEOC to reflect on the following statement made at a recent symposium on title VII—Cooksey, "The Role of Law in Equal Employment Opportunity," 7 Boston College Industrial and Commercial L. Rev. 417, 428–29, spring 1966:

One would hope that the Commission and the courts will confine the "bona fide occupational qualification" exception to narrow limits. *If the exception is used simply to confirm the culturally accepted standards of what work a woman or man should be doing, the prohibition against discrimination on the basis of sex will be rendered meaningless.* A particular individual applying for a job should be judged on his or her merits, not on the basis of fancied sexual characteristics attributed to the group to which he or she belongs."

Wisconsin and Hawaii enacted laws prohibiting discrimination because of sex before the Federal law came into force. The EEOC could do a good job too if its officials discard their anti-women bias.

It is my firm belief that the EEOC's difficulties with interpretation and lack of legislative history are internal to those officials who wish the sex provision would go away. It is quite evident that some of the EEOC officials simply refuse, or cannot accept, the fact that sex discrimination in employment is as immoral and as prevalent as discrimination because of race. Once these gentlemen face up to the moral issue and the facts of women's employment, they will not have very much trouble with the lack of legislative history.

Third. The third excuse I often hear is that sex discrimination cases take too much time and thus interfere with the EEOC's "main" business of eliminating racial discrimination. This problem, even if it exists, could be substantially reduced if EEOC acted vigorously to enforce the law as prescribed by Congress. Once employers understand that EEOC means to enforce the law, there will be fewer violations by employers and fewer petitions from employers for BFOQ exceptions. There is no rational reason for the sex cases to take a disproportionate amount of time. Of course, if the Executive Director and a majority of the Commissioners continue to wring their hands and discuss the motives of the perpetrators of this law in every case, the sex discrimination cases will continue to increase and to create further difficulties. But that is a problem internal to them—not one they should blame on the Congress. A little honest introspection, perhaps with professional assistance, would do more to help some of the EEOC staff than all the legislative history in the world.

SUGGESTIONS FOR ACTION

I suggest the following action:

First. The EEOC should immediately conform with the law by revising its guideline on advertising to read substantially as follows:

Advertisers covered by the Civil Rights Act of 1964 may not place advertisements for jobs in columns classified by publishers on the basis of sex, unless a bona fide occupational qualification approved by the Commission makes it lawful to specify sex in the advertisement. The placement by an advertiser of an advertisement for a job in a column which is headed by a word or words indicating sex will be considered as indicating a preference, limitation, specification, or discrimination based on sex.

Second. If the EEOC does not promptly adopt the foregoing suggestion, I hope that appropriate organizations, such as the American Civil Liberties Union, the Association of Women Lawyers, the Federation of Business and Professional Women's Clubs, the General Federation of Women's Clubs, the National Council of Negro Women, the National Council of Jewish Women, and other civil groups, give serious consideration to bringing legal action to require the EEOC to observe the law. Women are being deprived of their civil rights by the EEOC's advertising guideline of April 22, 1966.

Third. I recommend that the President nominate for appointment to the EEOC only such persons whose concern for justice and fairness encompasses all persons, and whose will to enforce the law will be clear to everyone. The women of this country need reassurance of the President's intent to offset the doubts which the EEOC has raised as to the administration's good faith in administering the equal job opportunity provisions of the law.

Fourth. I recommend to the newspapers that they witness their concern for human rights by voluntarily complying with the law.

Fifth. I recommend that organizations and individuals concerned with human rights vigorously protest to the President against the unlawful action of the EEOC on advertising and their generally negative attitude toward the sex discrimination provisions of the act. I commend the District of Columbia Federation of Business and Professional Women's Clubs for doing so at its convention in May 1966, and I include the text of the federation's resolution at this point in the RECORD, as follows:

RESOLUTION PASSED UNANIMOUSLY BY THE DISTRICT OF COLUMBIA FEDERATION OF BUSINESS AND PROFESSIONAL WOMEN'S CLUBS AT THEIR 17TH ANNUAL CONVENTION, HELD MAY 6–7, 1966, WASHINGTON, D.C.

Whereas the Congress of the United States enacted Title VII of the Civil Rights Act of 1964 to make it unlawful to discriminate in employment on the basis of sex, and established a five-member Equal Employment Opportunity Commission to carry out the provisions of this title;

Whereas the President of the United States, Lyndon B. Johnson, has given unprecedented recognition to merit and talent by the appointment of numbers of women to salaried positions of responsibility as distinguished from honorary positions; and has often publicly declared his determination to ban discrimination against women in government and has, in fact, included one woman member when he appointed the Equal Employment Opportunity Commission;

Whereas the above Civil Rights Act by Section 704(b) makes it unlawful for "any notice or advertisement relating to employment . . . *indicating any preference, limitations, specification, or discrimination, based on race, religion, sex, or national origin,*"

And whereas the Equal Employment Opportunity Commission on April 27, 1966, released guidelines which clearly approve the continuation of Help Wanted advertising in newspapers under categories of sex in the following words:

"Advertisers covered by the Civil Rights Act of 1964 may place advertising for jobs open to both sexes in columns classified by publishers under 'Male' and 'Female' headings to indicate that some occupations are considered more attractive to persons of one sex than the other. In such cases, the Commission will consider only the advertising of the covered employer and not headings used by publishers." (31 F.R. 6419): Now therefore be it

Resolved by the District of Columbia State Federation of Business and Professional Women's Clubs, numbering some 1100 employed women in all walks of economic life including business, government, and professions, That the above guidelines released by the Equal Employment Opportunity Commission violate the intent of Congress with regard to women in employment and are recognized by thinking women as a deliberate disregard of their interests; be it further

Resolved, That appeal be made to the President of the United States to lend his influence to the end that help wanted advertising conform to the objective of eliminating discrimination based on sex, even as it does with regard to discrimination in other forms; be it further

Resolved, That the members of the Equal Employment Opportunity Commission and Members of Congress be provided with a copy of this Resolution; be it further

Resolved, That other State Federations of Business and Professional Women's Clubs and the National Federation of Business and Professional Women's Clubs be alerted to this situation and be provided with a copy of this Resolution as a basis for concerted action to protest the disregard of the clear meaning of Title VII and particularly of Section 704(b) relating to advertising for employment; be it further

Resolved, That a copy of this Resolution be sent to the Members of the Citizen's Advisory Council on the Status of Women; and be it further

Resolved, That a copy of this Resolution be sent to other appropriate organizations.

GI SPURNS RIFLE, IS PUNISHED

Mr. KREBS. Mr. Speaker, I ask unanimous consent that the gentleman from Michigan [Mr. VIVIAN] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. VIVIAN. Mr. Speaker, I should like to call to the attention of my colleagues a news story which came to my attention over the past weekend. According to an article in the Sunday, June 12, Washington Post, U.S. Army Pvt. Adam R. Weber recently was sentenced at an Army court-martial to a 1-year term at hard labor and loss of pay and allowances, because he was unwilling to carry a weapon in combat. However, according to the story, Private Weber had indicated he would be willing to serve on the battlefield as a combat medical aide. I presume he still is willing to so serve. Again, according to the story from Vietnam, at the time the private was first inducted into the U.S. Army, he had, with permission, recorded in his processing papers that it was his personal belief that "I cannot take the life of another human being."

Mr. Speaker, it seems to me that an injustice has been done. Private Weber appears to have made clear that he was willing to face all the dangers of war—even without a weapon with which he could protect himself. He appears to have made his convictions clear at an early date.

In years past, Mr. Speaker, we have recognized that men of strong pacifist convictions but evident courage to face danger are worthy of better treatment. I ask that this individual be given another hearing.

I append, at this point in the RECORD, the article from the Sunday, June 12, edition of the Washington Post, relating his story:

GI WHO "CAN'T TAKE LIFE" SPURNS RIFLE, IS PUNISHED

(By Jack Foisie)

CUCHI, SOUTH VIETNAM, June 11—Pvt. Adam R. Weber Jr. stood before a board of eight officers today and heard himself sentenced to a year at hard labor and loss of almost half of his $100-a-month pay during his time in the stockade.

It was the end of a brief but dramatic court martial in which the 24-year-old draftee from New Orleans who spent years studying for the Catholic priesthood was found guilty of "willful disobedience" of an order to shoulder a rifle and join a combat unit after he arrived as a replacement in the U.S. 25th Infantry Division last April.

Weber, who said he had one "disturbing the peace" conviction in Washington, D.C., for participating in a civil rights sit-down, told the court before the sentence was announced that he wanted to complete his military service and was willing to serve as a combat medic "just as long as I don't have to carry a weapon."

Evidence introduced at the trial indicated that the Army had known that draftee Weber would not bear arms and did not believe in our involvement in Vietnam. Despite his attitude and the fact that he refused to take the oath of allegiance he was put into uniform.

He was allowed to record in his processing papers that it was his personal belief that "I cannot take the life of another human being." He did not claim to be a member of a religion—in his case, Catholicism—which would make him a conscientious objector under the Selective Service procedure.

While numerous such cases are decided through the courts before induction or after entry into the service through assignment to non-combat duty, the records introduced at the court martial showed that Weber and "his problem" were bucked along without a decision by Army officers in authority.

His lawyer, Capt. Sanford V. Lavine of Syracuse, N.Y., raised the defense that Weber had been entrapped into disobedience. The court did not agree.

Weber received the verdict with equanimity.

"I expected worse," he said. "At least I am still a citizen."

Under military law, Weber could have received a maximum sentence of five years in prison and dishonorable discharge for "willful disobedience." Dishonorable discharge takes away some civil rights.

As it is, the court, which was presided over by Col. Daniel B. Williams of Booneville, N.C., the division artillery commander, made it possible for Weber to complete his two-year draft hitch under honorable conditions.

Weber told the court that he had taken rifle training as a recruit, explaining that "it didn't seem to make any difference, as long as I was shooting at just a (rifle range) target. But I just can't take a life."

In the hand-written statement he made at the time of his induction, he said:

"I believe that I am as loyal to the United States and what it stands for as the most loyal of its sons. But a man's first duty is to his soul and conscience, and right now I cannot in all conscience take the life of another human being."

As to the war in Vietnam, he wrote: "It is a futile and fruitless war, as are all wars . . . I have hopes of serving the Army in some function of nurturing and preserving life."

Army officers said it had been impossible to put Weber into non-combat jobs because most of them require a security clearance. Weber was regarded as a security risk because he refused to take the oath of allegiance.

The Army apparently reasoned that that left just one job open for him—the infantry.

[Weber was one of 260 people arrested in Washington on August 9, 1965, for failure to obey a police request to move on from demonstrating at the base of Capitol Hill after a march from the White House. The protest was organized by the Assembly of Unrepresented People. Weber paid a $25 fine.

[In New Orleans, Weber's father said he would consult his lawyer about the court martial verdict, the Associated Press reported. "You can rest assured this case will be appealed," he said. Asked if he thought the sentence justified, he replied: "Hell no. Not by a long shot. I was sure that he would be cleared of the charge."]

JOHNSON SCORES OVER DOMINICAN CRITICS

Mr. KREBS. Mr. Speaker, I ask unanimous consent that the gentleman from New Mexico [Mr. MORRIS] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. MORRIS. Mr. Speaker, last Friday, June 17, I read an article appearing in the Washington Post by John Chamberlain, titled "These Days: Johnson Scores Over Dominican Critics," which I insert in the body of the RECORD at this point:

[From the Washington (D.C.) Post, June 17, 1966]

THESE DAYS: JOHNSON SCORES OVER DOMINICAN CRITICS

(By John Chamberlain)

After a year of huffing and puffing by Cassandras at two ends of the political spectrum, a moderate, Joaquin Balaguer, finds himself President-elect in the Dominican Republic by a margin (58 per cent of the vote) that would be called a landslide had it happened in any U.S. or British election.

The interesting thing is that Balaguer doesn't hate Yankees. His victory is thus a victory—and a vindication—for Lyndon Johnson. But who is apologizing to Mr. Johnson for calling him all sorts of names because of his policies toward the Dominican Republic during the past year? Nobody that I can see.

According to LBJ's numerous hecklers on the Left, the dispatch of the Marines to the Dominican Republic in April of 1965 was a terrible thing. In the name of combating Castroism it had stopped a legitimate revolution that would have returned former President Juan Bosch to a power that was deemed rightfully his. The United States would surely pay the penalty for its identification with "Trujilloism."

Theodore Draper, Bosch's most fervent U.S. supporter, direly muttered that "some day the United State's is going to need Bosch more than he needs us." Surely Lyndon Johnson would get his comeuppance for an "intervention" that could only be repudiated by every self-respecting nationalist in Latin America.

The LBJ hecklers on the Right took an equally critical view of Johnson's behavior. They condemned him for retreating all too hastily from his original show of force. The President, they said, had gone against his natural allies when he permitted the Marines to seize General Wessin y Wessin and hustle him out of the country. And they couldn't forgive the selection of Hector Garcia Godoy, a former Bosch supporter, as provisional President. The choice of this "Leftist" would assuredly end in a Communist takeover by one means or another.

To begin with, he would purge all the important opponents of Bosch. And he would do nothing to recover the 8000 weapons that had been distributed to Castroites and Communists in April of 1965.

These weapons would be used to take a victorious Bosch captive, or to throw the nation into a bloody shambles in case the Right managed to win by a narrow margin at the polls.

What neither set of critics envisaged was a relatively calm election which would produce a comparatively honest victory for the man who best symbolized a widespread desire for an interlude of stability. A group of U.S. observers, who included Norman Thomas and Victor Reuther, both of them Bosch supporters, could find no evidence of "mass frauds" in the big Balaguer vote.

So Lyndon Johnson has pulled this one out of the fire. By being forceful when it was necessary, and by shifting to meliorism when this seemed the politic thing to do, the canny LBJ has bought at least the promise of an interlude of peace in the Dominican Republic.

The sacrificial goats in the deal are the recently resigned Assistant Secretary of State Thomas Mann, who advised LBJ to make sure the Communists had no chance to take over in Santo Domingo city a year

ago, and the former Ambassador to the Dominican Republic, W. Tapley Bennett, Jr., who has just been "banished" to our Embassy in Lisbon, Portugal.

They had to go in order to prove LBJ's willingness to follow a cooperative "middle way" course. The irony is that the whole business has resulted in an uncoerced victory for Balaguer, who would have been welcomed by Mann and Bennett had they still been around to congratulate him in an official capacity.

Now that Balaguer has won, the United States cannot afford to let him down. For if the new regime can't deliver on the promise of a better life under stable conditions, the 8000 weapons that have been stashed away by the local Castroites, Maoists and Soviet partisans may yet be brought out of hiding.

Money will be spent in the Dominican Republic to give substance to Balaguer's victory. Whether the money will be spent wisely is another story, and one that is worth a separate column.

KING COTTON

Mr. KREBS. Mr. Speaker, I ask unanimous consent that the gentleman from Texas [Mr. POOL] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. POOL. Mr. Speaker, those of us who inhabit the warmer regions of the United States are all too aware that King Cotton is one of the greatest gifts of nature to mankind. Cotton has always played a vital role in the economy of the Nation as well.

It should be called to the attention of the Members of Congress and the public that there is an attempt to substitute textile blends for the traditional cotton fabrics worn by our military personnel. I, therefore, should like to enter into the RECORD the following resolution passed by the Texas Cotton Ginners' Association board of directors on May 23, 1966.

RESOLUTION

We, the Texas Cotton Ginners' Association Board of Directors, convened this 23rd day of May 1966 in Dallas, Texas, realizing the importance of cotton to the American economy and national defense, are appalled that representatives of the American Textile Manufacturers Institute are trying to persuade our military leaders to accept blends as a substitute for the all-cotton supplies requested by the Armed Forces.

We are further dismayed and concerned that our textile industry takes this position when it is common knowledge that all-cotton fabrics have proven best for military use in clothing worn in hot humid climates: Now, therefore, be it

Resolved, That we express our concern to the American Textile Manufacturers Institute that they have such a position which is contrary to the best interests of our fighting men and, further,

We resolve, That we oppose their position in this matter, and we finally resolve that we express this dismay to the American Textile Manufacturers Institute, to our members of Congress and the committees of the Congress concerned with this problem, and,

We further call upon the American Textile Manufacturers Institute to reverse its position and to provide all-cotton fabrics as specified by the military.

A BILL TO REMEDY A PROVISION IN THE INTERNAL REVENUE CODE

Mr. KREBS. 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 pro tempore. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. GIAIMO. Mr. Speaker, I have introduced this bill to remedy a provision of the Internal Revenue Code which is ambiguous as read and inequitable as interpreted by the courts. Under the existing section one can deduct from gross income expenses incurred for education if his primary purpose in seeking that education was to sharpen his present skills but not if he was learning to develop new skills. In other words, Mr. Speaker, under the decision in Ramon M. Greenburg before the Tax Court a mechanic can deduct expenses incurred in studying to be a better mechanic, but if he chooses to study to be a TV repairman he cannot deduct those expenses. This is a fairly clear case, but there are areas where a person will not know until he goes through the expensive process of litigation whether he is sharpening present skills or learning new ones. Medicine is a field which best exemplifies the latter case. I want to make it clear, however, that this bill will only apply to those who are primarily engaged in a trade or business, education or training being ancillary to that trade or business. It would not apply to those who are primarily engaged in education. By this, I mean that it would not apply to students in universities or secondary schools who may hold jobs which are incidental to their education. They are being educated to begin a trade or business and not to perfect or broaden skills already acquired.

Mr. Speaker, it has been the policy of this Government to encourage people to retrain, to learn new skills, in order to cope with the threat of automation. We consistently stress education and the need for bettering oneself, yet ironically, our tax laws discourage people from taking a step important not only to their own personal well being but to the future needs of society.

Should we not, Mr. Speaker, alleviate a burden which can be prohibitive, especially to those who have families and live on a close budget. This bill, I believe, would be the best means of effecting that result and is in keeping with our tax and education policies.

A UNIQUE CELEBRATION OF SENIOR CITIZENS MONTH

Mr. KREBS. 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 pro tempore. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. OTTINGER. Mr. Speaker, last month many communities throughout the United States celebrated Senior Citizens Month. One of the most unique observances took place in Westchester County, N.Y.

On May 24, 12 members of the Senior Citizens Club of Crompond, N.Y., participated with students at the Lakeland High School in discussing various issues concerning older Americans. Among the topics discussed were: When does a person become old? At what age? What are the students' views about older people? Do they have a correct picture? What is the Government doing for older people? How can a closer relationship be established between the young and old.

This was a highly successful program and all those concerned felt it was most worthwhile. It afforded an opportunity to the community to discuss the problems which confront our senior citizens.

I believe that Mr. Paul Leith, president of the Crompond Senior Citizens Club, should be commended for organizing and directing this outstanding program.

In order that our colleagues may learn more about this program, Mr. Speaker, I present herewith for inclusion in the RECORD two articles which appeared in the Peekskill Evening Star and the Patent Trader, as well as a copy of the letter of commendation which Mr. Leith received from the New York State Office of Aging:

NEW YORK STATE,
EXECUTIVE DEPARTMENT,
OFFICE FOR THE AGING,
Albany, N.Y.

Mr. PAUL LEITH,
President, Senior Citizens Club of Crompond, Crompond, N.Y.

DEAR MR. LEITH: Thank you for your May 27th letter and the copies of the newspaper clippings on your new program involving high school students and senior citizens.

You are to be commended for your creative thinking in exposing these two age groups to one another. I think this is a fine pioneering effort. The senior center in Brooklyn has made efforts in the same area by using older people as instructors in local elementary schools, and I agree with your thinking that the experience and knowledge of our older citizens can be a great contribution to the learning of our younger students.

I will be pleased to keep these materials on file and to submit them to Mr. O'Malley for possible use in a forthcoming issue of the CAMEO newsletter.

Again thank you for your splended cooperation with this office.

Sincerely,
MRS. MARCELLE G. LEVY, *Director.*

[From the Peekskill Evening Star, May 25, 1966]

IN LAKELAND HISTORY CLASSES: OLD, YOUNG, NARROW GAP OF MISUNDERSTANDING

(By Margaret Laino)

Lakeland High School seniors felt growing pains yesterday as they stretched their way 50 years into the future. Celebrating May as Senior Citizens month, students tried to narrow the gap of misunderstanding between old and young through spontaneous discussions with their elders.

Ten senior history classes were visited by local senior citizens, whose social and eco-

nomic positions were subsequently explored and often challenged by the younger set.

Showing an unusual understanding of aging problems were students whose grandparents lived with them. They agreed they could never "pitch a tent and hide all the old people under it." Although most would not want their parents or grandparents to live in nursing homes, many students felt that a Leisure Village or Springvale would be the ideal retiring spot.

Senior Citizen Bessie Herskowitz vetoed this idea. "Why, did you ever see the airs they put on, with their mink stoles as they come in for 5 o'clock cocktails."

STILL VERY MUCH ALIVE

Fellow Senior Citizens stressed that they are still very much alive and wish to be free to live in the manner they choose. Paul Leith, President of the Senior Citizens Club of Crompond, presented research uncovering taboos imposed on the old by the young such as not dancing, remarrying, wearing gay clothes, or doing work not considered appropriate for them.

The problem of independence for the elderly led into a discussion of the senior citizen's economic status. Most students were unaware of the average $80 monthly benefits received under social security by a single person. Combined with the lack of employment opportunities for the elderly the question of "Who can we turn to for help?" was thrown by the visitors to their hosts.

NOT SNATCHING JOBS

One student speculated that older people were trying to snatch jobs away from fathers of young families. The Senior Citizens disagreed, saying that the answer is not in young and old competing for jobs. Going further, Mr. Leith said the solution to the work problem lies within neither age group but with the government.

A girl hotly defending the American tradition of free enterprise against "creeping governmental socialism" was reminded by Mrs. Dorothy Rick, a retired school teacher, that "We pay taxes, we elect our representatives . . . we are the government."

OLD AGE PROBLEM

The Industrial Revolution was cited as a reason for the "old age" problem as we know it today. Mr. Leith said an industrial society thrives on man's peak productivity, and beckons children to the cities, often leaving the parents alone.

He then suggested that as these were unalterable circumstances of society, that same society has a responsibility to take care of the people that suffer by its changes.

Emphasizing the Economic Opportunities Act's concentration on young people, Mr. Leith suggested that programs under it, such as the Foster Grandparents, and Training of Elderly People to be enlarged upon, as only 11% of old people are restricted to their homes or institutions.

A need for keeping busy was seen as essential to the "dignity and self-worth" of an individual in this society which views work as a virtue. As one woman put it, "My brother is only 62 and wants to retire. I tell him he's crazy."

Such early morning enthusiasm left one boy saying "You just can't argue religion, politics or girls with older people. When my grandmother yells at me for coming in at 2 a.m. I just look at her."

A spirited teacher rejoined, "That's early, my son comes in at 5 a.m. and that's on school nights."

With the competence of teachers as mediators, the time span between 16 and 60 was bridged skillfully and humorously. The day's discussions were arranged by Merritt Lindsey, Principal, Dr. Frank Eckelt, head of the History Department, and Mr. Leith, who drew up an outline on the subject, and conferred with teachers involved.

Attending were Mrs. Clara Bobers, Mrs. Pauline Brody, Mrs. Bessie Herskowitz, Paul Leith, Mrs. Esther Leith, Mrs. Dorothy Rick, Abe Rottenberg, member of the School Board of Adult Education Committee; Mrs. Sophie Rottenberg, Mrs. Mary Slater, Walter Schwartz, President of the Mohegan Colony Association; and Mrs. Bella Vulcan.

[From the Patent Trader, May 26, 1966]

EXPERIENCES SHARED: LAKELAND HIGH HOSTS SENIOR CITIZENS CLUB

LAKELAND.—Lakeland High School was host to members of the Senior Citizens Club of Crompond Tuesday and a retired school teacher and everyone involved—students, teachers, and the guests themselves—seemed pleased with the encounter.

In observance of Senior Citizens Month, senior history classes were devoted to discussion of the characteristics and problems of old age and the 13 visitors added first-hand information to the classes.

Students tried to define old age and discussed such problems as the use of leisure, living on a small fixed income, adjusting to the loss of family and friends and other problems. They talked also of Medicare and school taxes.

At a coffee break midway through the day, the teachers involved were enthusiastic about the results so far and unanimous in the opinion that the experiment should be repeated next year. And at least two of the senior citizens who were supposed to leave at noon asked to remain to attend afternoon classes.

The visitors also had advice for the students: "Get a good education and then save money so you can be independent in your old age," advised Mrs. Bessie Hershkowitz (a Crompond resident whose appearance belies her 75 years).

"What you are now is what you will be when you're old," Paul Leith, president of the Crompond Senior Citizens, pointed out. "If you're grouchy now, you'll be grouchy when you get old."

They also pointed out some of the problems specific to this area: the necessity to maintain and drive a car and the lack of mobility if one does not, the burden school and other taxes place on a couple trying to live on a few hundred dollars a month, the inadequacy of a senior citizens club in meeting the needs of old people ("I would like to work; I would like to work in this school, even as a volunteer," one woman told a class.)

The sharing of personal experiences was one of the most valuable accomplishments of the experiment, the teachers felt. "When she said she lived on $174 a month, it really drove the point home when some of these kids earn that much working part time," one teacher said.

In another class, a student mentioned the problem of adjusting to the loss of a wife or husband. Her comment was greeted with sad nods, a soft "It's not so easy" and a more optimistic, "It's very hard but it's up to yourself."

The visit grew out of an appeal to the Lakeland school board made last month by Mr. Leith. He asked that discussion of aging be included in the district's curriculum, with special emphasis on it during Senior Citizens Month. He also worked with history chairman Dr. Frank Eckelt in planning Tuesday's program and prepared an outline for the students to study beforehand.

Participating in the program were Mrs. Dorothy Rick, a former teacher invited by Dr. Eckelt, and senior citizens club members Mr. and Mrs. Paul Leith, Mrs. Mary Slater, Mrs. Clara Bobers, Mrs. Bessie Hershkowitz, Mrs. Bella Vulcan, Louis Levy, Mr. and Mrs. Herman Brody, Walter Schwartz and Mr. and Mrs. Abe Rottenberg.

THE 34TH ANNIVERSARY OF DISABLED AMERICAN VETERANS

Mr. KREBS. Mr. Speaker, I ask unanimous consent that the gentleman from Texas [Mr. PURCELL] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. PURCELL. Mr. Speaker, it is my distinct privilege to join my colleagues in recognizing the contributions over the past 34 years of the Disabled American Veterans.

This fine organization was chartered by the Congress as a veterans' service organization back in 1932.

The DAV was organized in Cincinnati, Ohio, in 1919 by a group of disabled veterans of World War I. This original group was made up of about 200 veterans. A testimony to the service the organization has provided is the fact that it has now grown to over 1,800 local chapters with almost a quarter of a million members.

I would like to pay tribute on this occasion, Mr. Speaker, to the present Texas commander of the DAV, Mr. P. D. Jackson of Dallas, Tex. He was a member of the organization when it was chartered by the Congress. In fact, he was serving as Texas DAV adjutant at that time in 1932. All these years he has been a part of the growing and outstanding service provided by the DAV to American's wartime disabled.

Mr. Speaker, we are deeply indebted to the men who make up the membership of the DAV. These are the men who gave more than their time and energy to their country during time of war. These are the men who risked their lives on the frontlines and paid a price for that risk.

Except for those valiant men who gave their lives in the protection of our freedom, these are the veterans to whom we owe the most. They gave part of themselves in the battles to protect our freedom and our land.

It is an honor for me, Mr. Speaker, to take a small part in the tribute being paid today to this great group of citizens, the Disabled American Veterans.

Thank you, Mr. Speaker.

PERSONAL ANNOUNCEMENT

Mr. KREBS. Mr. Speaker, I ask unanimous consent that the gentleman from Washington [Mr. MEEDS] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. MEEDS. Mr. Speaker, on Monday and Tuesday last, June 13 and 14, I was unavoidably absent on official business. During that period, rollcall No. 137, the Foreign Service Building Act Amendments of 1966, and on rollcall No. 141, the defense procurement authorization, came to a vote. Had I been present, I would have voted "yea" on each of these rollcalls.

NATIONAL SENIOR SERVICE CORPS

Mr. KREBS. Mr. Speaker, I ask unanimous consent that the gentleman from New York [Mr. ROSENTHAL] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. ROSENTHAL. Mr. Speaker, I am today introducing legislation to establish a National Senior Service Corps within the Administration on Aging.

The bill would authorize grants for States which organize part-time employment programs for senior citizens in community service projects. For particularly valuable service, small salaries would be paid—up to $125 per month. In most projects, however, services would be volunteered. Expenses would be minimal—commutation, meals, and so forth.

In the last 6 years or so, the resources of idealistic Americans have been put to use in the Peace Corps and, more recently in the VISTA program of the war on poverty. In this spirit, I believe we can make use of the thousands of our senior citizens whose wisdom and experience can be a source of great community benefit and progress. Many examples of such activity spring to mind: work in hospitals, day-care centers for children of working mothers, assistance to house-bound people in poverty groups, remedial teaching, Headstart programs for disadvantaged children. These are projects which would not displace regular members of our labor force. But they are activities in which this country has a major investment. Nor should we ignore the real opportunity such a program would give to retired Americans who presently find little chance to give their considerable energies and talents.

The National Senior Service Corps, if established, can reinforce many existing social welfare programs already improving the quality of life in this country. Thus, programs established by the Office of Economic Opportunity might find a new fund of personnel assistance. This would also be true of certain operations begun under the 1965 Aid to Education Act. I believe the needs of the country and those of our senior citizens may both be met through the activities of a National Senior Service Corps. I urge the Congress to move swiftly to pass legislation which can make this proposal a reality.

CONGRATULATIONS TO THE DAV

Mr. KREBS. Mr. Speaker, I ask unanimous consent that the gentleman from California [Mr. JOHNSON] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. JOHNSON of California. Mr. Speaker, I rise to take note of the work which has been accomplished by the Disabled American Veterans during the years since its creation Christmas Day, 1919.

From a small beginning of about 200 disabled veterans of World War I, the organization has increased 1,000-fold and now represents more than 231,000 veterans.

The charter, which has been issued by Congress many years ago, provided that the purpose for which the organization was established was to advance the interest and work for the betterment of all wounded, injured, and disabled veterans—to cooperate with the U.S. Veterans' Administration and all other Federal agencies devoted to the cause of advancing and improving the condition, health, and interest of all disabled veterans.

In the 34 years since this charter was issued, the record of service of this fine organization to the disabled veterans of this Nation indicates that they have achieved this goal with great success. The 150 professionally trained national service officers employed by the Disabled American Veterans have provided free assistance, counsel, and guidance to more than a million and a half disabled veterans and their families in obtaining medical care, hospitalization, rehabilitation, job training, and other benefits. We can all be proud of the work which the "DAV" have performed over the years, and I want to add my voice in congratulating them for a job extremely well done.

SECRETARY FOWLER RIGHTLY CALLS ATTENTION TO THE ABUSE OF MUNICIPAL INDUSTRIAL DEVELOPMENT BONDS

Mr. KREBS. Mr. Speaker, I ask unanimous consent that the gentleman from Wisconsin [Mr. REUSS] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. REUSS. Mr. Speaker, I applaud last Thursday's remarks of Treasury Secretary Henry H. Fowler before the White House Conference for State Legislative Leaders. He disclosed that measures are being considered to do away with Federal income tax benefits which currently attach to municipal industrial development bonds.

The Federal Government has long given the privilege to State and local governments of issuing tax-exempt bonds to finance needed public facilities. By giving up these tax revenues, the Federal Government in effect extends a subsidy to local governments which enables them to build schools, hospitals, roads, and sewers. So long as these facilities are for a public purpose, the diminution of Federal revenues can be justified.

But in the past decade State and local governments have increasingly issued tax-exempt bonds to finance the construction of industrial and commercial facilities for sale or lease to private profitmaking corporations. Thus, the benefits of the Federal tax exemption are passed on to private corporations who acquire land, plants, and equipment at greatly reduced financing costs—in one recent case, at an estimated saving to the corporation of nearly $10 million.

Many of these issues finance the expansion of corporations well able to raise capital in conventional securities markets—corporations such as Cutler-Hammer, Nekoosa-Edwards Paper Co., Olin-Mathieson, Safeway Stores, U.S. Rubber.

The stiff competition among localties across the country to attract job-providing and tax-revenue-producing industry has caused municipal industrial development bond financing to snowball. As late as 1960 only nine States permitted local governments to engage in tax-exempt industrial financing. In self-defense today some 38 States have legislation on their statute books which authorized issuance of these bonds.

By a count of the Investment Bankers Association, municipal industrial development financing has grown from $12 million in 1955 to $100 million in 1963 to $200 million in 1965. In the first 5 months of this year this financing has amounted to $275 million—already in excess of the 1965 annual figure. Another estimate, quoted in the Wall Street Journal of April 1, 1966, places 1965 municipal industrial development bond issues at nearly $1 billion.

There is little doubt but that this financing will be up sharply in 1966 on account of more communities offering it, the higher interest rates on conventional borrowings, and a larger volume of corporate investment.

As Secretary Fowler said:

> The advantage to any State or municipality decreases as more States and localities enter the field.

The beggar-thy-neighbor competition for new industry is now so intense that New York City has been compelled to enter. According to the New York Times of May 26, New York City was forced to grant subsidies to private corporations "not so much to attract new business as to stem the tide of business leaving the city." The day is rapidly approaching when all cities in the United States will, like New York City, be compelled to offer subsidies to private industry at the expense of the Federal taxpayer, and when no corporation can afford to expand without shopping around for the greatest subsidy.

Moreover, as the Secretary also pointed out, municipal industrial development bond financing will have an adverse effect on legitimate municipal bond financing for needed public facilities by eventually driving up the interest rates on all municipal bonds without a compensatory increase in public service.

On March 1, 1965, the gentleman from Wisconsin [Mr. ZABLOCKI] and myself introduced identical bills, H.R. 5587 and H.R. 5599, which would remove the Federal tax exemption for interest on State or local government obligations issued to finance industrial or commercial facilities to be sold or leased to private profitmaking enterprises. The bills would in no way encroach upon the right of State and local governments to issue tax-exempt bonds to finance activities which serve a public purpose.

The remarks of Secretary Fowler should be welcome to all interested in

plugging this hole in the public purse. I hope the Secretary's statement will now move the Congress to give serious consideration to denying the tax exemption of municipal industrial development bonds.

The Secretary's remarks follow:

REMARKS BY HON. HENRY H. FOWLER, SECRETARY OF THE TREASURY, AT THE WHITE HOUSE CONFERENCE FOR STATE LEGISLATIVE LEADERS, EXECUTIVE OFFICE BUILDING, THURSDAY, JUNE 16, 1966

The theme of this conference is encouragement of greater intergovernmental cooperation in our Federal system.

The President, in his State of the Union Message, urged that we, and I quote, "move on to develop a creative Federalism to best use the wonderful diversity of our institutions and our people to solve the problems and to fulfill the dreams of the American people."

My frame of reference is the financing of government. So I would like to discuss with you some of the problems and prospects we share in the financing of urgently needed public programs.

In the eyes of many, the price tag is the most significant part of any government program. Often the price tag is the controlling factor, regardless of the need for a particular activity.

In their understandable preoccupation with cost, many people see the Federal government only in terms of budgets of $100 billion and more, millions of employees, and a vast national debt.

Most people are unaware—and would be surprised to learn—that the State governments today, taken collectively, also constitute a vast enterprise of some two million employees with budgets totalling some $45 billion a year.

Further, while the national debt has decreased from 56 percent of total debt, public and private, in 1946 to 22 percent at the end of 1965, State and local debt has risen from 4 percent to 7 percent of total debt.

Those few surface observations reflect both the growth of the State governments and the magnitude of the problems they are grappling with today. Your presence here, I believe, reflects the ferment taking place in the States—the new vitality which has renewed your determination to meet your challenges and spurred your search for new ideas and new resources.

Your problems are immense in such fields as education, health, welfare, transportation, conservation, urban development, economic development. Your sources of revenue are necessarily limited and uncomfortably close to you. The sharpness of this dilemma has, understandably, led many to conclude that Washington should take up the financial slack.

There is an obvious attraction in the idea that the Federal government, with its vast resources and its seeming remoteness from the taxpayers, should share its good fortune by making a strikingly larger contribution to the revenues so urgently needed by the States and their creatures, the cities.

Federal grants to States for special purposes have been around for a long time. They have increased markedly in recent years. Recently, however, the idea of grants without any strings has been gaining in prominence. The economist Milton Friedman proposed such grants to replace the existing system of grants-in-aid.

Of course, the Friedman plan did not get very far because there was no general sentiment for giving up the existing grants. A later variation was developed which removed this inhibition. It was to provide such blank-check grants in addition to existing grant-in-aid programs. This more popular version came to be known as the Heller plan, named for the former chairman of the Council of Economic Advisers.

The essence of the plan is that Federal revenues would be set aside in an amount equal to one or two percent of the Federal individual income tax base. This sum would be distributed to the States for general government purposes—with no strings attached—on a per capita basis.

I didn't come here to shoot the Heller plan down. I understand its attraction.

But I believe it is essential to keep this plan—and the many similar and related plans—in proper perspective.

When Mr. Heller proposed the plan in late 1964, his prognosis for the Federal budget was that revenues would rise $4 to $5 billion a year faster than expenditures, due to continuing economic growth. He could not have known that the growth in the demands of Vietnam would soon increase Federal expenditures more than twice that total annually. The fact is that for the period immediately ahead, there will be no surplus Federal revenues which could be distributed to the States without creating severe inflationary pressures.

Further, at the time the Heller plan was proposed, most observers did not believe that a comprehensive program for federal aid to education could be enacted.

In the last 10 years, total Federal aid to State and local governments has more than tripled, rising from $4 billion in 1957 to the $15 billion budgeted for 1967. Federal aid payments accounted for approximately 15 percent of all general revenues available to State and local governments in 1965. A Council of State Governments study, soon to be published, shows that in 1946 the State and local governments received $1.00 from the Federal government for every $13.50 they raised from their own resources. But, in 1964, they received $1.00 in Federal funds for every $5.80 of their own revenues. I cite these figures only to show that there is convincing evidence of Federal recognition of the need to assist State and local governments with their financial problems.

We all recognize the need for cooperation among the levels of government in the field of finances. But we don't always remember that cooperation is a two-way street. And sometimes a cooperative effort goes wrong. This is always a disappointment, although it can usually be remedied if the will to cooperate is maintained.

One example of a cooperative effort which has turned into a disadvantage for both the Federal government and at least some of the States is of particular interest to me. For some time I have shared with many others, some in the Administration, some in the Congress, and some in responsible financial positions in State and local governments, a growing concern about certain uses of the tax-exemption privilege which is accorded to State and municipal bonds.

Since the inauguration of the Federal income tax in 1913, the interest on obligations issued by States and their political subdivisions has been exempted income. The justification for the exemption is that it reduces the cost of State and local borrowing done for the purpose of carrying out essential Government functions. But, as with any wide-ranging exemption, applications which could not be foreseen when it was granted have occurred.

One area that has raised doubts and discussion over the years has been the use of industrial development bonds. This practice has been defended on the ground that it helps to bring industry to low-income labor-surplus areas. Thoughtful critics, however, have prophesied that the practice would eventually become self-defeating. Recent experience appears to support their view, since the use of this type of bonding is growing and the advantage to any State or municipality decreases as more States and localities enter the field. This practice merits careful attention and is currently under study.

In recent years, new financial arrangements involving use of the exemption have arisen which have caused serious concern. One of these is arbitrage, which arises when the principal purpose of floating State or local bonds is to buy U.S. bonds with the proceeds and realize a profit from the difference between the interest rates on tax-exempt and taxable securities. The variations in the practice are almost infinite. The buyers of the tax-exempt bonds are, in reality, only purchasing U.S. bonds indirectly. Their tax exemption is diverted to make a profit for a State or municipality.

As another example, some States and local governments are issuing tax-exempt bonds to finance commercial enterprises, which they operate in competition with private enterprise. To date, these transactions have been confined to real estate which is leased to private parties. But other commercial uses may be found. While the amount of bonds issued for this purpose has so far been small, there is every indication that it will be substantial in the future unless curbed. For example, one issue now proposed would involve over $500 million.

The Federal government is sympathetic with the need of States and municipalities to meet their financial problems. But we cannot condone extension of the tax exemption to these new financial arrangements as a means of accomplishing those objectives at the expense of the nation's taxpayers.

These arrangements, moreover, by greatly increasing the total of exempt bonds outstanding, will eventually drive up the interest rates paid by all States and municipalities for their borrowing. Yet there will be no commensurate increase in public service to compensate for the cost to the taxpayers.

If legislation is enacted, or if administrative measures are adopted, which exclude these arrangements from the benefits of the exemption, I hope no one will be misled into thinking that we are launching an attack on the basic interest exemption for State and local borrowing. Quite the contrary, as with any exemption, curtailment of uses which cannot be condoned is a condition necessary for preservation of the exemption for its intended uses.

Although it has required me to speak in somewhat negative terms, I have taken the time to talk about Federal revenue-sharing and considerations involving the tax exemption for State and municipal bonds because I know the former subject is one of great interest to you and the latter is of great interest to me.

But it would be a travesty to lose the great opportunity which this conference provides by giving it a negative tone. To say we have problems, I believe, is simply to describe the human condition. But the future has never looked brighter than it does now for a great cooperative—and successful—attack against the problems we share.

We have stopped looking at our Federal system of government as if it were composed of three totally separate and independent layers—local, State and national. We have recognized that, in our Federal system, responsibilities are mixed and inseparable and relationships are close and binding.

We know that action at one level often affects all levels, and we know that action which is harmful to one level cannot, in the long run, be beneficial to the others. We realize that successful action undertaken by one level of government, in meeting what it regards as its own responsibilities, frequently results in handsome benefits for the others.

Many examples of this interrelatedness come to mind, but none serves better than the Federal fiscal policies of the last 5 years which aimed at stimulating the economy. Tax reduction played a major role in the

economic resurgence which has now brought us into our sixth year of expansion. The addition of resources on which the States and municipalities can draw and which have come into existence in this period of vigorous growth far outweighs the advantages that would accrue from any revenue-sharing formula. The Federal government, taking action on a national scale to foster economic growth, has broadened and reinforced the revenue base from which all levels of government derive their sustenance.

Our accomplishments are not all in the past. I have spoken of the heightened vitality of the States. But do not underestimate the power of President Johnson's concept of creative Federalism at the Federal level. This concept makes clear that the various levels of government are—and must be—members of a partnership in which each has definite—though differing—responsibilities with respect to each function and activity. The President charged his Administration to take the initiative in these words:

"Many of our critical new programs involve the Federal Government in joint ventures with State and local governments in thousands of communities throughout the Nation. The success or failure of those programs depends largely on timely and effective communications and on readiness for action on the part of both Federal agencies in the field and State and local governmental units. We must strengthen the coordination of Federal programs in the field. We must open channels of responsibility. We must give more freedom of action and judgment to the people on the firing line."

It is obvious that the cooperation required by this approach to Federalism must extend throughout the financial field if our mutual efforts are to be successful. We have a long and proud record on which to build. Behind the President's leadership we intend to advance the concept of creative Federalism to the farthest limits of our imagination and energies.

COL. LEVI R. CHASE, USAF, COMMANDING OFFICER, 12TH TACTICAL FIGHTER WING, VIETNAM, AN OUTSTANDING NATIVE OF CORTLAND, N.Y.

Mr. KREBS. Mr. Speaker, I ask unanimous consent that the gentleman from New York [Mr. STRATTON] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. STRATTON. Mr. Speaker, in April when our subcommittee of the House Armed Services Committee went to Vietnam on an inspection trip, we had the opportunity of visiting the 12th Tactical Fighter Wing of the U.S. Air Force located at Cam Ranh Bay. This group, composed largely of F–4C Phantom fighter aircraft, has the duty of furnishing close air support to ground forces engaged with the enemy in the II Corps area of Vietnam, basically the central portion of South Vietnam. We were given an excellent briefing on the accomplishments of this group by their commanding officer, Col. Levi R. Chase, U.S. Air Force.

I was delighted to learn that Colonel Chase is a native of my congressional district, having been born and raised in Cortland, N.Y. The people of Cortland can be justly proud of the job that Colonel Chase is doing in support of our current commitment in Vietnam. We are all indebted to him.

Under leave to extend my remarks I include a splendid editorial from the Cortland Standard of June 14, 1966, on the background and achievements of one of our great heroes in Vietnam, Col. Levi R. Chase:

CORTLAND'S FLYING ACE—"HERE'S ONE FOR DRAFT CARD BURNERS!"

"Here's one for the draft card burners!"

That was the comment delivered personally by a friend of Col. Levi R. Chase along with a clipping from the Air Force Times of June 8, 1966.

Col. Chase of Cortland was an Air Force ace in World War II and the Korean War. Now, at age 49 and still flying combat, he is a wing commander in Viet Nam.

Chances are that Col. Chase entered the Armed Forces even before he could be issued a draft card. So he might not have had a chance to join the long-haired torchlight gang. He doesn't even have time to think much about them because he is too busy fighting his and their war.

The contrast is striking in the light of the article from the Air Force Times with a Saigon dateline. It tells that during the week ending May 27, Air Force strike pilots logged 1,288 combat sorties against the Viet Cong targets in South Viet Nam.

The article states:

"F–4C crews of the 12th Tactical Fighter Wing at Cam Ranh Bay Air Base started the week with a new record. On May 21, they passed their ten-thousandth combat sortie. The milestone mission was flown by the wing commander, Col. Levi R. Chase. The wing arrived in Viet Nam Nov. 1."

Col. Chase has been setting records in the air ever since he entered service.

He was graduated from Cortland High in 1936 and left Syracuse University to join the Armed Forces to become a "one man wave of destruction" during World War II. He downed 13 planes in 240 missions. He reentered service and during the Korean War the then, lieutenant colonel, won a Unit Citation, Legion of Merit and the Korean government's unit citation plus ribbons of every theatre of operations.

This kind of thing, defending his country, has become a way of life for Col. Chase, ever since he entered service in 1941.

The Cortland native has won a place of distinction for himself and his home town in the combat records of the United States Air Force. It is Americans like Col. Chase who will get on with the job of winning the war in Viet Nam to which they and we are committed.

ANNIVERSARY OF SOVIET OCCUPATION OF ESTONIA, LATVIA, AND LITHUANIA

Mr. KREBS. Mr. Speaker, I ask unanimous consent that the gentleman from New Jersey [Mr. MCGRATH] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. MCGRATH. Mr. Speaker, this month marks the 26th anniversary of the occupation by the armed forces of the Soviet Union of the Republics of Estonia, Latvia, and Lithuania, and the 25th anniversary of the mass deportations of citizens of those Baltic States—both sad anniversaries, but anniversaries which should be marked so that we in the free world do not lose sight of what communism holds in store for nations it "liberates."

The occupation by Red military forces ended the existence of Estonia, Latvia, and Lithuania as free and independent nations and the invasions were flagrant acts of aggression. The people of the Soviet-enslaved Baltic States have been deprived of their national independence and their individual liberties. The murders of thousands of inhabitants and deportations to Russia of over a half million people from the Baltic countries have been reported—this regardless of the fact that the U.S.S.R. was a signatory to the Genocide Convention. The Soviet Union has been systematically exploiting the natural resources, labor, and national production of the Baltic countries and this represents the worst type of a colonial power.

The U.S.S.R. does not have any legal basis for the occupation of the three Baltic nations, but tries to justify its domination by fraud and usurpation of the will of the people. Our Government has never recognized the forcible seizure and incorporation of the Baltic States into the Soviet Union and has again upheld and restated this position in the most recent official State Department publication, "Treaties in Force."

The first mass deportation took place in June 1941, when over 60,000 men, women, and children were dragged from their homes, herded into cattle cars, and shipped to the most forbidding regions of the Soviet Union. After 3 years of Nazi occupation, the Red army reoccupied the Baltic countries, and, in 1944, similar deportations were resumed. In recent years, by use of threats, pressures, and enticements, Estonian, Latvian, and Lithuanian people are induced to "volunteer" for permanent resettlement in remote and underdeveloped parts of the Soviet land. Despite the death of Stalin and the widely publicized changes which followed, the fundamental injustice still remains and the process of extermination of every vestige of former independence continues in those former Republics.

Mr. Speaker, for 26 years the Baltic peoples in the free world as well as in the homelands have been striving to return to freedom, democracy, and independence to the Baltic States. Although the Baltic peoples have often before demonstrated their will and ability to survive, the forces presently holding them down are too strong to be overcome unassisted. I feel that memoralizing these coincident, sad anniversaries will not only remind Americans of the manner in which the Soviet Union engages in colonialism, but may also give hope to the Baltic peoples in their homelands that the free world is cognizant of their plight and interested in the return of their nations to the free world.

WHY HARASS THE SIERRA CLUB?

Mr. KREBS. Mr. Speaker, I ask unanimous consent that the gentleman from Iowa [Mr. SCHMIDHAUSER] may ex-

tend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. SCHMIDHAUSER. Mr. Speaker, I would like to call to the attention of my colleagues in the House of Representatives an excellent editorial pertaining to recent actions by the Internal Revenue Service which was in the June 14 issue of the Washington Journal. I believe the editor has pointed out very perceptively the implications of the ruling on the Sierra Club by the Internal Revenue Service. The editorial follows:

OUTRAGEOUS TAX ACTION

Few acts by the federal government have brought such a sense of outrage as the recent threat by the Internal Revenue service to cancel the tax-exempt status of the Sierra Club (a nationwide conservation group) because of advertisements the club ran opposing the construction of two federal dams in the Grand Canyon.

Actually, the tax people did more than threaten: they canceled the tax privileges of the conservation group immediately, before starting their "investigation." In other words, the conservationists are being punished before they are proved guilty of anything.

The Sierra Club is one of the largest conservation groups in the country; it has members in every state; it is devoted to protecting the natural resources of America—its rivers, forests, canyons, wildlife—for future generations. It objects strenuously to the proposed dams in the Grand Canyon because it believes there is no need for the dams and because they would certainly ruin one of the great natural wonders in the world.

Of course the Sierra Club is attempting to influence legislation. What is wrong with that? So does the Izaak Walton League attempt to influence legislation, so do the labor unions, so does the League of Women Voters. What could be more proper than for the Sierra Club to state plainly and publicly, in the newspapers, their opposition to the destruction of the Grand Canyon and their reasons for it?

The present action of the Internal Revenue service strikes us as an intolerable use of the government's tax power to squash any fair and honest opposition. It seems to say: if you dare oppose anything the administration favors, we will punish you, we will sick the tax boys on you, we will rub you out.

Fortunately we are not the only ones infuriated by this high handed ruthlessness on the part of the Internal Revenue service. There is already evidence that a good many Congressmen and Senators are reacting the same way. Let us hope they smack down the Revenue Service resoundingly, and so decisively it won't soon again try to act as a goon squad to silence honest opposition.

DO WE HAVE SHORTAGES IN SUPPLIES IN SOUTH VIETNAM?

Mr. KREBS. Mr. Speaker, I ask unanimous consent that the gentleman from New Jersey [Mr. JOELSON] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. JOELSON. Mr. Speaker, I insert herewith a news item which appeared in the Paterson News of June 17, 1966, expressing the views of my distinguished predecessor, Gordon Canfield:

CANFIELD EXPRESSES OUTRAGE OVER REPORTS MARINES HAD TO THROW ROCKS

Former Congressman Gordon Canfield expressed outrage today at reports from Saigon describing how an outnumbered and surrounded Marine patrol was forced to throw rocks to defend itself when it ran out of ammunition during an engagement with the Viet Cong.

"I am a veteran of World War I. I served in Congress during World War II and during the Korean War, and I never heard of such a deplorable situation," Canfield said.

The Paterson Congressman. said he now understands why the U.S. Ambassador to Viet Nam, Henry Cabot Lodge, has indicated that the war there may last 20 years.

"This is the most powerful nation in the world. We simply should not be in the position of having our men fight with rocks. I cannot understand how such a condition could exist," Canfield, who is community relations director for the First National Bank, declared.

Canfield said he felt there would be a "very unwholesome public reaction" to the situation.

"It is about time the administration and the defense establishment began telling the truth about the Viet War to the American people," Canfield said. "I have no doubt Congress will want to investigate this situation."

I agree with Mr. Canfield that there is no reason why our men in South Vietnam should not have all the equipment necessary for their own protection. My experience has been, however, that in many cases the shortages which are alleged do not exist. Furtherfore, those that do exist are often the result of supply problems in Vietnam, and do not reflect a general shortage.

I agree with Congressman Canfield that the American people are entitled to know the full truth about this problem, and I urge the Committee on Armed Services to investigate the matter and to insure that if shortages do exist, they are promptly and effectively remedied.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows to:

Mr. PEPPER (at the request of Mr. ALBERT), for today, on account of official business.

Mr. WOLFF (at the request of Mr. ALBERT), for Monday and Tuesday, on account of official business.

Mr. ASPINALL, on June 21 and June 22, 1966, on account of official business.

Mr. HORTON (at the request of Mr. GERALD R. FORD), for today, on account of official business.

Mr. FALLON (at the request of Mr. ALBERT), for today, on account of official business.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the CONGRESSIONAL RECORD, or to revise and extend remarks was granted to:

Mrs. GRIFFITHS and to include extraneous matter and tables during her special order of today.

(The following Members (at the request of Mr. BUCHANAN) and to include extraneous matter:)

Mr. CLARENCE J. BROWN, JR.

Mr. MCCLORY.

Mr. KEITH.

(The following Members (at the request of Mr. KREBS) and to include extraneous matter:)

Mr. LEGGETT in three instances.

Mr. CALLAN.

Mr. RIVERS of South Carolina.

Mr. TEAGUE of Texas.

SENATE BILL, CONCURRENT RESOLUTION, AND JOINT RESOLUTION REFERRED

A bill and a concurrent resolution and joint resolution of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 3150. An act to make further provision for the retirement of the Comptroller General; to the Committee on Government Operations.

S. Con. Res. 88. Concurrent resolution relative to parity prices for agricultural commodities; to the Committee on Agriculture.

S.J. Res. 153. Joint resolution to provide for the striking of medals in commemoration of the fiftieth anniversary of the Federal land bank system in the United States; to the Committe on Banking and Currency.

ENROLLED BILL SIGNED

Mr. BURLESON, from the Committee on House Administration, reported that that 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. 15202. An act to provide, for the period beginning on July 1, 1966, and ending on June 30, 1967, a temporary increase in the public debt limit set forth in section 21, of the Second Liberty Bond Act.

BILLS PRESENTED TO THE PRESIDENT

Mr. BURLESON, from the Committee on House Administration, reported that that committee did on this day present to the President, for his approval, bills of the House of the following titles:

H.R. 14266. An act making appropriations for the Treasury and Post Office Departments, the Executive Office of the President, and certain independent agencies, for the fiscal year ending June 30, 1967, and for other purposes; and

H.R. 15124. An act to amend section 316 of the Agricultural Adjustment Act of 1938, as amended.

ADJOURNMENT

Mr. KREBS. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 3 o'clock and 27 minutes p.m.) the House adjourned until tomorrow, Tuesday, June 21, 1966, 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:

2497. A letter from the Assistant Secretary for Administration, Department of Agriculture, transmitting a report of a violation of section 3679 of the Revised Statutes, as amended; to the Committee on Appropriations.

2498. A letter from the Deputy Administrator, Veterans' Administration, transmitting a draft of proposed legislation to revise the provisions of title 10, United States Code, relating to the recoupment of disability severance pay under certain conditions; to the Committee on Armed Services.

2499. A letter from the Acting Assistant Secretary of Defense (Properties and Installations), transmitting a report of procurement from small and other business firms for July 1965–April 1966, pursuant to the provisions of section 10(d) of the Small Business Act, as amended; to the Committee on Banking and Currency.

2500. A letter from the Comptroller General of the United States, transmitting a report of review of readiness status of idle ammunition-production facilities, Department of the Army; to the Committee on Government Operations.

2501. A letter from the Deputy Administrator, General Services Administration, transmitting a draft of proposed legislation to authorize the Public Printer to print for and deliver to the General Services Administration an additional copy of certain publications; to the Committee on House Administration.

2502. A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting a request for the withdrawal and return of a certain case involving suspension of deportation, pursuant to the provisions of section 244(a)(1) of the Immigration and Nationality Act of 1952, as amended; to the Committee on the Judiciary.

2503. A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting reports concerning visa petitions approved, according the beneficiaries third preference and sixth preference classification, pursuant to the provisions of section 204(d) of the Immigration and Nationality Act, as amended; to the Committee on the Judiciary.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, pursuant to the order of the House of June 16, 1966, the following bills were reported on June 17, 1966:

Mr. STAGGERS: Committee on Interstate and Foreign Commerce. H.R. 13286. A bill to amend the Communications Act of 1934 to authorize the Federal Communications Commission to issue rules and regulations with respect to community antenna systems, and for other purposes; with an amendment (Rept. No. 1635). Referred to the Committee of the Whole House on the State of the Union.

Mr. MILLS: Committee on Ways and Means. H.R. 15119. A bill to extend and improve the Federal-State unemployment compensation program; without amendment (Rept. No. 1636). Referred to the Committee of the Whole House on the State of the Union.

Under clause 2 of rule XIII, pursuant to the order of the House of June 16, 1966, the following bill was reported on June 18, 1966:

Mr. GRAY: Committee on Public Works. H.R. 14604. A bill to authorize the Architect of the Capitol to remodel the existing structures of the U.S. Botanic Garden for use as a Visitors' Center; without amendment (Rept. No. 1637). Referred to the Committee of the Whole House on the State of the Union.

[*Submitted June 20, 1966*]

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. 14741. A bill to authorize an increase in the number of Marine Corps officers who may serve in the combined grades of brigadier general and major general; with an amendment (Rept. No. 1638). 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. 15005. A bill to amend title 10, United States Code, to remove inequities in the active duty promotion opportunities of certain officers: without amendment (Rept. No. 1639). 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. ADAMS:

H.R. 15781. A bill to exclude from income certain reimbursed moving expenses; to the Committee on Ways and Means.

By Mr. BENNETT:

H.R. 15782. A bill to amend title 37 of the United States Code to provide that the pay and allowances of members of the Armed Forces who are killed in action shall be continued through the end of the month in which their death occurs; to the Committee on Armed Services.

By Mr. BROWN of California:

H.R. 15783. A bill to amend the Internal Revenue Code of 1954; to the Committee on Ways and Means.

By Mr. DOWDY:

H.R. 15784. A bill to exclude from income certain reimbursed moving expenses; to the Committee on Ways and Means.

By Mr. FASCELL:

H.R. 15785. A bill to facilitate the carrying out of the obligations of the United States under the Convention on the Settlement of Investment Disputes Between States and Nationals of Other States, signed on August 27, 1965, and for other purposes; to the Committee on Foreign Affairs.

By Mr. GALLAGHER:

H.R. 15786. A bill to amend further the Foreign Assistance Act of 1961, as amended, and for other purposes; to the Committee on Foreign Affairs.

By Mr. GIAIMO:

H.R. 15787. A bill to amend the Internal Revenue Code of 1954 to provide that the costs of education or training shall be deductible as trade or business expenses when incurred in order to obtain a new or better job, as well as when incurred in order to maintain existing skills, status, salary, or employment; to the Committee on Ways and Means.

By Mr. IRWIN:

H.R. 15788. A bill to provide for a flat fee for services performed in connection with the arrival in, or departure from, the United States of a private aircraft or private vessel, and for other purposes; to the Committee on Ways and Means.

By Mr. LOVE:

H.R. 15789. A bill to amend title I of the Housing Act of 1949 to authorize financial assistance for urban renewal projects involving the central business district of a community without regard to certain requirements otherwise applicable; to the Committee on Banking and Currency.

H.R. 15790. A bill to make certain expenditures of the city of Dayton, Ohio, eligible as local grants-in-aid for the purpose of title I of the Housing Act of 1949; to the Committee on Banking and Currency.

By Mr. MICHEL:

H.R. 15791. A bill to amend the Internal Revenue Code of 1954 to allow a credit against income tax to employers for the expenses of providing job training programs; to the Committee on Ways and Means.

By Mr. PELLY:

H.R. 15792. A bill to enlarge the boundaries of Grand Canyon National Park in the State of Arizona, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. ROGERS of Texas:

H.R. 15793. A bill to exclude from income certain reimbursed moving expenses; to the Committee on Ways and Means.

By Mr. ROSENTHAL:

H.R. 15794. A bill to amend the Older Americans Act of 1965 in order to provide for a National Community Senior Service Corps; to the Committee on Education and Labor.

By Mr. THOMPSON of Texas:

H.R. 15795. A bill relating to the Federal estate tax treatment of certain annuities paid to survivors of members and former members of the uniformed services; to the Committee on Ways and Means.

By Mr. WHITE of Texas:

H.R. 15796. A bill to create a new division for the western district of Texas, and for other purposes; to the Committee on the Judiciary.

By Mr. CHARLES H. WILSON:

H.R. 15797. A bill to provide for a comprehensive program for the control of noise; to the Committee on Interstate and Foreign Commerce.

By Mr. FARBSTEIN:

H.J. Res. 1174. Joint resolution making an additional appropriation for carrying out the Economic Opportunity Act of 1964; to the Committee on Appropriations.

By Mr. DOW:

H. Con. Res. 787. Concurrent resolution establishing a Joint Committee on National Service and the Draft; to the Committee on Rules.

By Mr. IRVIN:

H. Con. Res. 788. Concurrent resolution to provide for a permanent United Nations peacekeeping force; to the Committee on Foreign Affairs.

By Mr. REES:

H. Con. Res. 789. Concurrent resolution expressing the sense of Congress on the holding of elections in South Vietnam; to the Committee on Foreign Affairs.

By Mr. SCHISLER:

H. Con. Res. 790. Concurrent resolution relative to parity prices for agricultural commodities; to the Committee on Agriculture.

By Mr. ZABLOCKI:

H. Con. Res. 791. Concurrent resolution authorizing the printing as a House document of a report on "U.S. Policy Toward Asia" by the Subcommittee on the Far East and the Pacific of the Committee on Foreign Affairs, House of Representatives, together with hearings thereon held by that subcommittee, and of additional copies thereof; to the Committee on House Administration.

By Mr. ABERNETHY:

H. Res. 891. Resolution providing for the printing of certain proceedings in the House Committee on the District of Columbia; to the Committee on House Administration.

MEMORIALS

Under clause 4 of rule XXII,

490. The SPEAKER presented a memorial of the Legislature of the State of Mississippi

transmitting a copy of Senate Concurrent Resolution 109, approved June 15, 1966, relative to ratification of a proposed amendment to the Constitution of the United States providing for succession to the Presidency and the Vice Presidency, 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. ADAMS:

H.R. 15798. A bill for the relief of Mrs. Sang Lim Lee (also known as Sang Lim Hahn); to the Committee on the Judiciary.

By Mr. ADDABBO:

H.R. 15799. A bill for the relief of Amelia Aloi; to the Committee on the Judiciary.

H.R. 15800. A bill for the relief of Giuseppe Naso; to the Committee on the Judiciary.

By Mr. BROWN of California:

H.R. 15801. A bill for the relief of Marilyn Judith Grove; to the Committee on the Judiciary.

By Mr. EDMONDSON:

H.R. 15802. A bill for the relief of Jack Brown; to the Committee on the Judiciary.

By Mr. EVINS of Tennessee:

H.R. 15803. A bill for the relief of Sun-Sei Wu; to the Committee on the Judiciary.

By Mr. FRIEDEL:

H.R. 15804. A bill for the relief of Dr. Aravind Adyanthaya; to the Committee on the Judiciary.

By Mr. MOORE:

H.R. 15805. A bill for the relief of Niko Lencek; to the Committee on the Judiciary.

By Mr. PEPPER:

H.R. 15806. A bill for the relief of Jean M. Vorbe; to the Committee on the Judiciary.

By Mr. SMITH of California:

H.R. 15807. A bill for the relief of Carmela Asero Gelardi; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII,

401. The SPEAKER presented a petition of Henry Stoner, Portland, Oreg., relative to medical examinations for food handlers in national parks, which was referred to the Committee on Interior and Insular Affairs.

EXTENSIONS OF REMARKS

Fishery Resources

EXTENSION OF REMARKS
OF

HON. HASTINGS KEITH

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Monday, June 20, 1966

Mr. KEITH. Mr. Speaker, I wish to draw the attention of my colleagues to a resolution passed recently by the Senate—Senate Joint Resolution 29—which would authorize the Secretary of the Interior to conduct surveys of the fishery resources available to this Nation.

The resolution points out that we have the richest and most extensive coastal and inland fishery resources of any nation, but that we have failed to fully develop or conserve them. The fact that our coastal waters now provide about 5 billion pounds of fish and could potentially yield 28 billion pounds a year on a sustained basis clearly indicates our failure to develop this resource. At the same time, we may very well be overfishing some species.

The resolution also is based on the fact that our rich coastal resources are attracting many foreign vessels into the waters off our shores. This is dramatized by the increased activity of the Soviet fleet off the coast of Oregon. My own area—Cape Cod and the islands—has had this problem for several years and we are, of course, aware of the potential problem of foreign fishermen, who may not follow good conservation principles and over whom our regulations have no control. Moreover, my recent trip to the Soviet Union made it clear to me that the Soviets will be fishing more and more intensively off our coasts. They are building large factory ships and mother ships in great numbers which will go anywhere in the world.

The resolution also mentions the 1958 Geneva Convention on Fishing and Conservation of the Living Resources of the High Seas, which was ratified about 3 months ago. This convention establishes an international principle that coastal nations have a special interest in fishery resources in the high seas off their shores. Moreover, it states that the nations may adopt regulations to protect these resources for the future. In view of the riches we have in the waters in and around our country, it is important that we take prompt steps to implement this convention.

Our total annual catch has declined in recent years, and we have dropped to fifth place among fishing nations of the world. Foreign fishermen are going to take a growing share of the fish off our coasts. Our fishermen have traditionally taken the vast majority of their catch in our coastal waters, so they have a vital stake in the good management of these resources. But the foreign fishermen are equipped with large, ocean-going vessels that can easily move on to other waters. Unless we take action, it is likely they will not automatically practice the conservation measures we feel are necessary.

However, we cannot make reasonable regulations for fisheries without information about the population and migrations of fish; nor can we exploit these resources without such information. Unfortunately, then, we do not have the data we will need for both conservation and exploitation.

The resolution asks only for a small outlay of money to begin the critically important job of surveying fishery resources. The House has failed to take action on this kind of resolution when it was before us in the past. I hope—and strongly urge—that this year we concur in Senate Joint Resolution 29.

Nebraska Freedom Meal To Combat World Hunger

EXTENSION OF REMARKS
OF

HON. CLAIR CALLAN

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 20, 1966

Mr. CALLAN. Mr. Speaker, I would like to advise the Members of the House of Representatives of a significant breakthrough in efforts to solve the problem of world hunger. On June 14, 1966, Governor of Nebraska, Frank B. Morrison, and Pearle F. Finigan, Nebraska Director of Agriculture, announced the development of the Nebraska freedom meal. The freedom meal was developed by Mr. O. B. Gerrish, head, food sciences section of the Midwest Research Institute, Kansas City, Mo.

This new meal, a cereal, developed under Nebraska's agricultural products research program, is a nutritious food that meets the specifications of USDA for a foodstuff in the food-for-peace program. It meets tentative guidelines for food for infants and children, which include:

First. Wheat or corn should be the basic component.

Second. It should contain approximately 20 percent protein.

Third. The protein supplementation should be nonfat dry milk.

Fourth. Vitamin and mineral supplement should be included.

Fifth. It should have a bland flavor and a low bran content.

Sixth. It should be partially cooked and ready for serving after 1 to 2 minutes boiling.

The freedom meal is composed of Nebraska agricultural products. The basic elements are wheat, milo, corn, soy, and nonfat dry milk. It is the first major development of milo into a food for commercial use and it is estimated that commercial use of the freedom meal could result in the sale of millions of bushels of grain each year.

In accordance with the President's message to Congress on February 10, 1966, the new freedom meal not only provides new markets for agricultural products, but also provides an easily prepared food served in a form familiar to the people of the poorer nations of the world.

This new food does much to answer the problems presented to the House Agriculture Committee hearings held on February 14 to 18, 1966.

As it was pointed out by those hearings, it is not enough to look at the world's food deficit only in terms of calories per person. The quality of food is very important. A shortage of protein for example in the diet weakens the body so that it easily falls prey to other diseases.