Europe: Winston Churchill delivers his famous "Iron Curtain" speech at Fulton, Mo. as communist republics are established in Albania, Hungary, and Bulgaria. Nazi war criminals are sentenced at Nurnberg. French Premier de Gaulle resigns.

Americas: The first atomic test since the war is conducted at Bikini atoll by the United States.

Asia: The Philippine Republic is inaugurated. A treaty is signed beween the British and Siamese.

MAY 7, 1954

The French are decisively defeated by the Viet Minh at the battle of Dien Bien Phu.

Europe: The Paris Agreements are concluded establishing the Western European Union and terminating the occupation of Western Germany. France rejects the proposed European Defense Community treaty. Italy and Yugoslavia finally agree on a settlement of the Trieste dispute.

Americans: The Communist Party is outlawed in the United States.

Asia: The United States and Japan sign a defense pact. The Korean armistice negotiations continue with little results. After Dien Bieu Phu the United States engineers the Southeast Asia Collective Defense Treaty (SEATO).

Africa: The Algerian revolt against French rule begins.

FEBRUARY 1962

The United States establishes a Military Assistance Command in Vietnam to aid the Diem Government against Communist guerrilla infiltration and terrorist activities.

Europe: The Soviet Union erects a wall separating the Eastern and Western zones of Berlin. The Sino-Soviet ideological dispute worsens and become public.

Americas: The United States discovers the Soviet Union has implanted offensive missiles in Cuba and forces the Soviets to remove them.

Africa: Algeria achieves its independence from France. United Nations forces move against the secessionist regime of Moise Tshombe in the Katanga province of the Congo. Conflict begins in Yemen.

Asia: The Netherlands-Indonesian dispute over West Irian is finally settled. Communist China and India became involved in a series of border conflicts. A comprise is reached establishing a neutralist coalition government in strife-ridden Laos.

NOVEMBER 1, 1963

A military coup in Saigon overthrows the Diem regime.

Europe: President de Gaulle takes the final step in indefinitely postponing Britain's entrance into the European Economic Community. Violence erupts between the Greek and Turkish communities on Cyprus.

Americas: The United States signs a partial Test-Ban Treaty with the Soviet Union. U.S. President John F. Kennedy is assassinated.

Asia: An independent federation is formed in Malaysia between Malaya, Sarawak, Singapore, and North Borneo despite Indonesian hostility.

AUGUST 7, 1964

After a Viet Cong attack on two U.S. destroyers in Tonkin Bay, the Congress passes a resolution supporting the President in "taking all necessary steps" to repel aggression in Vietnam.

Europe: The Labor Party defeats the Conservatives in British national elections. Nikita Khrushchev is forced to resign as Premier of the Soviet Union. Tension continues in Cyprus. A crisis continues over the state of the pound sterling in Britain.

Americas: Rioting breaks out in the U.S.-controlled Panama Canal Zone.

Asia: China explodes her first nuclear device.

FEBRUARY 7, 1965

Viet Cong forces carry out intensive attacks on several South Vietnamese air bases, barracks, and villages. The U.S. retaliates with air attacks against barracks and staging areas in North Vietnam.

Europe: France boycotts the European Economic Community meetings during a summer Common Market crisis. De Gaulle and Erhard are reelected in France and Germany, respectively.

Americas: The United States dispatches troops to quell a crisis in the Dominican Republic.

Africa: The Nkrumah regime is overthrown in Ghana. A crisis develops over the *apartheid* policies of the white government in Southern Rhodesia resulting in that nation's unilaterally declaring its independence from Britain which causes United Nations economic embargo directed against the Smith regime.

Asia: Fighting erupts between Pakistan and India over the disputed Kashmir territory. A cease-fire is obtained by the U.N. Security Council, and an armistice is signed in Tashkent through the good offices of the Soviet Union. Indonesia withdraws from the United Nations over the seating of Malaysia on the Security Council. The Sukarno government is overthrown in the fall, and replaced by an anti-communist military leadership.

HOUSE OF REPRESENTATIVES

WEDNESDAY, MAY 25, 1966

The House met at 11 o'clock a.m.

The Chaplain, Dr. Edward G. Latch, D.D., offered the following prayer:

Psalm 121. *I will lift up mine eyes unto the hills, from whence cometh my help.*

O spirit of the living God, who art the Creator and the sustainer of life, without whose presence all our labor is in vain, we pray that our lives and the lives of our people may be built not upon the shifting sands of pretense and deceit and ill will, but upon the eternal rock of truth and goodness and love. Thou hast made us for Thyself and our hearts are restless until they find rest in Thee. Keep us dissatisfied until we find our satisfaction in Thee and in Thy love for us.

Lead us to the moral heights of personal honesty and political integrity and in all our relationships may we be mindful of Thy presence, responsive to the call of Thy spirit and ever seek to do Thy will: through Jesus Christ our Lord. Amen.

THE JOURNAL

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

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Bradley, one of its clerks, announced that the Senate had passed, with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H.R. 14324. An act to authorize appropriations to the National Aeronautics and Space Administration for research and development, construction of facilities, and administrative operations, and for other purposes.

The message also announced that the Senate insists upon its amendments to the bill (H.R. 14324) entitled "An act to authorize appropriations to the National Aeronautics and Space Administration for research and development, construction of facilities, and administrative operations, and for other purposes," requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. ANDERSON, Mr. SYMINGTON, Mr. STENNIS, Mrs. SMITH, and Mr. JORDAN of Idaho to be the conferees on the part of the Senate.

A BILL TO REVISE POSTAL RATES ON CERTAIN FOURTH-CLASS MAIL

Mr. MORRISON. Mr. Speaker, I ask unanimous consent to file a supplementary report to accompany H.R. 14904, a bill to revise postal rates on certain fourth-class mail, and for other purposes.

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

Mr. DERWINSKI. Mr. Speaker, reserving the right to object, will the gentleman explain the purpose of the supplementary report?

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

Mr. DERWINSKI. I yield to the gentleman from Louisiana.

Mr. MORRISON. Mr. Speaker, since the filing on May 18, 1966, of Report No. 1543, to accompany H.R. 14904, to revise postal rates on certain fourth-class mail, and for other purposes, it has been noted that the last item on page 40 of such report does not correctly show the changes made by the bill to the provisions of section 207(b) of the act of February 28, 1925, as amended (43 Stat. 1067; 45 Stat. 942).

The purpose of this supplementary report is to correct the error and show the provisions of such section 207(b), as amended by section 7 of the act of May 29, 1928 (45 Stat. 942), which are repealed by section 4(b) of H.R. 14904.

Mr. DERWINSKI. Mr. Speaker, I object.

The SPEAKER. Objection is heard.

SUBCOMMITTEE ON BUILDINGS AND GROUNDS, COMMITTEE ON PUBLIC WORKS

Mr. EDWARDS of Louisiana. Mr. Speaker, I ask unanimous consent that the subcommittee on buildings and grounds of the Committee on Public Works may sit today during general debate.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

AUTHENTICATED U.S. GOVERNMENT INFORMATION GPO

CONSUMER PROTECTION ACT OF 1966

Mr. STALBAUM. 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. STALBAUM. Mr. Speaker, I am today introducing a bill which I have titled the "Consumer Protection Act of 1966." It is a four-section measure designed to give consumers more for their dollar in today's marketplace. It represents the first comprehensive legislative proposal to cover all fields of consumer protection.

My proposal would accomplish the following:

First. It would halt deceptive methods of packaging and labeling.

Second. It would require the full disclosure of finance charge.

Third. It would improve safety and reliability of drugs.

Fourth. It would require safety closures and better labeling of children's drugs.

Others have introduced bills covering portions of this proposal, particularly those relating to truth in packaging and truth in lending. I do believe, however, that Congress in 1966 should proceed to give consumers protection in all of these areas because all are important.

Many others have introduced legislation covering proposals on this bill or have spoken on areas covered by it. Only last Monday my distinguished colleague from Ohio, the Honorable RODNEY M. LOVE, placed remarks in the RECORD on bills which he introduced. In today's Washington Post, Herblock pointed up the need for a truth-in-packaging law. In his cartoon "bunk artists" are being ordered out of the "jumbo container" by the truth-in-packaging policeman.

I urge all who have introduced or spoken on consumer legislation to join in supporting my Consumer Protection Act.

SUPPLEMENTAL REPORT ON H.R. 14904, REVISING POSTAL RATES ON CERTAIN FOURTH-CLASS MAIL

Mr. MORRISON. Mr. Speaker, I renew my unanimous-consent request to file a supplemental report to accompanying H.R. 14904, a bill to revise postal rates on certain fourth-class mail, and for other purposes.

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

There was no objection.

CALL OF THE HOUSE

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

The SPEAKER. The gentleman from Illinois makes the point of order that a quorum is not present. 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. 110]

Anderson, Tenn.	Green, Oreg.	O'Hara, Ill.
Ashbrook	Hall	Reid, Ill.
Blatnik	Hanley	Resnick
Carter	Hanna	Rooney, N.Y.
Clawson, Del	Hansen, Idaho	Roudebush
Colmer	Hansen, Wash.	Smith, N.Y.
Conyers	Hardy	Stephens
Cooley	Hébert	Stubblefield
Corman	Irwin	Sweeney
de la Garza	Jacobs	Teague, Tex.
Dowdy	MacGregor	Thompson, Tex.
Duncan, Oreg.	Martin, Ala.	Toll
Ellsworth	Martin, Mass.	Watts
Fallon	Mathias	White, Idaho
Farnsley	Matsunaga	Williams
Feighan	Miller	Willis
Fraser	Morton	Wilson, Charles H.
Giaimo	Moss	
	Murray	

The SPEAKER. On this rollcall, 376 Members have answered to their names, a quorum.

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

COMMITTEE ON RULES

Mr. SISK. Mr. Speaker, by direction of the Committee on Rules, I ask unanimous consent that the committee may have until midnight tonight to file certain privileged reports.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

JOINT COMMITTEE ON NATIONAL SERVICE AND THE DRAFT

Mr. RYAN. 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. RYAN. Mr. Speaker, I am delighted to learn that a number of our colleagues in the other body have today introduced a concurrent resolution to establish a Joint Committee on National Service and the Draft. Their resolution complements the one which I introduced on May 9, along with our colleague the gentleman from Minnesota [Mr. FRASER] and our colleague the gentleman from Wisconsin [Mr. KASTENMEIER].

The Joint Committee on National Service and the Draft would include seven Members of the House chosen by the Speaker and seven Members of the Senate chosen by the President of the Senate.

It would be empowered to study much more than the military. It would discuss alternative ways in which youth can serve the country—whether in international affairs as they have done through the Peace Corps, or in domestic affairs as they have done in the war on poverty and the civil rights movement. It would discuss urban problems and problems of conservation which could be attended by youth. It would discuss the educational value of national service and the need to train and make use of the talents of the millions of young men who cannot meet the physical or mental requirements of the Armed Forces.

As Senator MONDALE said in introducing the resolution in the other body:

> The inquiry should include in its scope the entire system of use of our young manpower. Our national goals encompass far more than military requirements, important and grave as those are.

Other Senators who have joined in introducing this resolution include Senators MONTOYA, YARBOROUGH, HARRIS, PROXMIRE, GRUENING, BARTLETT, and WILLIAMS of New Jersey.

FAIR LABOR STANDARDS AMENDMENTS OF 1966

Mr. POWELL. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H.R. 13712) to amend the Fair Labor Standards Act of 1938 to extend its protection to additional employees, to raise the minimum wage, and for other purposes.

The SPEAKER. The question is on the motion offered by the gentleman from New York.

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill H.R. 13712, with Mr. PRICE in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. Yesterday, when the Committee rose, the Clerk had read to the end of line 11, page 30, of the committee amendment. If there are no amendments to that section, the Clerk will read.

Mr. DENT. Mr. Chairman, I ask unanimous consent that the bill be considered as read and open for amendment at all points. I do not intend to use this in any way to curtail debate beyond a reasonable point of discussion.

Mr. AYRES. Mr. Chairman, reserving the right to object, so we can clarify this, I ask the chairman of the subcommittee if we will proceed in order with the bill, even though we are not reading it line by line?

Mr. DENT. That is correct. We will read it section by section.

Mr. GOODELL. Mr. Chairman, reserving the right to object, is the request that we consider the entire bill as read? Why do we not do it by title or section?

Mr. DENT. All the gentleman has to do is object, and we will do it the way he wants to.

Mr. GOODELL. Mr. Chairman, I want to do this on a cooperative basis. I think it would work better and protect everybody's interest. We do not know all the amendments that may be offered. We have no intention to be dilatory at all. We have a bipartisan bill.

Mr. DENT. Mr. Chairman, I withdraw my former unanimous-consent request, and now ask unanimous consent that the bill be considered by title.

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

Mr. GERALD R. FORD. Mr. Chairman, reserving the right to object, how many titles are there?

Mr. DENT. There are six titles.

Mr. SMITH of Virginia. Mr. Chairman, to save time, I object.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

TITLE I—DEFINITIONS

Tips

SEC. 101. (a) Section 3(m) of the Fair Labor Standards Act of 1938 is amended by adding at the end thereof the following new sentence: "In determining the wage of a tipped employee, the amount paid such employee by his employer shall be deemed to be increased on account of tips by an amount determined by the employer, but not—

"(1) during the first two years from the effective date of the Fair Labor Standards Amendments of 1966, by an amount in excess of 35 per centum of the applicable minimum wage rate,

"(2) during the third and fourth year from such date, by an amount in excess of 40 per centum of such rate, and

"(3) during each year thereafter, by an amount in excess of 45 per centum of such rate,

except that in the case of an employee who (either himself or acting through his representative) shows to the satisfaction of the Secretary that the actual amount of tips received by him was less than the amount determined by the employer as the amount by which the wage paid him was deemed to be increased under this sentence, the amount paid such employee by his employer shall be deemed to have been increased by such lesser amount."

(b) Section 3 of such Act is amended by adding at the end thereof the following new subsection:

"(t) 'Tipped employee' means any employee engaged in an occupation in which he customarily and regularly receives more than $20 a month in tips."

Mr. HORTON. Mr. Chairman, I ask unanimous consent that the gentlewoman from Washington [Mrs. MAY] may extend her remarks at this point in the RECORD and include extraneous matter.

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

There was no objection.

Mrs. MAY. Mr. Chairman, I rise in support of the principle of fair labor standards, and I certainly favor good health, efficiency, and general well-being of workers as outlined in the declaration of congressional policy with respect to the legislation before us today.

At the same time, Mr. Chairman, I find the bill, H.R. 13712, as reported by the Committee on Education and Labor, contains provisions which I feel are unrealistic in recognition of the requirements of our agricultural and horticultural industries.

Not only would H.R. 13712, as reported by the committee, have serious adverse effects on farmers, but it would also adversely affect the consumers. The inevitable effect of the provision of the bill covering agricultural workers and requiring additional overtime for agricultural processing employees would be higher consumer prices for fruits and vegetables and other food products. This would result from the passing along of some of the increased costs and more importantly from the fact that many marginal producers would be forced out of business, resulting in a reduction in the supply of food and consequent higher prices to the consumer.

We are all aware of the fact that food prices have been rising appreciably in recent months, and this has resulted in a great deal of concern over the inflationary aspects of the problem. The bill before us today would aggravate this situation.

Fruitgrowers of the States of Washington and Oregon earnestly solicit the support of the House of Representatives for certain amendments to H.R. 13712. They are concerned with section 203 covering agricultural employees and section 204, agricultural processing employees, which would seriously curtail and probably completely eliminate the present exemptions from overtime.

Also, fruitgrowers of the States of Washington and Oregon urge that employees engaged in hand-harvest labor and paid on a piece-rate basis be excluded from the minimum hourly wage for agricultural employees.

At this point, Mr. Chairman, I would like to include in my remarks a memorandum approved by the Northwest Horticultural Council which briefly sets forth the deficiencies in H.R. 13712. I commend the memorandum to my colleagues and urge them to give it their attention prior to pending consideration of the various amendments affecting agricultural laborers.

The memorandum to which I refer follows:

MEMORANDUM: H.R. 13712—FAIR LABOR STANDARDS AMENDMENTS OF 1966

(By the Northwest Horticultural Council, Yakima, Wash., Apr. 22, 1966)

This Bill would, among other things, bring agricultural laborers under the coverage of the Act and would reduce or eliminate present exemptions from overtime for the packing, canning and processing of fruits, vegetables and certain other agricultural commodities. It is not the purpose of this Memorandum to touch on the philosophy of this Bill or the minimum hourly wage. It is directed solely to certain deficiencies of the Bill with respect to farming, including agricultural workers and agricultural processing workers.

Agricultural Workers: The Bill fails to recognize the difference between employees in industry or agriculture who work regular hours and those employed at hand harvest labor at piece rates who work irregular hours. It is almost impossible for a farmer to keep accurate track of the hours worked by hand harvest laborers employed at piece rates. These workers who harvest fruits and vegetables on a piece rate basis pretty much set their own hours. They come to work at different times; stop for lunch at different times; take varying lunch periods and quit at the end of the day when they feel like it. In a large orchard the farmer cannot possibly know how many hours each picker is in the orchard, much less, how many hours he works. The farmer has always left these hours to the worker, being concerned only with getting the crop harvested.

It would be difficult, if not almost impossible, for the farmer to keep an accurate record of the number of hours worked by each picker. Record keeping would also be complicated by the fact that families often pick together, putting their fruit into the same boxes or bins. This Bill, as presently worded, would mean that each picker would have to have separate boxes or bins, whereas at the present time families combine their fruit, thereby saving time in emptying their picking containers. This would mean a waste of time for the pickers as they would have to walk greater distances to the bins. Hand harvest labor paid on a piece rate basis should be excluded from the hourly minimum wage.

Historically, most fruits and many vegetables have been harvested on a piece rate basis. Workers are paid according to their production. Those who are capable and work diligently earn good money; others who may be physically handicapped, and older workers or children who are not able or willing to work as hard or as fast, receive the same piece rate but a lesser return per hour. Establishment of an hourly minimum wage for these workers would force the farmer to eliminate those who cannot or will not produce at the average rate of speed; otherwise the farmer would have to pay more per unit for the slower workers.

Passage of H.R. 13712 would result in the denial of work opportunities to the old, the young and the partially handicapped who want to make their contribution but cannot produce at the average rate.

The Bill should provide that payment of established piece rates will constitute compliance with the Act and that it will not be necessary to guarantee a minimum hourly wage to piece rate workers where the established piece rates provide adequate average return. As above-mentioned, this cannot be on an hourly basis because the farmer cannot have an accurate record of the number of hours worked by each picker.

Agricultural Processing Employees: Section 204 would modify the present exemptions provided for agricultural processing employees. Under the present law, Section 7 (b)(3) provides a partial exemption from overtime for a 14-week period for employees in seasonal industries; overtime is required for work in excess of 12 hours per day and 56 hours per week. Section 7(c) provides a complete exemption from overtime for employees of an employer engaged in the first processing of, or in canning or packing, perishable or seasonal fresh fruits or vegetables and other agricultural endeavors. Thus, under the present law, employers have partial or complete exemptions from overtime for up to 14 weeks, or up to 28 weeks if they qualify. But, they are covered by the minimum hourly wage scale of Section 6. Some employers have total exemption from both minimum wages and from overtime under the Area of Production (Sec. 13 (a)(10)) and under Agriculture (Sec. 13 (a)(6)).

Section 204(d) of H.R. 13712 provides an exemption for overtime for a 14-week period for work up to 10 hours in any work day and 48 hours in any work week for employers engaged in packing, first processing or canning "any *highly* perishable agricultural or horticultural commodities." The Committee Report defining "highly perishable" is so limited that it is highly questionable whether fruit packing or processing houses would have any exemption whatsoever from overtime.

The total elimination of these exemptions is completely unjustified and impractical. Fruit houses have no choice except to work overtime during the peak season. The fruit must be handled immediately if it is to be placed in the retail stores in the best possible condition and the farmer given at least a chance of obtaining a fair return for his product. All available help is utilized; the employer cannot operate on a 40-hour week. Employers need the 14 week periods presently provided by Sections 7(b)(3) and 7(c).

Repeal of the present exemption would place an especially heavy burden on the small grower whose fruit is packed in a cooperative packing plant or by an independent

commercial packer. Large growers packing only their own fruit would still be entitled to the lower hourly rates provided for agriculture and would not be obligated to pay any overtime.

The Congress, when the Fair Labor Standards Act was adopted, held extensive hearings and gave serious consideration to the problems of agriculture and seasonal industries and wisely provided the exemptions found in Section 7(b)(3) and Section 7(c). The same conditions exist now as prevailed then, insofar as perishable fruits and vegetables and the requirements of other seasonal industries are concerned. One of the objectives of Congress in requiring payment of overtime over 40 hours per week was to spread out the work and to relieve unemployment. This could be and has been done in industry but it cannot be done in agriculture nor in the processing or packing of perishable fruits, where we almost always have a shortage of help at peak seasons. Overtime cannot be eliminated by hiring additional workers. They are not available. The employer has no choice. The reasons which the Congress found to be sound in 1938 and in subsequent sessions when this problem was considered are equally sound today.

The exemptions from overtime should be preserved. H.R. 13712 goes much too far and would have adverse effects on everyone concerned—grower and consumer alike. The consumer will immediately be faced with an increase in the cost of living to the extent the grower is able to pass along costs.

Furthermore, the additional cost of make-up pay for slow, incompetent, handicapped or lazy farm workers and the cost of overtime for packing and processing workers will inevitably result in many growers being forced out of production. This will mean a smaller supply of fruits and vegetables and will directly lead to higher consumer prices. So city residents, as well as the farmers, will lose if these deficiencies in the Bill are not corrected by amendments.

ERNEST FALK,
Manager.

Mr. Chairman, in addition to the valid points made by the Northwest Horticultural Council, I would like to include at this point in my remarks a resolution regarding seasonal processing exemptions adopted at the annual meeting of the Northwest Canners & Freezers Association last month:

RESOLUTION RE SEASONAL PROCESSING EXEMPTIONS ADOPTED AT ANNUAL MEETING OF NORTHWEST CANNERS AND FREEZERS ASSOCIATION, APRIL 15, 1966

Whereas, The Congress, over a period of some 38 years, has consistently recognized the urgent need of the canners and freezers of seasonal and perishable fruits and vegetables for flexibility in hours of labor during peak harvest and processing seasons and has wisely provided reasonable exemption from the maximum hourly requirements of the Fair Labor Standards Act to permit the preservation of these perishable crops with minimum losses of valuable food without unreasonable overtime penalties for so doing; and

Whereas, Proposals now pending in Congress would reduce present overtime exemptions through statutory limitation to one-half of the present allowable period of time; and

Whereas, Said proposals would further drastically reduce such overtime exemptions by limiting their application to the processing of "highly perishable" commodities in their raw or natural state, which by Congressional intent would be interpreted to mean commodities subject to especially rapid deterioration or spoilage under ordinary circumstances unless some affirmative action (within 24 hours) is taken to preserve them from spoilage or decay; and

Whereas, Said proposals are assertedly intended to spread work and thereby increase employment opportunities, but instead would reduce employment in seasonal fruit and vegetable processing plants, would cause substantial losses of valuable raw food products, would reduce efficiency of operations and would substantially increase the cost of food to consumers; now, therefore

Resolved, By the members of the Northwest Canners and Freezers Association, in meeting assembled this 15th day of April, 1966, that we hereby reaffirm the pressing need for the seasonal processing exemptions as presently applied in our industry; and

Resolved further, That we urge the Congress to reject said proposals, and to retain the present maximum of 28 weeks of overtime exemptions for employers engaged in the first processing of perishable or seasonal fresh fruits and vegetables.

This resolution, Mr. Chairman, explains the pressing need for the seasonal processing exemptions that have been recognized by Congress for 38 years, but which would be done away with in the committee bill. I am hopeful the present maximum of 28 weeks of overtime exemptions for employers engaged in the first processing of perishable or seasonal fresh fruits and vegetables will be retained by the Congress through an amendment to H.R. 13712.

Mr. Chairman, H.R. 13712 contains two additional and serious problems for certain segments of our agricultural industry. I am hopeful both of these can be corrected by amendments.

I do not believe it is realistic to attempt to apply a minimum hourly wage to an employee who has never been an hourly worker. A good example is sheepherding where the individual is traditionally a monthly salaried employee for whom the employer purchases every item for his existence and furnishes lodging and food. A sheepherder may work 2 hours a day or 24 hours a day, depending upon the needs of his flock. Obviously, it would be next to impossible to keep track of a sheepherder's time on an hourly basis. And how would an employer compute the value of lodging and food on an hourly basis to determine a meaningful hourly factor? This is an example of what I feel to be a general lack of consideration of agricultural practices and problems in the makeup of the bill before us today. To rectify this particular problem, the bill should exempt individuals employed on a farm or ranch which is principally engaged in production or feeding of livestock. I would hope the bill may be so amended.

Another inequitable situation, Mr. Chairman, would be the inclusion of agricultural workers whose wages are already set by the Secretary of Agriculture, such as those employees already covered under the Sugar Act.

While a number of my colleagues have discussed other areas of concern in this legislation as it would affect other industries—and may I say I find myself in sympathy with many of my colleagues and intend to support certain of their amendments—I do want to make it clear that I feel agriculture has no place in the legislation before us today. Agriculture is a problem separate from other situations and should be treated separately. I am aware that the problems of agriculture have not been adequately considered in this legislation, and this is understandable because the committee which holds jurisdiction has not in the past been particularly concerned with agricultural problems or practices.

The best way to handle the problem, it seems to me, is to simply exempt agriculture from the bill.

AMENDMENT OFFERED BY MR. GOODELL

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

The Clerk read as follows:

Amendment offered by Mr. GOODELL: On page 30, line 14, strike "(a)".

On page 31, lines 13 through 17, strike all of subsection "(b)".

On page 31, line 12, immediately before the period insert the following proviso: ": *Provided,* That an employer who shows to the satisfaction of the Secretary that the actual amount of tips received by an employee is greater than the maximum amount of tips which an employer may determine an employee receives under this section, the amount paid such employee by his employer shall be deemed to have been increased by such greater amount".

Mr. GOODELL. Mr. Chairman, let me say at the outset that I voted for this legislation in the committee, that I intend to support this legislation regardless of whether the amendments that I offer and the amendments I support are adopted.

I believe we have greatly improved the legislation, as it now stands, compared to the bill reported last fall.

The amendment I offer in this instance is aimed at a problem with reference to tipped employees. For the first time we are covering hotel, motel, and restaurant workers. This means we are covering a large number of workers who receive a substantial portion of their incomes from tips.

The bill as it reads would permit in the first 2 years a maximum of 35 cents per hour credit for tips, provided the employee receives 35 cents an hour or more. If an employee should receive $2.50 an hour in tips he could still be credited only with 35 cents—that is, the employer could be credited with only 35 cents an hour.

The net effect of this, as it stands in the bill, is to help many of those who least need it. I refer to those who may be doormen in fashionable hotels or those who are headwaiters. People of this nature in many instances receive incomes on an annual basis in five figures, because of the large number of generous tips their receive.

The bill as it reads would permit in the only credit 35 cents an hour in tips, regardless of how much was received by an employee in tips. In the third and fourth years it would go up to 40 percent and thereafter to 45 percent.

My amendment in simple terms would permit a crediting of the amount actually received in tips by the employee against the requirement of the minimum wage. It also has the protection that the employer must show to the satisfaction of the Secretary that the actual amount of tips received by an employee is as claimed.

I do not believe there is any loophole here. This would simply permit a fair situation, so far as tipped employees are concerned, where those tipped employees receive substantial income.

I believe very deeply in the concept of covering the very low tipped employees and low wage employees. I do not believe we have any business going in and insisting that an employer pay an additional wage to an employee when the employee may receive in tips as much as $10,000 or $12,000 or more a year.

I believe my amendment strikes directly at this point and does no violence to the basic philosophy of the act. It will do no violence to this section. I believe it could be easily administered by the Secretary.

I urge the adoption of the amendment.

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

When we started trying to work out some kind of a reasonable approach to minimum wage coverage, and particularly in this area of tipped employees, we had two diametrically opposite views to deal with. There were the restaurant owners, who demanded that all tips be counted, such as the amendment now before us today provides, towards any minimum wage. There were also the workers within the restaurants, who demanded that no tip allowance be made toward the minimum wage.

The committee, after months of deliberation and consultation with various groups from all over the country, came up with the proposal which is contained in the bill. We tried to work out a reasonable approach to the subject based upon good sound logic and commonsense.

The responsibility for paying the employees always belongs to an employer. To have this Congress take the position officially that it is the requirement of a person going into a restaurant to be served not only to consider the price of the meal but also that it is his responsibility to pay the wages of the employee who serves him his food goes beyond reason. It is not justifiable; it cannot be sustained in logic; and, therefore, is not to be considered seriously, in my humble opinion, by this House.

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

Mr. DENT. Yes. I yield to the gentleman.

Mr. POWELL. Is it not true that if this amendment is adopted, the tipped employees under the 1961 amendment will be worse off than they are now?

Mr. DENT. This is very true. What it means in fact and in practice is that a tipped employee now receiving what is considered the lowest possible pay—and it is only in some States 35 cents an hour—from the employer will find himself by a decree handed down by this House, where all of the employees will have the wage taken away from them and find that they must depend entirely on tips. If they are earning $1 an hour in tips, it is only because that employee is the type of person who, once he stops working for the employer, after he has taken your order and given you your food, then starts to work for you. He sees that your cup of coffee is warm and sees that you have plenty of ice water on the table and is nice to you and tells you a little story which may amuse you or something of that sort. You feel gratified at that treatment and give him a tip. That is your business. But let us not say from now on when you go into a restaurant that it is your job or your duty not just alone to pay for your meal but to pay the full wages of the employees of that institution. I do not believe any Member of Congress can really seriously consider this kind of amendment.

Mr. HORTON. Mr. Chairman, I ask unanimous consent that the gentleman from Kansas [Mr. ELLSWORTH] may extend his remarks at this point in the RECORD.

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

There was no objection.

Mr. ELLSWORTH. Mr. Chairman, the food processing industry itself has publicized the steep gains in productivity—rising at the rate of 8 percent a year. And the U.S. Department of Agriculture found that productivity in the fruit and vegetable processing industry outstripped the average for all farm foods. The processed fruit and vegetable industry ranked second highest among the farm food manufacturing industries in average annual rate of growth in output per man-hour.

The Labor Department's Bureau of Labor Statistics surveyed productivity gains of production workers in 14 manufacturing industries since 1947. Canned and preserved foods ranked fifth highest among these 14 industries in annual increase in output per production worker man-hour.

It can be readily seen, therefore, that processing of fruits and vegetables is an extremely efficient factory operation, utilizing factory mass production techniques and automated equipment. The result is worker and man-hour productivity which ranks at the top compared to other manufacturing industries.

As a result of increased labor productivity, unit labor requirements since 1947 have declined 47.6 percent in terms of production workers—indicating that fewer workers and less work time was necessary to produce a given volume of production. Industry output has risen 45 percent over the period 1957–59 as a base. Yet total man-hours worked annually in food processing plants have declined, according to U.S. Department of Agriculture figures.

CONCLUSION

The continually rising productivity in the canning and preserving industry—which is already well in the lead among high-productive industries—will rapidly absorb any impact of overtime pay or minimum wage requirements or current unit costs of production.

Mr. AYRES. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, this is a very important amendment. The gentleman from Pennsylvania [Mr. DENT] is very familiar with his point of view and the gentleman from New York [Mr. GOODELL] is very familiar with his point of view. I know that the members of the committee will want to understand this, because during the course of the day we do not want to prolong the debate any longer than necessary. So, if we can have the cooperation of the committee, I am certain all of us will understand the arguments much better.

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

Mr. AYRES. I yield to the gentleman from New York.

Mr. GOODELL. I would just like to take the time to answer the gentleman from Pennsylvania and the gentleman from New York in their comments. It should be made absolutely clear that all my amendment does is to permit an employer to credit tips that are actually received by an employee in the full amount that he receives where the employer can satisfy the Secretary of Labor that those tips were received. It is a very simple amendment. The present bill will create a situation where many tipped employees who receive far, far above the minimum wage because of their tipped income will also be given a raise in wages. The employer will be required to pay them an additional wage. Under the bill as it is written the first year the employer will only be able to credit up to 35 cents an hour in tips regardless of how much an employee receives in tips. That is the provision in the bill. My amendment would simply permit the employer to credit whatever tips are received, whether it is 35 cents, 10 cents, or $4.50. The employer will have to prove to the satisfaction of the Secretary that they are received.

Mr. Chairman, it does not seem to me that this is a complicated amendment. I find myself somewhat amazed that there is opposition to it from my good colleague, the gentleman from Pennsylvania [Mr. DENT], who is in charge of the legislation on the other side of the aisle.

Mr. Chairman, I, myself, strongly favor coverage of these employees who are low paid, but I do not feel we should impose upon the employers the extra burden of paying additional wages where the tip income is substantial and the employee's income and earnings far exceed the minimum.

Mr. Chairman, it seems to me this is a simple proposition and I would urge support of the amendment.

AMENDMENT OFFERED BY MR. KLUCZYNSKI

Mr. KLUCZYNSKI. Mr. Chairman, I offer a substitute amendment.

The Clerk read as follows:

Amendment offered by Mr. KLUCZYNSKI as a substitute for the amendment offered by Mr. GOODELL: On page 30 at line 14 insert:

"Section 101(a) is amended to read as follows:

"'Section 3(m) of the Fair Labor Standards Act of 1938 is amended by adding at the end thereof the following new sentence: "In determining the wage of a tipped employee, the amount paid such employee by his employer shall be deemed to be increased on account of tips by an amount determined by the employer, but not by an amount in excess of 45 per centum of the applicable minimum wage rate, except that in the case of an employee who (either himself or acting through his representative) shows to the satisfaction of the Secretary that the actual amount of tips received by him was less than the amount determined by the employer as

the amount by which the wage paid him was deemed to be increased under this sentence, the amount paid such employee by his employer shall be deemed to have been increased by such lesser amount."'"

Mr. KLUCZYNSKI. Mr. Chairman, this bill has embraced the principle of crediting tip income, in part, against the minimum wage. The credit varies between as much as 35 percent of the minimum in 1967, up to 45 percent of the minimum in 1971. And the right of an employee to appeal if his tips are not as much as the credit is preserved.

I think it is a sound principle to credit tips in part in this way, giving the employer a credit for a part because the tip is earned on his premises, using his equipment, and selling his food. The employer really sets the stage in which the waiter earns his tip.

And the employee should have a part too, of course. His salesmanship and personality contribute to the tip the customer leaves. The employer and the employee are partners in the earning of tips.

Now I notice that the tip credit in the bill is 45 percent of the minimum when the minimum reaches $1.60 an hour.

I think that the tip credit should be 45 percent of the minimum from the very beginning; namely, on February 1, 1967, the date on which the law would become effective. I offer a simple amendment to bring this about.

You know, there are many parts of the Nation where wages are historically low, especially the wages of tipped personnel. The amendment I propose would ease the blow a little in those parts of the Nation.

Tips in this country are greater than you think. Tipped employees are already the aristocrats of the restaurant and hotel industries. I expect that tips now, on a national overall average, exceed $1.25 an hour.

As I have said, the tip proposal of this bill is sound and just in principle. I think, however, the tip credit is not quite high enough in the beginning, and I see no reason to delay the application of the 45-percent tip credit. My amendment would allow the employee to keep all of his tips, but would give the employer a credit for not more than 45 percent of the applicable minimum from the date on which the law becomes effective. Let me point out that the credit is a percentage—45 percent—of the minimum which is applicable at that time—not 45 percent of the actual tip.

A comparison of the fiscal effects of my proposed amendment with the provisions of the bill as now drawn, is shown in the following table which I submit for the RECORD.

Date	Minimum wage	H.R. 13712 as now drawn			H.R. 13712 with proposed amendment		
		Tip credit		Wage (cents)	Tip credit		Wage (cents)
		Percent	Cents		Percent	Cents	
Feb. 1, 1967	$1.00	35	35	65	45	45	55
Feb. 1, 1968	1.15	35	40	75	45	51.75	63.25
Feb. 1, 1969	1.30	40	52	78	45	58.50	71.50
Feb. 1, 1970	1.45	40	58	87	45	65.25	79.75
Feb. 1, 1971	1.60	45	72	88	45	72	88

Mr. Chairman, I urge the adoption of the amendment.

Mr. GOODELL. Mr. Chairman, I rise in opposition to the substitute amendment.

Mr. Chairman, I will not take the full time, but I simply want to clarify what the gentleman's substitute amendment will do.

His substitute will permit an employer to credit in the first year 45 cents an hour in tips instead of 35 cents an hour in tips. This means if the employee receives $2 or $3 or $10 an hour in tips, the gentleman's substitute amendment would permit a credit of 45 cents an hour. This is an inadequate substitute from my point of view and it merely means 10 cents additional credit in tips regardless of how much an employee receives in tips.

My amendment is simple and straightforward and I hope the House will turn down the substitute amendment and adopt my amendment which would permit the crediting of tip income as it is received—to the satisfaction of the Secretary of Labor. The employers are obligated to meet every requirement under my amendment as set by the Secretary of Labor to prove that this is income received by the individual.

I have had it pointed out to me a number of times and in the hearings that we have individuals in this country who pay for their jobs and who receive no wages because their tip income amounts to $30,000 to $40,000 a year. That is a rare case but you do have many, many others who receive a low wage but whose tip income is over $10,000 a year. You certainly have a very large number of tipped employees who receive more than the minimum income per hour, because of their tip income. Tip income should be fairly and properly and straightforwardly credited under procedures set by the Secretary of Labor.

Mr. Chairman, I hope the substitute amendment will be defeated.

The CHAIRMAN. The time of the gentleman has expired.

Mr. PUCINSKI. Mr. Chairman, I rise in support of the substitute amendment offered by the gentleman from Illinois and in opposition to the original amendment.

Mr. Chairman, I should like first to point out to the House that the amendment offered by the gentleman from New York [Mr. GOODELL] would automatically mean a substantial pay cut for some 2 million restaurant workers in this country who are now covered by various labor agreements and who are now receiving remuneration from their employer in addition to the tips that they earn.

In the city of Chicago, for instance, our waitresses receive $6.85 a day. Under the gentleman's amendment, that $6.85 would be wiped out if the girl earned in excess of that in tips. So I submit his amendment would indeed be retrogressive, it would be going backwards for those people who have now carved out for themselves a semblance of a living wage in this industry.

In support of the substitute amendment of the gentleman from Chicago, I would like to say that this committee has been working very hard on the whole problem of tipped employees. Last year the bill reported out by the committee over the objections of the restaurant industry provided very much what the gentleman from New York is now suggesting. The bill provided that the Secretary of Labor would determine in each area how much in tips a girl has earned and how much can be applied against the minimum wages. The restaurant industry quite properly argued that this was putting them at the complete mercy of the Labor Department. As you know, that bill never saw the light of day.

In the bill now before the House we have a legal presumption which is written into the bill that part of the earnings of this girl coming from tips shall be applied against the minimum wage.

What the gentleman from Chicago is trying to do is to improve that formula.

I should like to read you a letter from the National Restaurant Association which may clarify some of our thinking. I shall not read the whole letter, because it is rather long, but I will read that part which applies to this particular proposal:

If the restaurant industry is to be covered within the provisions of the Fair Labor Standards Act, it is the bill H.R. 13712 which the restaurant industry prefers to any other proposals which have been made. It is true that due to economic differences between the regions of the United States, the effect of this measure will apply in some regions more than in others. The initial impact on February 1, 1967 would fall very largely upon the South. In order to reduce damage in the South, I request that the tip credit now provided in the bill H.R. 13712 be changed to 50 per cent of the minimum, beginning upon the effective date of the Act. This will reduce the harm which will fall in regions of low wage scales.

As you are aware, Section 305 of the bill H.R. 13712 requires a perfecting amendment. I understand that you have this in prospect.

It is felt that the bill H.R. 13712 represents a statesmanlike approach to the problems of the restaurant industry; and the suggestions made above are made with the hope that if they are incorporated, the other provisions of the bill remain intact.

The substitute amendment offered by the gentleman from Illinois [Mr. KLUCZYNSKI] meets the request of the restaurant industry. We recognize one thing. Certainly a girl earns tips. But a line must be drawn at some point as to where the tips are actual earnings and where they are gratuities for extra-good service. To accept the original amendment would

mean that we should extend this principle to all the service industries, and if any worker gets a tip, he should have that tip deducted from his salary.

I submit that the substitute amendment offered by the gentleman from Chicago would perfect this bill. It would certainly become a working provision to bring the restaurant industry under this coverage without hurting the industry.

I should like to call to the attention of the House the fact that this bill will cover only approximately 4 percent of the restaurants in America. Keep in mind that before the machinery of this act comes into play, a restaurant, under the present bill, must do a half million dollars gross annually. In 1968, when we go down to a quarter of a million dollars gross, it will affect only 6 percent of the restaurants in America. Therefore, I hope that the amendment of the gentleman from Illinois will be adopted.

Mr. BURTON of California. Mr. Chairman, I move to strike out the last word.

The CHAIRMAN. The gentleman from California is recognized for 5 minutes.

Mr. BURTON of California. I do not think a great deal of either of these amendments. I intend to support, as the lesser of two evils, the substitute offered by the gentleman from Illinois [Mr. KLUCZYNSKI].

I would like to remind the House that the restaurant industry apparently wants to have it both ways. They want to have tips considered as wages when their obligation to meet the minimum wage law is being considered. But they do not want tips to be considered wages when their obligation as employers to pay social security tax is involved.

Last year they convinced the Congress that tips were not wages and should not be treated as such. So the employers had no obligation to pay the employers tax on tips, as is required of wages under the Social Security Act. This year they are back and telling us that tips should be considered as wages for purposes of the minimum wage. I frankly do not view either of these amendments with very much favor, but on balance I think that the suggestion of the gentleman from Illinois is preferable as a substitute to the proposal of the gentleman from New York.

Mr. DENT. Mr. Chairman, we have discussed this very thoroughly. As I have told the Members of Congress and people throughout the country, one of the most vexing problems was where to set the tip allowance for such employees covered in a bill.

In considering the discussions and interest of the Members of this House, I am accepting on behalf of the members of the committee this substitute amendment.

The CHAIRMAN. The question is on the substitute amendment offered by the gentleman from Illinois [Mr. KLUCZYNSKI] to the amendment offered by the gentleman from New York [Mr. GOODELL].

The question was taken; and on a division (demanded by Mr. GOODELL) there were—ayes 88, noes 26.

So the substitute amendment was agreed to.

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

The amendment was agreed to.

AMENDMENT OFFERED BY MR. ANDERSON OF ILLINOIS

Mr. ANDERSON of Illinois. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. ANDERSON of Illinois: On page 31, after line 17, insert the following new section:

"( ) Section 3(o) of such Act is amended by adding the following new sentence at the end thereof: 'There shall be excluded any time of any employee of a restaurant, hotel, or motel, spent in changing clothes or washing at the beginning or end of each workshift and any time spent eating meals on the premises of the employer.'"

Mr. ANDERSON of Illinois. Mr. Chairman, this is not designed in any way to be a crippling amendment to the bill, I can assure the gentleman on the majority side of the aisle, but rather to clarify the present language of section 3(m).

Simply stated, it would make certain that restaurant and hotel employers are not required to pay employees for uniform changing time and for washup time, and meals.

I submit this amendment because I do not believe the language of the present bill under consideration does give sufficient recognition to the unique problems that the hotel and motel and restaurant industries would otherwise face with respect to this matter, if this language is not added to the bill.

Section 3(o) of the Wage and Hour Law does exclude from hours worked any time that is spent by an employee in changing clothes or washing at the beginning or the end of each work day, if such time is excluded by industry custom or union contract. That is the situation that now obtains with respect to industry generally.

All we are asking is that in specific language we grant this same exemption to employers in the hotel, motel and restaurant industries.

Someone may ask, "Why is this necessary? Would this not be done anyway?"

I raised this matter when the gentleman from Pennsylvania was before the Rules Committee, as shown on page 90, section 4 of the hearings we held. I asked Mr. MARTIN, who I believe was testifying at that time, about this matter, and he said, "Well, it would be up to the administrator. The administrator could issue regulations on this matter."

It seems to me it would be infinitely preferable, in this situation when we are bringing a brandnew industry—namely, the restaurant industry—under the coverage and the application of this law for the first time, to spell this out clearly in the language of the statute, rather than to leave it up to the administrator, which could possibly result in some misinterpretation of what I believe basically probably is the intention of the committee in bringing this bill before us today.

I say this in view of the fact there have been some interpretations in times past by the Labor Department requiring a payment for uniform changing time in several cases when employers do require employees to wear uniforms or when the nature of the work requires a certain kind of uniform. This is obviously true in respect to the restaurant industry.

With respect to wash-up time, they are bound by health codes, State laws, and municipal ordinances to make certain that restaurant personnel take care of matters of personal cleanliness.

So let us spell it out, in deference to the industry which is being brought under coverage for the first time.

It does not take any great mathematical exposition to point out that if the restaurant industry is going to be obliged to pay for uniform changing time, meal periods, and wash-up time, all of which could easily amount to more than a half hour each day, then this will force up the labor costs far more than the 12 percent it has been said this bill would result in for the first year.

I believe in fairness and simple equity we should make the law specific and clear on this point.

Again, I hope the committee will accept the amendment.

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

It was a rather long amendment, but if I understood it as it was read and explained, this amendment would give due credit in time to the employer against the number of hours worked, for washup time or bathroom time or restroom time. It would give credit to the employer for this time consumed or used by the employee.

Most of the time when the employees go to the washrooms it is not because they have any choice in the matter. I do not believe we ought to start saying to our employees around the restaurant, "You must go home or wait until after hours."

I do not believe anybody seriously considers this to be a problem in a restaurant. There are many idle hours in restaurant work. The time is often broken down into two or three split shifts, for going to work. The employees never eat during the noon hour. They eat after hours, or before the regular meal times.

I do not believe any employer really seriously has requested this. At least the committee in all its deliberations has not heard of a single request for this type of an allowance on the minimum wage bill.

I do not feel we should have a setup where a "snooper," as it were—as they are called by some—would have to go to every restaurant to find out whether a trip to the bathroom was legitimate or just one to waste time.

I do not understand why this would be necessary.

Mr. ANDERSON of Illinois. Mr. Chairman, will the gentleman yield?

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

Mr. ANDERSON of Illinois. Frankly, I do not believe we are so worried about that matter which the gentleman now describes as we are about things such

as changing uniforms, eating meals on the premises, and so on.

If, as the gentleman says, these things occur during the normal working 8-hour day, there would not be any problem.

Why should the gentleman oppose language which I believe would merely serve to clarify the very point being made?

Under section 30 of the present wage and hour bill, as I pointed out, industry now does not have to pay for that kind of time, if it is not paid for according to the custom of the industry. It is not at present the custom of the restaurant industry to pay employees for time consumed in the types of activities I have described.

So we are merely clearing up some possible confusion and we are doing our best as the legislative branch instead of leaving it up to the administrative.

Mr. DENT. I am glad you took most of my 5 minutes to explain it, because very frankly you have done a better job than I could have done in explaining to the House why this amendment should not be accepted.

Mr. PUCINSKI. Mr. Chairman, I rise in opposition to this amendment.

If I understand the gentleman's amendment correctly, this will probably be the first time that I know of that we will start keeping a time record of the number of times somebody went to the washroom and how long he spent there. This could prove to be downright embarrassing, and I do not think you want this in a bill.

Mr. ANDERSON of Illinois. If the gentleman will yield, there has not been any problem of that kind created under the present section of the bill, which extends the same privilege to industry, which says time like this shall not be counted. Industry does not have any spies or snoops that I know of that go around snooping in dealing with this. Why would the restaurant industry be guilty of that practice? I am trying to clarify something already in the law with respect to industry generally.

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

I have asked for this time in order to ask a question of the distinguished gentleman from Pennsylvania [Mr. DENT] with reference to the language on page 31, lines 15 through 17, where it reads as follows:

> "Tipped employee" means any employee engaged in an occupation in which he customarily and regularly receives more than $20 a month in tips.

My question is, Does this apply to the particular employee or does it apply to a class of employees within a service operation?

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

Mr. WHITENER. I yield to the gentleman.

Mr. DENT. It applies to the particular employee and is the same basis as is used now by the Internal Revenue Service in consideration as to the description or the definition of a tipped employee. That is why it is in there.

Mr. WHITENER. May I ask you this question: If a new restaurant is opened or a new business in which employees are customarily tipped but the firm has no history, nor does the employee have any history, of more than $20 a month in tips at that particular employment, then what rule will be applied?

Mr. DENT. You will find if you discuss the matter with the Internal Revenue Service and the Social Security Administration, the word used here "customarily" is used in order that an occasional tipped person who may have a one-shot tip and the employer knows about it will not be put in this position, because the employer should not try to take advantage of the fact that this employee on a certain occasion receives an occasional tip. However, if the tips amount to $20 a month regularly, then they are considered to be customarily and regularly. If it happens 1 month out of 4 or 5, he would not be considered to be a tipped employee.

Mr. WHITENER. May I ask this question based upon a hypothetical state of facts: Suppose in a restaurant where there are 10 waiters who have over a period of years realized more than $20 a month in tips a new waiter is employed who has no previous experience in this line of work. Would the record or the history of more than $20 in tips a month received by the old employees in this establishment have any bearing on a determination as to the individual's wages; that is, the individual who is the new employee?

Mr. DENT. No; because it is based upon the individual's receipt of tips. That is the entire purpose of this particular legislation today.

Mr. WHITENER. So, for the first month, then, I take it, the tips could not be included in a new employee's computation of wages?

Mr. DENT. If the gentleman will yield further, may I elaborate upon that?

Mr. WHITENER. Yes.

Mr. DENT. I discussed this in the same manner with the industry representatives and they said to me that not all new employees do they pay them a higher wage during the 4- to 6-week period because of their newness to the job and newness to the customer and their patrons and their tips are very small, if any. But after that and after they get onto the job and are put on regularly, then their tips normally amount to enough to make up for the cut they receive in wages.

A specific example is that one restaurant about which I know pays $1.75 an hour for 6 weeks to its new help coming in. After 6 weeks that employee receives 65 cents an hour.

I believe that ought to answer the gentleman's question and the definition for which the gentleman is asking.

Mr. WHITENER. And, so, the net result is that it is the history of the individual employee that is considered and not the group of employees of which he is a part?

Mr. DENT. If the gentleman will yield further; that is right.

Mr. WHITENER. Mr. Chairman, I thank the gentleman from Pennsylvania. Mr. Chairman, I yield back the balance of my time.

Mr. UDALL. Mr. Chairman, I move to strike the necessary number of words.

Mr. Chairman, I would like the attention of the author and floor manager of the bill in order to clarify one provision.

Section 305 of the bill provides that any employer performing a contract service for the United States shall pay his employees the minimum wage.

I am interested in the concessionaires who operate restaurants, hotels, and similar businesses within our national parks.

I would like to know whether it is the intent of this provision that concessionaires in the national parks who, of course, operate under a contractual arrangement, that is a concession or franchise with the United States, should be required to pay the minimum wage, or is the provision intended to apply only to those contracts that are primarily benefiting the Government and not the public, such as contracts for construction of Government buildings and roads?

Mr. O'HARA of Michigan. Mr. Chairman, if the gentleman will yield to me——

Mr. UDALL. I yield to the gentleman from Michigan.

Mr. O'HARA of Michigan. The coverage of section 305 is based upon the coverage of the Service Contract Act of 1965. It applies to employees of an employer who has contracts subject to that act. Therefore, the question is whether or not a particular employer is subject to the Service Contract Act of 1965.

At that point, the question is whether the particular contract is a service contract with the Government or a concession contract in which the service is not performed primarily on behalf of the Government or its employees?

I would simply have to say to the gentleman that if the contract is a true concession and the service is provided to Government employees and others, but the service to Government employees is only incidental to the major purpose of the concession, certainly it would not be covered under the Service Contract Act or by section 305 of this bill.

Mr. UDALL. I thank the gentleman for that explanation, and I would like to pose a second question:

I understand that section 201 of the bill exempts any employee of an establishment which is a hotel, motel, or restaurant from the overtime provisions of the bill. It also provides an exemption from both minimum wage and overtime provisions for recreational establishments which either operate for no more than 7 months in the calendar year or have average receipts during 6 months of the preceding year not exceeding one-third of their receipts during the other 6 months.

Am I correct in assuming that a hotel such as a resort hotel operated by a concessionaire in a national park for not more than 7 months of the year would qualify for exemption from both the minimum wage and overtime provisions of this bill?

Mr. DENT. Mr. Chairman, if the gentleman will yield, the resort hotels are in

a category of their own, and the question as to whether or not a resort hotel is one that has to be determined based upon what is the principal activity within that area; whether it is recreational, including the hotel as a side interest, or whether the hotel were not a part of the recreational activity at the particular site.

Might I answer your first question with reference to section 305 and the O'Hara contract bill. We have an amendment when we get to that section that will clarify the thing. So I am sure you will get a satisfactory answer. However, in going into section 305 and the effects of this bill, we ran up against the situation that might obtain when medicare comes into effect. So we have a ruling which in essence says that where there is a benefit that goes to a third party, then it is not considered a contract under the provisions of section 305.

Mr. UDALL. I appreciate the clarification. I would raise one final point relating to the matters that I have raised here. Would this overtime and wage exemption apply to a national park concessionaire which qualifies under the criteria you have given? If it does, would this also apply where you have one resort management running a souvenir and gift shop or general supply and grocery store, service station and garage and so forth, along with the hotel or restaurant—that is, all these allied activities under the one management. If all these activities are ancillary to a recreation activity which does meet the seasonality or average 6-month receipts criteria—if this is substantially all under one management and meets these criteria, would all of these activities be exempt under the principle that the gentleman has set forth?

Mr. DENT. In my opinion, it would be—going back to the original answer, it would depend on what is the primary activity.

Mr. UDALL. I thank the gentlemen from Michigan and Pennsylvania for these clarifications.

The CHAIRMAN. The time of the gentleman from Arizona has expired.

Mr. HAGEN of California. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I would like to ask the honorable gentleman from Pennsylvania some questions. As I understand it, at some later point in the proceedings, you are going to eliminate the word "highly" from this phrase "highly perishable"?

Mr. DENT. I would suggest to the gentleman that he wait until we get to that particular point in the bill. That is why earlier I asked unanimous consent to have the bill considered as read and be open to amendment. I did not do so to cut off debate. This kind of legislation in many instances crosses over so far as the effects of its provisions are concerned from title to title and it would be easier for the Members of the House to understand what we are doing. It would make it easier in our consideration of the bill if it were considered as read and then we could move about within the confines of any title in the bill on the different subject matters that are related. The point raised by our colleague, the gentleman from California is a related subject that comes under another section of the bill. It is very difficult for us to keep our thoughts in line in discussing the various parts of the bill.

Therefore, if the gentleman from Virginia [Mr. SMITH] is present, I would renew my request to consider the bill as having been read and open for amendment at any point, but since I do not see the gentleman from Virginia present on the floor, I will not make that request.

Mr. HAGEN of California. I have one other question. Again it relates to the subject of farm labor.

As I understand in calculating the 500-man-day qualification of an employer, you exclude certain types of employees. However, it is my understanding that if the employer meets this 500-man-day criteria, then all his employees are covered; is that correct. Can any member of the committee answer my question?

Mr. BURTON of California. That is correct.

Mr. HAGEN of California. So once the employer meets the 500-man-day criteria, even these employees who are excluded from the calculation of the 500-man-day criteria are then included under the minimum wage provisions?

Mr. BURTON of California. That is correct.

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

Mr. HAGEN of California. I yield to the gentleman.

Mr. BELL. Relative to the gentleman's question a few moments ago with reference to the phrase "highly perishable," I am going to introduce an amendment to strike out the word "highly."

The CHAIRMAN. The question is on the amendment offered by the gentleman from Illinois [Mr. ANDERSON].

The amendment was rejected.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

DEFINITION OF ENTERPRISE

SEC. 102. (a) Section 3(r) of such Act is amended by adding at the end thereof the following: "For purposes of this subsection, the activities performed by any person or persons—

"(1) in connection with the operation of a hospital, an institution primarily engaged in the care of the sick, the aged, the mentally ill or defective who reside on the premises of such institution, a school for mentally handicapped or gifted children, or an institution of higher education (regardless of whether or not such hospital, institution, or school is public or private or operated for profit or not for profit), or

"(2) in connection with the operation of a street, suburban or interurban electric railway, or local trolley or motorbus carrier, if the rates and services of such railway or carrier are subject to regulation by a State or local agency (regardless of whether or not such railway or carrier is public or private or operated for profit or not for profit),

shall be deemed to be activities performed for a business purpose."

(b) Section 3(d) of such Act is amended by inserting after "of a State" the following: "(except with respect to employees of a State, or a political subdivision thereof, employed (1) in a hospital, institution, or school referred to in the last sentence of subsection (r) of this section, or (2) in the operation of a railway or carrier referred to in such sentence)".

(c) Section 3(s) of such Act is amended to read as follows:

"(s) 'Enterprise engaged in commerce or in the production of goods for commerce' means an enterprise which has employees engaged in commerce or in the production of goods for commerce, including employees handling, selling, or otherwise working on goods that have been moved in or produced for commerce by any person, and which—

"(1) during the period February 1, 1967, through January 31, 1969, is an enterprise whose annual gross volume of sales made or business done is not less than $500,000 (exclusive of excise taxes at the retail level which are separately stated) or is a gasoline service establishment whose annual gross volume of sales is not less than $250,000 (exclusive of excise taxes at the retail level which are separately stated), and beginning February 1, 1969, is an enterprise whose annual gross volume of sales made or business done is not less than $250,000 (exclusive of excise taxes at the retail level which are separately stated);

"(2) is engaged in laundering, cleaning, or repairing clothing or fabrics;

"(3) is engaged in the business of construction or reconstruction, or both; or

"(4) is engaged in the operation of a hospital, an institution primarily engaged in the care of the sick, the aged, the mentally ill or defective who reside on the premises of such institution, a school for mentally handicapped or gifted children, or an institution of higher education (regardless of whether or not such hospital, institution, or school is public or private or operated for profit or not for profit).

Any establishment which has as its only regular employees the owner thereof or the parent, spouse, child, or other member of the immediate family of such owner shall not be considered to be an enterprise engaged in commerce or in the production of goods for commerce or a part of such an enterprise, and the sales of such establishment shall not be included for the purpose of determining the annual gross volume of sales of any enterprise for the purpose of this subsection."

AMENDMENT OFFERED BY MR. REID OF NEW YORK

Mr. REID of New York. Mr. Chairman, I offer an amendment.

The Clerk read the amendment, as follows:

Amendment offered by Mr. REID of New York: Section 102(c) of H.R. 13712 (amending section 3(s)(1) of the law) is amended as follows:

On page 33, line 7, strike out "1969" and insert "1970" in lieu thereof.

On page 33, line 14, strike out "1969" and insert "1970" in lieu thereof.

On page 33, line 17, add the following new language after the semicolon:

"Provided, however, That an establishment shall not be considered to be an enterprise engaged in commerce or in the production of goods for commerce by reason of an annual gross volume of sales made or business done in excess of $250,000 but not greater than $500,000 (exclusive of excise taxes at the retail level which are separately stated) unless the Secretary shall, on or before July 1, 1969, after full and comprehensive study of the national experience under this Act since February 1, 1967, find that inclusion of such establishments in this definition is not likely to result in substantially increased unemployment of part- or full-time employees of retail or service establishments. If he determines such increased unemployment is not likely to result, the Secretary shall make a full and comprehensive report of his findings and determinations to the President and to the Congress."

The CHAIRMAN. The gentleman from New York is recognized for 5 minutes in support of his amendment.

Mr. REID of New York. Mr. Chairman and Members, I am offering an amendment to H.R. 13712 which would temper the impact of this legislation on relatively small retail and service establishments and would provide some measure of protection against potential unemployment as the result of the extended coverage of the Fair Labor Standards Act contemplated by this bill.

The bill, as brought to the floor, would extend coverage of the act in two steps to enterprises whose annual gross volume of sales made or business done, during the period February 1, 1967 through January 31, 1969, is not less than $500,000, and, beginning February 1, 1969, is not less than $250,000.

The amendment would delay the effective date of the second step to February 1, 1970 and would condition its effectiveness upon a finding by the Secretary of Labor, after comprehensive study of the national experience during the first period, that inclusion of the smaller enterprises would not be likely to result in increased unemployment of part- and full-time employees of retail and service establishments.

Mr. Chairman, the basic provisions of this bill are sound. They respond to the needs of our economy and of the working men and women who make it viable.

However, inclusion under the act of establishments whose annual dollar volume is as low as $250,000 carries with it the potential danger of forcing out of the economic pipeline many Americans whose employment depends upon the ability of the retail or service enterprise to maintain a year-round work force.

Particularly in the retail trade, many Americans are able to supplement other income of the family unit by part- or full-time work under wage or hour conditions not in conformity with the provisions of the Fair Labor Standards Act. Often this additional income means that the family can afford to send to college a son or daughter who otherwise might not have the benefit of a higher education. If retail and service establishments are required to impose stringent operational economies, many of these workers may be displaced.

The point is that we must beware lest the virtues of extended coverage be outweighed by the danger of increased unemployment in this vital sector of our economy. I do not propose that we abandon today the second step of extended coverage. I do propose that we insure adequate time for full and comprehensive study of the impact on our economy of the initial extension of coverage.

If, after such study, the Secretary of Labor finds that increased unemployment is not likely to result from further coverage, no additional legislation will be needed to implement the second step. We will have made certain, however, that our legislative intent in broadening the coverage of the Fair Labor Standards Act is carried out.

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

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

Mr. QUIE. I thank the gentleman for yielding.

I believe this is a good amendment. If we add another year before the $250,000 goes into effect and require the finding by the Secretary of Labor, we will have more confidence that harm will not be brought to small businesses. There is such a danger now.

Mr. REID of New York. That is correct. I thank the gentleman.

Mr. DENT. Mr. Chairman, I rise to oppose the amendment. I do so because I believe there might be a little confusion in the minds of the Members.

This amendment might have been offered to the original Roosevelt bill, H.R. 10518, because that went down to $150,000. But, as it is now in the act in existence since 1961, this is already in it, and we have been operating under that act since 1961. The $250,000 establishment test is now in the act. It has been operating in the act. I cannot see how this House can accept the responsibility for taking it out of the act by advancing the effective date. That has already been in effect since 1961.

I appreciate the concern of the gentleman, and I say to him that under some other circumstances or on some other day in the far-distant future I might support him.

SUBSTITUTE AMENDMENT OFFERED BY MR. OTTINGER

Mr. OTTINGER. Mr. Chairman, I offer a substitute amendment for the amendment offered by the gentleman from New York [Mr. REID].

The Clerk read as follows:

Substitute amendment offered by Mr. OTTINGER, of New York, for the amendment offered by Mr. REID of New York: On page 33, strike line 6 and line 7 through "January 31, 1969", and substitute therefor the following: "(1) commencing February 1, 1967."

And on page 33, strike out the words "and beginning" in line 13, and strike out lines 14 through 17, inclusive.

Mr. ANDERSON of Illinois. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. ANDERSON of Illinois. I did not hear the Clerk begin to read anything in section 102. How did we get to page 33 of the bill? I thought we were still considering amendments to section 101.

The CHAIRMAN. The Clerk has already read through section 102.

Mr. OTTINGER. Mr. Chairman, I am very much in favor of the bill, H.R. 13712, and I believe it is well timed for us to bring the minimum wage standards up to the realistic costs of living of today.

There are two areas of concern I have as to the operation of the bill. One I share with my colleague from Westchester, a concern about its operation and effect on small business. A second amendment I will offer later is with respect to the hiring of students for the summer.

My amendment would merely eliminate the second step, which would include under minimum wage coverage the small businesses grossing between $500,000 and $250,000.

According to the Census Bureau's 1963 census, which only has statistics with respect to firms grossing between $300,000 and $500,000—rather than the $250,000 provided in this bill—there are approximately 1 million retail establishments in the country. Of these, only 80,000 grossed more than $500,000 in 1963.

There are 58,000 retail establishments which grossed between $300,000 and $500,000.

In the wholesale field, there are 40,000 firms grossing between $300,000 and $500,000.

In the services field, there are some 1,062,000 establishments, and of these 9,000 grossed more than $500,000 and 8,000 grossed between $300,000 and $500,000. The remainder all grossed under $300,000.

In sum, taking retail, wholesale, and service establishments, more than 110,000 small business establishments would receive protection under my amendment.

To show what kind of businesses these are: In the retail trade establishments alone, according to the Census Bureau, there are 30,000 with sales between $300,000 and $500,000 employing from 8 to 19 people; 15,000 in this category employing from 4 to 7 people; and 2,500 in this category employing from 1 to 3 people. In all, there are 47,500 firms which employ 19 people or less.

The impact on many of these small businesses may be such as to cause them to go out of business. Many of them are small establishments with only a few employees, and simply could not afford to pay the rates we are seeking to establish today.

I therefore believe we should broaden the exemption provided in this bill for small business.

I believe the bill clearly does cover those firms in the category between $500,000 and $250,000 gross beginning February 1, 1969. Section 102(c)(1) clearly provides for this coverage. Chainstores are not referred to in the section, but rather single enterprises. The section refers to "an enterprise." The amendment would not, as the gentleman from Pennsylvania [Mr. DENT] has intimated, raise the exemption on chainstore establishments presently covered if they gross more than $250,000.

Individual small businesses are presently covered by minimum wage requirements if they gross more than $1 million. Under H.R. 13712 the limit would be $500,000 after February 1, 1967, and $250,000 after February 1, 1969. My amendment would eliminate this last step, keeping the limit after February 1, 1967, at $500,000.

My effort in this is complementary to that of my worthy colleague from New York [Mr. REID]. We are both trying to do the same thing, to protect small business and the labor that would be put out of business if failures were induced by inclusion of firms grossing less than $500,000. My amendment just goes a little further than his, and if mine is defeated, I shall be glad to support his amendment.

Mr. DENT. Mr. Chairman, I rise in opposition to the substitute amendment for the same reasons, except that I should like to clarify at least for the

other Members of the House exactly what is sought to be done.

These amendments, both the substitute and the original amendment offered by the gentleman from New York, seek to uncover establishments which are already covered under the act.

Now, if the gentlemen are talking about the enterprise test, which is $500,000, that is another matter, but in respect to the enterprise test we are talking about chains, talking about group stores, talking about the A. & P., Kroger, and the large chainstores all over the country.

The $250,000 is in the bill now. The only thing I am trying to tell the House is, if you wanted to do this, you should have done it in 1961 when the bill was before you.

Mr. PUCINSKI. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I agree with the chairman of our subcommittee and I should like to ask the gentleman from New York, a member of our committee who knows I highly respect all of his contributions, something about his amendment. There is no full and comprehensive study of the national figures on this act since February 1, 1967. Does the gentleman agree, since we have had many stores doing $250,000 in gross volume annually or more who are already covered that at least we ought to take that experience back to 1961 instead of 1967? What is the rationale here?

Mr. REID of New York. The rationale, if the gentleman will yield, is that the present coverage with regard to the definition of "enterprise" stops at $1 million in annual gross volume of sales. Am I correct in that?

Mr. PUCINSKI. In the original bill. Yes.

Mr. REID of New York. Therefore, there are a number of single establishments, such as a bookstore, a pharmacy, or a small retail outlet, that are presently not under the coverage of the Fair Labor Standards Act and would not be covered until you get down to $500,000 or $250,000.

Mr. PUCINSKI. What you provide in your amendment is for some kind of escape valve for the businessman who is in excess of $250,000 but has difficulty in meeting these fair labor standards that we provide in here. If I may continue, your escape valve says if the Secretary finds the inclusion of such an establishment is not likely to result in substantially increased unemployment. The only trouble with that language is: First, you are assuming putting these stores under minimum wage does lead to unemployment, which, of course, we do not accept because we have had experience since 1961. There is absolutely no evidence before the Congress or the committee to that effect. Secondly, you say "substantially." What would constitute "substantially"? Who would decide what is a substantial increase in unemployment?

I am afraid what you would do here—and I can appreciate what you are trying to do, and I sympathize with it, but I submit that if we were to take this language, it would mean some 4 million establishments in this country could be examined backward and forward and upside down by the Secretary to determine whether or not going under minimum wage in the $250,000 class is going to create any substantial problems for them.

Now, as to the substitute amendment of the gentleman from New York [Mr. OTTINGER], I think the chairman of the subcommittee has quite properly pointed out we should understand what is the situation now. We now do cover retail establishments doing $250,000 gross annually if they are part of a chain. So we have had this. To accept your amendment would mean to remove these people from the category and remove about 1 million workers who are now covered. If you want to uncover 1 million workers who are now covered in this bill by your amendment, then I suggest you press for your amendment, but I do not think you want to do that.

Mr. REID of New York. Mr. Chairman, will the gentleman yield first to me because he raised a point on my amendment?

Mr. PUCINSKI. All right.

Mr. REID of New York. The gentleman raised two questions, as I recall it. One was the existing experience.

Section 13(a)(2)(iv) of the present law exempts from coverage an establishment that is part of a $1 million enterprise if it does less than $250,000 gross annual sales. In other words, the law now covers $250,000 establishments only if they are part of a million dollar enterprise, or chain.

It is my understanding the legislation before us would cover a single establishment which has not been presently covered and, therefore, there is not any certain experience.

Second, I am not trying to assume one way or another with regard to the impact of the legislation, but there is a presumption that it could affect some retail and other establishments. What we are trying to do is to make certain that the Congress knows what that impact will be by requiring that the Secretary of Labor make a careful and thoughtful study prior to the extension of coverage. The thought is that we should have a very careful examination because there are some stores in retail and other outlets that will be affected by the Fair Labor Standards Act for the first time by reason of the lower dollar volume test. They are concerned that this could affect their hiring and could, perhaps, result in some curtailment of certain part-time and full-time employment that is often a necessary supplement to other income of the family unit.

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

The substitute amendment was rejected.

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

The question was taken; and on a division (demanded by Mr. REID of New York) there were ayes 33, noes 38.

So the amendment was rejected.

AMENDMENT OFFERED BY MR. MARTIN OF NEBRASKA

Mr. MARTIN of Nebraska. Mr. Chairman, I offer an amendment, and in order to conserve time, I ask unanimous consent to consider them en bloc because the amendment involves section 102 and also section 201 of the bill.

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

Mr. GUBSER. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state his parliamentary inquiry.

Mr. GUBSER. Is this an amendment to section 102?

The CHAIRMAN. The Chair will state to the gentleman from California that it is an amendment to sections 102 and 201 which the gentleman from Nebraska asked unanimous consent to be considered en bloc.

Is there objection to the question of the gentleman from Nebraska?

There was no objection.

The Clerk read as follows:

Amendment offered by Mr. MARTIN of Nebraska: SEC. 102, "definition of Enterprise," on page 33 delete all of lines 18 through line 21, and on line 22, page 33, strike "(4)" and insert "(2)".

SEC. 201. On page 35, line 24, strike out, beginning with the word "engaged", through the word "establishment" on line 25.

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

Mr. MARTIN of Nebraska. I yield to the gentleman from Illinois.

Mr. PUCINSKI. Does the gentleman have a copy of that amendment? We seem to have no copies of it.

Mr. MARTIN of Nebraska. I took a copy of it over to your desk; yes, sir, it is marked "No. 1."

Mr. Chairman, this amendment simply would treat those engaged in the business of laundering and cleaning or repairing clothing or fabrics, or in the construction industry on exactly the same basis as those engaged in other fields of the retail industry or in other fields of endeavor.

Mr. Chairman, under the bill, as drawn—and we just had debate upon the subject—an enterprise will be exempt for the next 2 years, until February 1, 1969, if it does less than $500,000 in business a year. Thereafter, the exemption drops to $250,000.

Now, Mr. Chairman, based upon the manner in which this bill is drawn, this exemption does not apply to laundries, drycleaners or those who work with fabrics, or in the construction industry. I feel it is very important that we be fair and equitable with all areas of businesses, and grant them the same exemption as we do to the druggists and to the grocerymen, as well as all the other stores and businesses that are involved in this legislation.

Mr. Chairman, I have here the bill, H.R. 8260, which was the administration bill that was introduced by both the gentleman from New York [Mr. POWELL] and the gentleman from California [Mr. Roosevelt] on May 18, 1965, the same date on which we received the President's message in regard to labor.

In that bill which is commonly known as the administration bill, this exemption, the dollars and cents exemption, for an enterprise, for laundries and drycleaning establishments, was maintained. But somewhere along the line, it was removed.

I think these people should be treated in exactly the same manner as other businesses. Therefore, I have offered this amendment.

My amendment would delete certain language which starts on line 18, page 33, which language is: "is engaged in laundering, cleaning, or repairing clothing or fabrics;" or "is engaged in the business of construction or reconstruction, or both;".

When you talk about fabrics or repairing clothing, you are talking about the widow dressmaker who makes dresses perhaps for your wife or does some repair work on clothing for you. Maybe she has one employee. There is no exemption allowed under the terms of this bill as it is written for that person. As I pointed out yesterday, drycleaners will have no exemption in this area. We all have drycleaners in our hometowns on our main streets that have one or two employees. These people will have no exemption and will be subjected to the provisions of the Fair Labor Standards Act.

Mr. Chairman, I hope the amendments are adopted and I hope the majority side will accept the amendments.

The CHAIRMAN. The time of the gentleman has expired.

Mr. DENT. Mr. Chairman, I rise in opposition to the amendments offered by the gentleman from Nebraska.

Mr. Chairman, if ever there was an instance where a person is healthy and another person then determines that the other person has to take some medicine, even at the risk of making the other person ill and insisting on giving them the medicine, this is such a situation.

The laundry industry, the drycleaners, the clean linen industry all have endorsed this legislation unanimously. They have not asked for any exemptions, either on the part of the owners and operators or on the part of the employees.

This legislation deals with employers and employees. If they are both satisfied, I certainly do not believe they have to be given a dose of medicine when they both appear nice and healthy. Therefore, these amendments are entirely out of order.

This has not been asked for either on the demands of the worker or at the request of the employers.

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

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

Mr. COLLIER. The gentleman from Pennsylvania has mentioned the laundry industry being unanimously in support of this bill. Is it not a fact that there are 36,000 coin-operated laundries in this country that are unalterably opposed to this? So when we talk about the laundry industry, I think we ought to have clearly defined what segment of it we are talking about—and I have an amendment in this area which I intend to offer later.

Mr. DENT. I might answer the gentleman by saying that a coin-operated laundry is in the great, great percentage of cases run by an individual and usually is run by an individual under a franchise. In very few instances do they employ anybody in these coin-operated laundries and in most cases they may employ some person to work maybe from 8 o'clock to 12 o'clock or between the hours of 8 o'clock and 10 o'clock and then employ another person to work a couple of hours from 2 o'clock to 4 o'clock and then another person from 4 o'clock to 6 o'clock.

Mr. COLLIER. But whether they employ people or not, they are discriminated against lock, stock, and barrel by this proposal.

Mr. DENT. Maybe they are. But they constitute one element in the whole competitive field in that industry. I do not believe it is the purpose of the Congress to establish a competitive advantage for any of the component parts of an industrial endeavor. They are all treated alike. They are all in competition. What is the difference between a coin-operated laundry and a labor-operated laundry except that one employs more people than the other. How can you justify saying that from now on we are going to exempt an industry that automates and puts in automation and that we are going to stick a heavy tax and a heavy cost on those who still have manual labor in their employ?

Are we trying to say to the people of the United States, "From now on, in order for you to get preferential treatment from your Government, automate, eliminate labor, put yourself in a position where you do not need labor, and we will give you a concession instead of a penalty"?

How can you justify saying the coin operator ought not to be covered?

Mr. COLLIER. I will answer how you can justify this. The patrons, by and large, of the coin-operated laundry, are the people in the lower economic strata who take a quarter, put it in a washing machine, and get their laundry washed in that way. In most instances these people are people who perhaps cannot pay the additional cost of a laundry of another type. Go into any type of coin-operated laundry and that is what you will find. That is the difference.

Mr. DENT. Mr. Chairman, I wish to state that the average employer in his $36,000 situation—and suddenly it is growing, because when they protested about this they said it was $22,000—I wish to say for the record that what happened is that up until this bill was introduced it did do one thing. It created employment for a group of unemployed lawyers and public relations people who suddenly realized that here was another group they could sucker into an organization that would come to Congress and fight for or against legislation. This is a brandnew association.

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

Mr. DENT. Mr. Chairman, I ask unanimous consent that I may proceed for 5 additional minutes.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

Mr. DENT. The situation is such that 1.1 persons per operation is employed in the entire United States. If any coin-operated laundry employs 1.1 persons or, say, 2 persons, and cannot gross enough money to pay $1 an hour wage, how on God's earth can that particular institution justify its existence? Is it to be allowed to exist only because it can find some poor old man or some poor needy woman in the area who is willing to work for 25 cents an hour in order to keep that business going?

I want to tell you that on my own examination I found that most of the coin-operated laundries, where they have employees, are owned by persons who play golf regularly, who go to Florida regularly, and have come here to Congress crying about being put out of business, riding here in Cadillacs.

Mr. MARTIN of Nebraska. Mr. Chairman, will the gentleman yield?

Mr. DENT. I yield to the gentleman from Nebraska.

Mr. MARTIN of Nebraska. I would like to call to the attention of the gentleman from Pennsylvania that the laundries and drycleaners of the State of Nebraska are completely opposed to this legislation.

I would like to ask the gentleman another question. You talk about endorsement by the National Laundry Association——

Mr. DENT. Let me answer that immediately while it is fresh. Clearly, then, the State of Nebraska does not belong to the American Institute of Laundering, or they have divorced themselves or seceded, because the institute endorsed it.

Mr. MARTIN of Nebraska. I believe it was endorsed by an executive committee, a small group of this organization that met here in Washington sometime last year.

Mr. DENT. I do not know how many they had at their meeting. I do not even ask questions when you get up and say to me that the bankers endorse this or that. I do not know whether it is one banker or a whole lot of bankers that have been called together. I only say that if an institute or an association does not speak for its members, it ought to be abolished. Or are we now saying what a large number of people have suspected for a long time that some enterprising lawyer gets a laundry and purports to speak for a group; is that what you are saying?

Mr. MARTIN of Nebraska. No. The gentleman is trying to put words in my mouth. I believe the laundries in the District of Columbia have been concerned with this problem because of the fact that they do business across State lines in Maryland and Virginia. For some time they have been one of the main backers of this particular provision in the act, which I feel is completely unfair, and I do not think it can be justified, when we give under the bill an exemption to all other businesses in the country on the basis of an enterprise test,

the total amount of business they do in one year.

Yet we exclude from the exemption the laundries and the drycleaners, and those who work on fabrics and repair fabrics, and those in the construction industry. I do not believe we are being fair to these industries when we treat everyone else different from these.

Mr. DENT. Mr. Chairman, in answer I might say that the best measure of fairness has to come from those affected. If those affected are not protesting, then evidently we cannot accept the charge of unfairness.

The CHAIRMAN. The question is on the amendments offered by the gentleman from Nebraska [Mr. MARTIN].

The amendments were rejected.

AMENDMENTS OFFERED BY MR. COLLIER

Mr. COLLIER. Mr. Chairman, I offer amendments.

The Clerk read as follows:

Amendments offered by Mr. COLLIER: On page 32, line 3, insert ", an elementary or secondary school" immediately before ", or an institution of higher education".

On page 34, line 2, insert ", an elementary or secondary school" immediately before ", or an institution of higher education".

On page 34, after line 14, insert the following:

"(d) Section 3 of such Act is amended by adding after subsection (u) (added by section 103(b) of this Act) the following new subsections:

"'(v) "Elementary school" means a day or residential school which provides elementary education, as determined under State law.

"'(w) "Secondary school" means a day or residential school which provides secondary education, as determined under State law.'"

Mr. COLLIER. Mr. Chairman, these amendments are simple and sound and essential amendments. I do not believe that any Member of this body who believes in the principle and purpose of the bill before us today can oppose them.

What we have done here, if Members will review with me the language of the definition of "enterprise," is to say that in sum and substance the employee who works as a dishwasher in a home for the sick or the aged or the mentally ill, or one who works as a dishwasher in a college or a university cafeteria, or one who works as a dishwasher, for example, in a mental institution, is covered under this bill. Yet, the same employee working as a dishwasher in an elementary or high school cafeteria is not covered.

All I want to do is to establish equity in application of the bill. Let me tell why. I believe I can best explain it by giving an example. This is an actual case.

In a suburban area of one of our southern States, school officials were recently notified that poverty funds were available to hire students who qualified under the poverty family income level at $1.25 per hour. What happened was this: The same school had working in its cafeteria women who had been employed for years—in fact, one was a widow—drawing 85 cents an hour for working in the school cafeteria. Yet, children were hand-picked and given $1.25 an hour to wash the blackboards in the same school.

I do not believe there is anyone sitting in this House today who can justify this type of situation realizing, as we all must, that there will be under the poverty program a $1.25 hourly wage level. If not, then I would have grave reservation as to the depth of the sincerity such a Member would have in the principle of minimum wage.

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

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

Mr. PUCINSKI. Mr. Chairman, if I understand this amendment correctly, it will establish a different fair labor standard provision for people presently employed in elementary and secondary schools and universities.

Mr. COLLIER. That is exactly correct. I do not want any inequities such as we have been talking about today. We are moving to achieve equity which means treating everyone alike.

Mr. PUCINSKI. Many of these schools now receive substantial Federal assistance?

Mr. COLLIER. Yes. In fact, in most instances they do. As my friend from Illinois knows, with the existent low pay levels where they are generally found, these areas would be far more likely to receive more Federal aid under the formula of the Federal Aid to Education program.

Mr. PUCINSKI. Has the gentleman discussed this with any educators or administrators of these schools?

Mr. COLLIER. The only time I discuss a matter like this with them is when there is some question in my mind as to the feasibility or the validity of a proposal. In this instance there was not; therefore, I did not.

Mr. PUCINSKI. Let me ask a final question. Would this apply also to private schools which are maintained in many instances by private contributions and which receive no assistance either from a tax-based institution or the Federal Government?

Mr. COLLIER. I am not certain what category of schools the gentleman speaks about, but there has been no breakdown here with regard to whether a school for the handicapped or for the mentally retarded is private or public. Therefore, I did not feel, since there was specific definition in the language of this section of the bill as it applies to the other institutions covered, I did not spell it out; but the amendment covers this point as provided in section 3, subsections (v) and (w).

Mr. PUCINSKI. Let us consider a parochial elementary school, in which the nuns do the work in the cafeteria. Would they have to be paid a minimum wage?

Mr. COLLIER. No, they would not be covered.

Mr. BURTON of California. Mr. Chairman, will the gentleman yield?

Mr. COLLIER. I am delighted to yield to the gentleman from California.

Mr. BURTON of California. As I understand, it is not the gentleman's intention to include members of a religious order under the definition of an employee, and therefore a nun would not be considered an employee. Therefore, a minimum wage would not be required to be paid a nun. Am I correct in my understanding of the gentleman's intention?

Mr. COLLIER. That is correct. I did not intend to cover them. I am merely trying to achieve equity and equal application of the principle of the law to people doing the same type of work, whether it is in a university or a public elementary or secondary school.

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

Mr. COLLIER. I am delighted to yield to the gentleman from Pennsylvania.

Mr. DENT. The gentleman's evident sincerity in this area has struck me with a warm and corresponding chord. I accept his amendment.

Mr. COLLIER. I thank the gentleman. It now makes it possible for me to vote for the bill, I might say to the gentleman.

The CHAIRMAN. The question is on the amendments offered by the gentleman from Illinois [Mr. COLLIER].

The amendments were agreed to.

AMENDMENTS OFFERED BY MR. ANDERSON OF ILLINOIS

Mr. ANDERSON of Illinois. Mr. Chairman, I offer amendments.

The Clerk read as follows:

Amendments offered by Mr. ANDERSON of Illinois: On page 33, strike out lines 6 through 17 and insert in lieu thereof the following:

"(1) is an enterprise (A) whose annual gross volume of sales is not less than $500,000 (exclusive of excise taxes at the retail level which are separately stated) (B) which has one or more retail or service establishments, and (C) which purchases or receives goods for resale that move or have moved across State lines (not in deliveries from the reselling establishment) which amount in total annual volume to $250,000 or more;

"(2) is a gasoline service establishment whose annual gross volume of sales is not less than $250,000 (exclusive of excise taxes at the retail level which are separately stated);

"(3) is an establishment of any such enterprise, except establishments and enterprises referred to in other paragraphs of this subsection, which has employees engaged in commerce or in the production of goods for commerce if the annual gross volume of sales of such enterprise is not less than $1,000,000;".

On page 33, line 18, strike out "(2)" and insert in lieu thereof "(4)"; line 20, strike out "(3)" and insert in lieu thereof "(5)"; and, in line 22, strike out "(4)" and insert in lieu thereof "(6)".

Mr. ANDERSON of Illinois. Mr. Chairman, when the debate on this bill opened yesterday, the gentleman from Pennsylvania, the author of the bill [Mr. DENT], said that he was going to look with great suspicion on those who might offer what could be considered as gutting amendments; those who were not in favor of the legislation at all to begin with and, therefore, were going merely to stand up here in the well of the House and offer amendments which, even if adopted, would not cause them to vote for this bill. Perhaps I need not remind the gentleman from Pennsylvania and others present here today that I voted for a rule on this bill and, I may say, to the surprise of some people when it was before the Rules Committee a few days ago. I did that because I sincerely and

honestly wanted to bring this bill to the floor of the House. I appreciated the fact that the House ought to be given an opportunity to work its will and, if it could, to improve this bill. So I offer, I assure the gentleman from Pennsylvania, this amendment in that spirit this afternoon.

A few minutes ago we witnessed an unsuccessful effort and a bipartisan effort by the gentleman from New York [Mr. OTTINGER] and the gentleman from New York [Mr. REID], you will recall, to try to do something to soften the impact of this legislation on the small businessman and the small-town merchant. They would have done it by deferring the application of this bill for 1 year, until 1970, and they would have provided that the Secretary of Labor should establish a commission first to examine what the economic consequences of taking in a business doing only $250,000 a year would be. In other words, what the economic consequences on the employment would be. Mine is a far more simple test than that. I am sure you caught it if you listened to the reading by the Clerk of this amendment. It would simply hold the line at $500,000 and say we will not go below an annual gross sales volume of $500,000 a year with respect to retail establishments in deciding whether a particular retailer is covered.

I was here in the 87th Congress and I well remember the titanic battle that was waged on the floor of this House at that time with respect to the so-called $1 million test. I opposed that bill because I thought this was torturing the interstate commerce clause of the Federal Consitution beyond all recognition to say that merely by adopting a test of dollar volume you could say a man was covered by a statute under the commerce clause of the Federal Constitution.

Let me tell you this: If $1 million was torturing the interstate commerce clause beyond recognition, what have you got if you adopt a bill that takes it down to $250,000? More than that, I would remind you of this: I feel pretty sure if we pass this bill in the precise form that it was reported out by the Committee on Education and Labor, if we pass it in this form today, then it is only a question of time before that $250,000 limitation has been progressively reduced to maybe $150,000, $100,000, and then completely eliminated. I find it just a little ironic this morning that I read in the paper that the President hails small business. President Johnson presented a plaque to the small businessman of the year, a man from Puerto Rico who is here with his family. He proclaimed this Sunday will begin Small Business Week. I find it not only ironic but a little bit inappropriate in a week that is dedicated to the small businessman that we should now say literally a little corner grocery store, because that is what you can have with a $250,000 sales volume test that becomes applicable in 1969—you could have a little store with two or three employees doing only $700 or $800 worth of volume a day covered under this act. You know, I am sure you have had the same experience I have had. Even more than the wage, it is coming under the Wage and Hour Administration and trying to interpret and decipher these regulations that bother the small businessman. I had one tell me just yesterday the very first regulation that was issued for small retail stores with the $1 million test came out in the 1961 legislation. The first regulation that was issued was 93 pages long. He had to go down to a lawyer and hire some legal advice in order to decide whether or not this applied to him or to someone else.

Mr. Chairman, it is this kind of regulation which is involved. It does not have to do with the big businessman. I do not plead today for the chainstores or the big businessman. But I say for heaven's sakes in our zeal to legislate across the board, we should legislate uniform equality in this area. Let us not be so ridiculous as to take this thing, to bring in even a little merchant who is doing $250,000 a year in business.

Mr. Chairman, there was an article which appeared a few days ago in one of our Nation's magazines to the effect that, "Will Congress Kill Main Street?" Frankly, I think the article was a little exaggerated, but I do think in small business, when we are considering the small businessman, we should not want to take any action on the floor of this House this afternoon which might expose us to the charge that we are killing off the small merchant on Main Street.

Also, Mr. Chairman, there is an article with reference to a business which is operated in the home State of our distinguished majority leader, the gentleman from Oklahoma [Mr. ALBERT], where they were going out of business because of the impact of this law.

Mr. Chairman, I am sure the gentleman from Pennsylvania [Mr. DENT] does not want that to happen.

The gentleman from Pennsylvania said when he opened this debate—and I know with sincerity and I applaud him for it—that there was not one line written into this bill with the intention of trying to hurt anyone, and I am sure he means that. But at the same time we know that on occasion we have overzealous administrators who get into the act and who undermine the congressional intent of the legislation.

Mr. Chairman, I would ask the House to support the limitation and to retain the limitation of $500,000.

Mr. DENT. Mr. Chairman, I rise in opposition to the amendment. Mr. Chairman, this amendment does about the same, or serves the same purpose as the amendment offered a little while ago which was defeated by the House.

Mr. Chairman, the truth of the matter is that a $1,000 a day establishment in the retail business is not a very small business. The vast majority of retail establishments in the United States do less than $50,000 a year.

Also, Mr. Chairman, in talking about the small towns, if there were one store in that town that does $250,000 a year, it has buying capacity and buying power that certainly more than equalizes its competitive potential, and enjoys an advantage with the smallest store that is not covered.

Mr. Chairman, your committee went into this matter very thoroughly. We studied every possible angle and that is why we have a different test for enterprise than what we have for establishments.

Mr. Chairman, we tried in the best way we could to keep competition within the ability of the competitors to buy and still be equally competitive.

Mr. Chairman, I believe if one examines the bill thoroughly, one will find that I was telling the truth when I said there was not a line contained in this bill that intends to, or does, in fact, harm any individual.

Mr. PUCINSKI. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I wonder if I can have the attention of the gentleman from Illinois [Mr. ANDERSON]?

Mr. Chairman, in speaking of that store that went out of business in Oklahoma, that store under the present law, comes under the $1 million test. So, it would have to be a pretty big operation before it would have to start paying the minimum wage and the overtime.

Mr. ANDERSON of Illinois. Will the gentleman yield?

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

Mr. ANDERSON of Illinois. My point is, if the gentleman will yield——

Mr. PUCINSKI. I do not think, if the gentleman will let me finish, if we had all the facts before us, that that store went out of business because of this law, because we have not had a single piece of evidence presented before this committee in testimony to the effect that any store has gone out of business because of this law.

Mr. ANDERSON of Illinois. Mr. Chairman, will the gentleman now yield?

Mr. PUCINSKI. Yes, I would be very glad to yield to the gentleman from Illinois.

Mr. ANDERSON of Illinois. If you grant the premise—and it is stated in this article—and, of course, the gentleman can stand up and say it is not so, and I say it is so, and there we are—but if you grant the premise that a store belonging to a particular chain—and you say it is and I say it was not—if a chainstore doing $250,000 a year is going to go out of business because of the minimum wage with all of the mass buying power that is available to a chain that it is not available to the corner groceryman or the corner druggist or the retailer who does not belong to a chain, what is the impact of this $250,000 test upon him?

Mr. PUCINSKI. That is precisely why we have drawn a difference. You know if you will take the trouble to read this bill, you will see that this committee has tried to protect all interested parties in America.

Mr. ANDERSON of Illinois. I assure the gentleman that I have read it very carefully.

Mr. PUCINSKI. We have recognized that this store which is a part of a huge multimillion-dollar chain has many advantages in terms of advertising, bulk buying, and various other things so we have provided that that store which is a part of a big chain that the test there would be $250,000.

Mr. ANDERSON of Illinois. But you are going to have the same test apply for an individual store that is not a part of a chain.

Mr. PUCINSKI. But that individual corner store that you are talking about standing alone has to do a million dollars gross annually before it is covered by this bill at the present time.

Mr. ANDERSON of Illinois. But under this bill by 1969, the test will not be a million dollars; is that not correct—it will be $250,000?

Mr. PUCINSKI. That is correct. Under the terms of the bill, it will be $500,000 in 1967 and $250,000 in 1969.

But will my colleague also recognize the fact that the wage scale is deescalated also because we recognize all of these things have to be done slowly and cannot be done overnight so as to upset the economy. So you have the wage scale moving up at the same time you have the gross volume test coming down. So you do have that cushion that the gentleman seeks to provide for in his amendment.

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

Mr. PUCINSKI. I yield to the gentleman.

Mr. DENT. Mr. Chairman, so that the Members will not be confused by all these figures, let us get the figures straight. There are a total number of covered employees now in the retail stores of 3,642,000. This amendment covers 1,500,000 more employees. But it leaves uncovered in the United States 2,142,000 employees.

Therefore, we are not reaching down into the little corner store.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. GOODELL. Mr. Chairman, I move to strike out the last word and rise in support of the amendment.

Mr. Chairman, I would simply, to keep the record straight, point out that the amendment offered by the gentleman from Illinois [Mr. ANDERSON] applies at the last stage when the move is from the enterprise test of $500,000 to $250,000 a year. What the gentleman from Illinois [Mr. PUCINSKI] has said with reference to the establishment and the enterprise being distinct and our committee taking good care to distinguish these two does not apply after 2 years. When the enterprise test goes from $500,000 to $250,000 on February 1, 1969, the enterprise test and the establishment test would be precisely the same. That is the point I believe the sponsors of this amendment are making—when you reach that stage of a $250,000 enterprise test, you are treating the large enterprise exactly the same as the small individual store.

In 1969, an establishment that is a part of a large enterprise will be covered in exactly the same way as the small store and vice versa. That being the situation, I think we would be well advised to postpone any determination as to whether we ought to move this enterprise test from $500,000 to $250,000. This is not going to occur in the next year or two. This committee and this Congress have ample opportunity to examine the question as to whether we ought to reduce the enterprise volume test any further.

Let me say further, I agree with what the gentleman from Illinois said in the well of the House in offering this amendment. In 1961 we faced this issue and we talked about the volume of business test in terms of the interstate commerce clause. Unfortunately, we lost at that stage.

It is absolutely true that today all the Congress has to do to include virtually everyone in this country under the minimum wage legislation is to reduce the dollar volume test. That is all we have to do—to cross out "$1,000,000" and make it "$500,000" and cross that out and make it "$250,000" and all the way down—if we want to—to $50,000 eventually, or to $10.

Mr. ANDERSON of Illinois. Mr. Chairman, will the gentleman yield?

Mr. GOODELL. I yield to the gentleman.

Mr. ANDERSON of Illinois. I have just been reminded, Mr. Chairman, that back in 1961 when we were considering this matter before, when this House adopted a substitute, which was the Kitchen-Ayres bill, you will recall that at that time it did not use the dollar volume test—it did not have the $1 million test—that was put into the bill in conference and not put in initially by the action of this House.

I think the gentleman from New York [Mr. GOODELL] has performed a great service today by putting his finger exactly on the point we are trying to make that we do not want to take that small, independent businessman who is not part of a chain and who does not have all the advantages that the chainstore buyer has so far as the mass purchasing power and the advertising and so on is concerned and say, You have to be lumped into the same category with that fellow who belongs to a chain and who does $250,000 a year.

I would ask the gentleman from New York this question: Do you think that my assumption is entirely unreasonable, that unless we hold the line at $500,000 today, in the next Congress, or shortly thereafter, we may see an attempt to repeal any exemption whatever, in view of the fact that this bill provides with respect to laundries, cleaning establishments, and so on, that no volume dollar test is to be employed?

Mr. GOODELL. I have no doubt whatsoever that that is the direction in which we are moving, and we are going to continue to reduce the amount until we cover virtually everyone.

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

Mr. GOODELL. I yield to the gentleman from Pennsylvania.

Mr. DENT. The committee has attempted to carry out the philosophy of extending the differential between the independent store and the chainstore below the $500,000 volume, and if you will read the Roosevelt bill, you will find that the Roosevelt bill went down to $150,000 for the establishment test and maintained the $250,000 for the independent store test. However, no greater howl has been heard in this Congress than when the Roosevelt bill hit this floor for action and was presented. There was never a greater complaint made. That was in reference to the $150,000 test. When you get to $250,000, you are talking about a competitive level where the component part of the chain is a very small component part as related to the big chain.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. GOODELL. Mr. Chairman, I ask unanimous consent that I may proceed for an additional 3 minutes.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

Mr. GOODELL. I yield to the gentleman from Pennsylvania.

Mr. DENT. Upon examination we find that of 42 separate chains, operating mainly in the Western and Southern States, they are indeed in competition, but none of their component parts do better than $300,000 a year. They are small chains, all small stores operating in rural areas rather than in urban areas.

After much deliberation, the committee decided that the $150,000 test was unfair to those small operating chains which are a group of individual ownerships under a chain management for buying purposes only. This is the truth of the matter and is not intended to hurt any individual store.

Mr. GOODELL. The gentleman from Pennsylvania has very adroitly turned the argument. It is true that under the Roosevelt bill we covered establishments that did more than $150,000 business a year. We have moved that establishment test up to $250,000 a year. The fact remains that in 1967 this bill would reduce the enterprise test to $250,000 a year, and at that stage your individual private store, not part of a chain, will have exactly the same test of coverage, $250,000, as the large enterprise. That is the point that is made by the gentleman from Illinois in offering this amendment. I think we have ample time between now and February 1, 1969, when this is supposed to be triggered, and we move from $500,000 to $250,000 in the enterprise test, to consider this in the Congress, to evaluate its impact, and to make whatever changes we feel necessary at that point.

I urge the adoption of the amendment of the gentleman from Illinois.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Illinois [Mr. ANDERSON].

The question was taken; and on a division (demanded by Mr. DENT) there were—ayes 82, noes 74.

Mr. DENT. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chairman appointed as tellers Mr. ANDERSON of Illinois and Mr. BURTON of California.

The Committee again divided, and the tellers reported that there were—ayes 120, noes 109.

So the amendments were agreed to.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

Agricultural employees

SEC. 103. (a) Section 3(e) of such Act is amended to read as follows:

"(e) 'Employee' includes any individual employed by an employer, except that such term shall not, for the purposes of section 3(u) include—

"(1) any individual employed by an employer engaged in agriculture if such individual is the parent, spouse, child, or other member of the employer's immediate family, or

"(2) any individual who is employed by an employer engaged in agriculture if such individual (A) is employed as a hand harvest laborer and is paid on a piece rate basis in an operation which has been, and is customarily and generally recognized as having been, paid on a piece rate basis in the region of employment, (B) commutes daily from his permanent residence to the farm on which he is so employed, and (C) has been employed in agriculture less than thirteen weeks during the preceding calendar year."

(b) Section 3 of such Act is further amended by adding after subsection (t) (added by section 101(b) of this Act) the following new subsection:

"(u) 'Man-day' means any day during any portion of which an employee performs any agricultural labor."

AMENDMENT OFFERED BY MR. MARTIN OF NEBRASKA

Mr. MARTIN of Nebraska. Mr. Chairman, I offer an amendment, and again I would like to ask unanimous consent that it be considered en bloc at this time, in order to conserve time, because it does cover four different sections of the bill regarding agricultural employees.

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

Mr. DENT. Mr. Chairman, I would like to have a complete copy of the amendment, because I am honest in saying to the House that if you are all as aware of what went on a minute ago in that amendment as I consider myself to be, then you are ignorant about the amendment. All we do is go back to the $1 million test. Those of you who want to go back to the $1 million test, all right. That was before 1961. However, I want to see the entire amendment at this time.

Mr. MARTIN of Nebraska. My amendment has nothing to do with the $1 million test.

The CHAIRMAN. Does the gentleman from Pennsylvania object to the request?

Mr. DENT. Yes.

The CHAIRMAN. Objection is heard. The Clerk will report the amendment.

The Clerk read as follows:

Amendment offered by Mr. MARTIN of Nebraska: On page 35, between lines 14 and 15, insert the following:

"DEFINITION OF WAGES"

"SEC. 103. Section 3(m) of the Act is amended by inserting immediately before the first proviso and after the word 'employees', the following language, *'Provided*, That such cost shall be determined in each State, subject to the approval of the Secretary of Labor, by the appropriate State agency or officer.' "

Mr. DENT. Mr. Chairman, a point of order.

The CHAIRMAN. The gentleman from Pennsylvania will state his point of order.

Mr. DENT. Mr. Chairman, I cannot follow the amendment.

The CHAIRMAN. The Clerk will report the amendment.

Mr. DENT. This amendment is practically a rewriting of the entire section. In decency and fairness, I think we ought to have a copy of it.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Amendment offered by Mr. MARTIN of Nebraska:

"SEC. 103. Delete section 103, entitled 'Agricultural Employees', beginning on line 15, page 34, through line 14, page 35."

Mr. MARTIN of Nebraska. Do I have unanimous consent, Mr. Chairman, for the other sections to be considered at this time or not?

The CHAIRMAN. There was objection to the request.

Mr. DENT. Mr. Chairman, if the gentleman will allow me to ask one question, he may get his request.

The CHAIRMAN. Will the gentleman from Nebraska yield to the gentleman from Pennsylvania?

Mr. MARTIN of Nebraska. I will be happy to yield.

Mr. DENT. All I have is one single-line copy here. I understand from what I can read of what you have given me the entire purpose of your group of amendments is to strike from the bill all reference to agricultural workers.

Mr. MARTIN of Nebraska. That is correct. This amendment would strike the entire agricultural section of the bill. The reason that the other sections are in there is to correlate them with the amendment which I have offered and in order to expedite the work of the committee and in order to save time.

Mr. DENT. Mr. Chairman, I withdraw my objection to the consideration of the amendments at one time.

The CHAIRMAN. The gentleman will restate his unanimous consent request.

Mr. MARTIN of Nebraska. Mr. Chairman, I ask unanimous consent to consider this amendment en bloc.

The CHAIRMAN. Is there objection?

There was no objection.

The CHAIRMAN. The Clerk will report the amendments.

The Clerk read as follows:

Amendment offered by Mr. MARTIN of Nebraska:

Delete section 103, entitled "Agricultural Employees", beginning on line 15, page 34, through line 14, page 35.

Delete section 203, entitled "Agricultural Employees", beginning on line 5, page 37, through line 14, page 38.

Delete section 302, entitled "Agricultural Employees", beginning on line 18, page 47, through line 3, page 48.

Delete section 501 (c), beginning on line 4, page 56, through line 17, page 56.

Mr. MARTIN of Nebraska. Mr. Chairman, this is one of the most important amendments that will be offered to this bill, because the purpose of these amendments is to strike the entire agricultural coverage from this legislation.

Traditionally, Mr. Chairman, agriculture has been excluded from the Fair Labor Standards Act because of the very nature of the business itself. It is composed of millions of components throughout the country. It is composed of independent operators who operate a business entirely different than any other in the country, because they have little or no say as to what price they are going to sell their product.

Mr. Chairman, agriculture has been in serious economic straits in this country for not only several years, but for many years.

Mr. Chairman, let me give to the Members of the Committee an indication of this situation, as published by the U.S. Department of Labor in January 1966, in regard to farming in this country.

The total farm population in the United States in 1940 was 30.5 million. In 1960 it was down to 15.5 million. In 1964 it was down to 12.9 million.

The number of farms in the United States, according to the Department of Labor, in 1940, was 6,350,000. In 1964 it was 3,472,000.

Mr. Chairman, let me give to the Members of the Committee some further information: According to the Department of Agriculture, in a report issued in April of this year, last month, there was a decrease in the total number of farm employees, farm laborers on the farm, in the United States, from 1 year ago of 393,000.

The decrease in the number of farm employees in the United States in agriculture has been following this trend for many, many years. Here we are coming up with a piece of legislation that is going to aggravate the situation and contribute further to the decrease in the farm population and in the number of jobs on the farm.

I also have some statistics here in regard to the average wage rate in the United States put out by the Department in an April 11, 1966, release.

The average wage rate in the United States on farms today is $1.28 an hour which is considerably above this minimum which is proposed here.

You might say to me, that is a good argument why we ought to have it, because it is not going to affect anyone. But, as I pointed out yesterday, Mr. Chairman, this is only a foot-in-the-door approach.

The CHAIRMAN. The time of the gentleman has expired.

Mr. MARTIN of Nebraska. Mr. Chairman, I ask unanimous consent to proceed for 5 additional minutes.

Mr. RACE. Mr. Chairman, I object.

The CHAIRMAN. Objection is heard.

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

Mr. MARTIN of Nebraska. Mr. Chairman, will the gentleman yield?

Mr. BELL. I yield to the gentleman.

Mr. MARTIN of Nebraska. Mr. Chairman, the fact that the average farm wage in the United States is $1.25 an hour can be used by the proponents of this legislation to say, "Well, you do not need it." But, Mr. Chairman, the history of this legislation is that the next Congress or a subsequent Congress will come along and increase the minimum wage which currently, as proposed in the

bill, would go up to $1.30 and in a couple of years will bring it up to $1.75 and then on up to $2 and provide for overtime for everything over 40 hours a week. You know what that will do to our agricultural economy.

Then we have another provision here that provides that there is a value to be determined by the Secretary of Labor in Washington for any food and housing that is provided for a farmworker. That is all right—I am in favor of that. But as the gentleman from Virginia [Mr. SMITH] pointed out in our hearing before the Committee on Rules, I understand it is customary in Virginia to give a farmhand 300 pounds of fresh pork. When the farmhand gets the 300 pounds of fresh pork, he salts it down and uses it in the months ahead.

Now what is the Secretary going to do? Is he going to make a determination on whether this hog is a No. 1 or a No. 2 or No. 3 hog and make a determination as to what kind of cuts there are? How is he going to determine the value of this food and the value of the lodging that is furnished to these farmworkers?

Mr. Chairman, this is a very important amendment. It is going to accelerate the decrease in the population of our agricultural areas throughout the country. It will result in fewer jobs on the farms. It will put our schoolchildren out of work so far as getting summer jobs and working on a seasonal basis. This is going to deprive these young people of the opportunity to go out in the summertime and get a job and earn a few dollars and learn the value of a dollar by the sweat of their brow—jobs that will help them to continue their education and help them to buy the necessities of life.

Mr. Chairman, I hope this amendment is approved.

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

Mr. BELL. I yield to the gentleman.

Mr. RESNICK. I have one brief question, if I may ask the gentleman from Nebraska this question. That is whether there is any correlation in his mind between the severe shortage of farm labor and the fact that they are being paid virtually starvation wages.

Mr. MARTIN of Nebraska. I think the gentleman is entirely incorrect when he talks about starvation wages and I would venture to guess that he has very little firsthand information about agriculture.

In the first place, when you are looking for farm labor, you are in competition with the labor market and competing with other industries and businesses that are asking for that labor. So the farmer has to gage his employment scale on the same basis with his competition.

In my State of Nebraska the going wage is $1.50 an hour for agricultural labor because they cannot get anyone for less than that.

Mr. BELL. Mr. Chairman, the important point about the agricultural features of the bill is that the people involved are those who have been left at the bottom of the economic ladder. They, more than any other group in our Nation, need to be covered. The agricultural people are at the very bottom of the economic ladder.

I wish to point out also that this bill does not involve overtime for agricultural workers. They are not included. All overtime would be excluded. There is no more overtime, I should say. Family farms would be excluded. When we speak of the farms that will be covered under the bill, we are talking only about 1.6 percent of all the farms in the Nation.

Let us again go over the amount of the wage. The minimum wage would start at $1 an hour in 1967 to $1.15 an hour in 1968 and $1.30 an hour in 1969. At a $1.30 an hour the minimum wage amounts to $2,700, which is below the poverty level of $3,000. Only the large farms would actually be covered on the 500-man-hour basis. That means that seven men must be employed on a farm, to fall under the 500-man-hour requirement.

The CHAIRMAN. The time of the gentleman from California has expired.

Mr. BELL. Mr. Chairman, I ask unanimous consent that I may proceed for 5 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from California? The Chair hears none. The gentleman is recognized for 5 additional minutes.

Mr. BELL. Mr. Chairman, I speak in behalf of California because California is already paying wages above the minimum wage, despite the fact that we have an unfavorable competitive hauling problem. Yet we are still paying above the minimum wage. Since 1963 California wages have gone from $1.32 per hour to $1.35 in 1964, to $1.42 in 1965, and $1.50 in 1966. In addition, as I have said, we have an unfavorable competitive hauling problem in California or we are at a competitive disadvantage from the standpoint of shipping farm goods to the East. Yet we are still paying higher wages.

Actually, Mr. Chairman, this is a bill that will keep the large farms from having the advantage that they already have over the small farms by not paying higher wages. Since the large farms have not been paying higher wages, either, they have a competitive advantage over the small farms.

Mr. Chairman, I oppose the amendment of the gentleman from Nebraska.

Mrs. GREEN of Oregon. Mr. Chairman, I rise in opposition to the amendment. Studies of the Department of Labor show that in the United States today 45 percent of all farmworkers receive less than 75 cents an hour, that 52 percent receive less than 85 cents an hour, and 56 percent receive less than $1.

Mr. Chairman, we have heard a great deal about poverty in this country. This Congress has passed war-on-poverty legislation. The gentleman who offered this amendment to strike all the agricultural workers, if my information is correct, voted for the original poverty legislation. In my judgment, if we really mean business in the war on poverty, the piece of legislation that is before us today will do more to eliminate poverty in this country than any other possible piece of legislation that this Congress could pass. Let us establish and increase the minimum rate for agricultural workers and decrease the amount given out in welfare payments.

What are we doing, if we approve the bill that has been offered by the committee? We are saying to a person who works today full time for 40 hours a week, and if he is paid the $1 minimum hourly wage for a full year of 52 weeks, he would receive a total, the magnificent sum of $2,008. On the other hand, if we accept the amendment of the gentleman from Nebraska, we will continue at the sums of 75 cents or 85 cents an hour, and the heads of families and full-time employees will be receiving about $1,500 a year—hardly a living wage in a country that supposedly has the highest standard of living in the world.

We talk about breaking the welfare cycle, getting people off the welfare rolls. In agriculture, these are people who want to work, who want to walk in dignity. We ought to make it possible for them to get off the welfare rolls and live a decent life, and not have them existing on $1,500 a year, which is half the poverty level as generally recognized.

There was a group of people—welfare recipients—who were inspired to take courses for 6 months, so they could get off the aid for dependent children, the ADC program. They took courses and completed the 6 months of work. They went out and applied for jobs. They were offered salaries of 60 cents, 75 cents, or 85 cents an hour, which is similar to what the gentleman from Nebraska says we should continue to pay agricultural workers. Instead of taking the jobs at 60 cents and 75 cents an hour, these people simply said "We cannot support our families on that. We have to go back on the welfare rolls."

I suggest if we want to do something about poverty, it would make more sense to establish a minimum wage on which people can live—instead of being forced to the alternative—that of giving out a dole.

In addition to that, if there is any single group in the United States which is at the bottom of the economic scale it is the agricultural workers. One witness appeared before our committee and said this:

> The miserable existence which these workers and their families must lead on such earnings can be largely attributed to the specific exclusion of workers in agriculture from the protection of social legislation that has benefited other American workers for a quarter of a century.

This type of testimony was restated by other witnesses. It is documented by the personal knowledge all of us have.

If we are to adjust the minimum wage today in any specific category, it seems to me we should begin where the need is the greatest, where people are not organized, where there is not and has not been any voice in the making of policy at the State or National level.

After having said this, may I say one other thing: I had hoped to offer a substitute amendment at this point—but I

am not allowed to under the parliamentary procedure. However, I do intend to offer an amendment as soon as it is possible—which would make an exemption primarily designed for young people. It does seem to me that children who work for less than 13 weeks during the summer and who try to earn money so they can continue on in high school, or earn their spending money, should not be prohibited by legislation from working in the harvest field on a piecework pay basis.

I believe children 14 and 15 years of age and other temporary summer employees are in an entirely different category from the heads of families who are working full time. I hope and plead with the Members that we do not accept the amendment offered by the gentleman from Nebraska, that would strike out the only protection the agricultural workers of this country might have. That, instead, we give them a chance to earn a decent wage, so they can get off welfare and break the cycle of poverty and walk with dignity along with the other people of this country.

Mr. GURNEY. Mr. Chairman, I rise in support of the amendment, and move to strike the requisite number of words.

Mr. Chairman, I support this amendment. As the proponent of this amendment stated when he offered it to the House, this is surely one of the most important amendments to this legislation that we have under discussion today.

The gentlewoman from Oregon just made a point which I think is significant. She said that for 28 years we have had no legislation in this field. That is so. In 1938 we had our first minimum wage law. We have had six, as I recall, since then. Each time the agricultural workers have been exempted. I submit to this House of Representatives that there probably is a fairly sound reason why that is so.

We have heard here in the discussion in the last 2 days, and we have heard just now, that agricultural workers are mistreated in this country.

A great case is made that they are at the low end of the economic scale, and I believe there is some point to be made there.

But there is another side to the story. Let me give a few facts of life in respect to my home State of Florida.

The No. 2 industry in Florida is agriculture. The No. 1 industry within the industry is citrus. Our average wages this year paid to citrus workers in the State of Florida were $1.97 an hour. This does not sound like starvation wages to me.

I have here a letter, under the letterhead of the U.S. Department of Labor, signed by Secretary Wirtz, which commends the Florida citrus industry for the wonderful job it is doing in respect to wages.

The same is true in other areas of Florida agriculture.

One of the great vegetable growing industries is in Florida. While it does not quite equal the wages paid by the citrus industry, it does well.

So I say again that agricultural wages are good now.

There is another problem in Florida, the same problem the proponent of this legislation mentioned, which is a rapidly and completely deteriorating farm labor situation which goes downhill with each succeeding year. The reason why it does is we have continuing and increasing interference from the Federal Government in this whole labor area, which is downgrading our employer-employee relationship and making it exceedingly hard for Florida farmers to make a living.

Each year we find this is true: In Florida the people in the farm labor field want to work in lesser numbers, and they want to earn less.

This is also true: Each year we have found that our vegetable crop losses and our citrus crop losses are growing, because we cannot field the proper amount of labor to harvest these crops at the proper time.

I have documented here—and I wish I had time to go into this at length—case after case after case in Florida agriculture of losses this year and last year, and of growers who have said they will cut their acreage next year because they cannot field the farm labor necessary.

This is a letter from one of the chief vegetable and citrus growers in my area. He is not in my congressional district, but in a neighboring district. He operates throughout all the State of Florida.

This grower gives statistics which came from his payrolls. This is a direct answer to the gentleman from New York, who seemed to question the statement I made that workers do not want to work as much and they do not want to earn as much in Florida.

Let me give these figures taken right off the books of one of the biggest vegetable growers in the State of Florida.

In the 1964–65 celery season in Florida the average cost per crate—this is what is earned by the man who packs the crate—was 38.7 cents, and the average number of crates packed on a weekly basis was 106.9.

Now let us come to this season. The wage was boosted to 49.6 cents. Incidentally, that is a rise of about 25 percent in what the man earned per piece compared to last season. That is a substantial increase. But how much did the man pick? He picked, instead of 106.9 crates on a weekly average, only 90.3 crates, a decrease of 18 percent.

One might say that this does not make any sense, that a man should want to work less and not want to earn more. The reason is that many agricultural laborers, I do not say it is true of all, but it is true of a substantial number, have certain limited goals of money. They want only to work long enough to keep them in a certain low standard of living.

Sometimes in Florida cities, he earns this sum in a half week and then he quits for the rest of the week.

In a few documented cases, the worker is satisfied with 1 day's work.

Ofttimes, the worker will play the relief roll game, working a few days and then going on relief, unemployment rolls for the balance.

In other words, the more the pay is increased, the less work that is done.

Without question, so far as Florida agriculture workers are concerned, raising minimum wages will simply mean less work done by a certain percentage of low income workers.

Good workers will not be helped. Poor workers will be encouraged to do less.

Mr. Chairman, I wish to speak further, to certain parts of this very important bill, H.R. 13712, which affects the minimum wages of almost 37 million workers in this Nation, 7¼ million of whom will be brought under the Fair Labor Standards Act for the first time.

Of particular importance to my State of Florida, as well as many other States, are portions of the bill which affect agricultural workers, restaurant workers, and motel and hotel employees. I will speak to these portions at greater length shortly.

But at the outset, I think it appropriate to remark generally on the bill. All of us in this House are sympathetic to the problems of working men and women. We want them to earn adequate wages, in order that they may provide themselves with all of the things of life that are important to each one of us—adequate food, clothing, housing, with a little left over for the pleasures of life. It is to this general problem that this bill is directed.

In the case of many issues that come before the House of Representatives however, there is a grave question in the minds of many whether certain legislation will have the beneficial effects that the proponents claim will be derived.

Times change, social and economic patterns vary, but the effects of unnecessary Government meddling do not change. One of the basic rules of Government, which was so aptly expressed by both Jefferson and Lincoln, is that the best government is the least government. This is just as true today as it was a hundred or two hundred years ago in this Nation, or many hundreds of years ago in ancient civilizations.

So the question here surely is whether further Federal legislation in the field of minimum wages is necessary at this time, particularly as it affects certain industries.

Why is there a need for minimum wage legislation at this time? The reasons must necessarily be because people are not being paid enough. Or because employers are taking advantage of their workers, and paying them less than they are worth.

We should ask ourselves if this is the case.

If we are to believe the Johnson administration, if we are to believe the statistics constantly bombarding the Nation from the Departments of Labor and Commerce and Agriculture and others, they tell us that the Nation has never had it so good. Never have we been more prosperous. Never has there been a time of more employment. Never a time of less unemployment.

And the clincher here is the argument that the administration tells us again and again, never has there been a time when wages have been so high.

In fact, the constant fight between the administration and unions is that the unions want too much in wages, so the

administration says. The President and his advisers plead, beg, and sometimes threaten that union leaders and their people stay within the 3.2 percent cost-of-living guidelines that the administration has set down. The union leaders do not like to live within these guidelines.

Yet here, when wages have never been higher and the guidelines, according to the administration, are 3.2 percent, we have a bill proposing to hike the minimum wages from $1.25 to $1.40 and then $1.60, an increase of 12 percent initially and then 14 percent or a total increase of 28 percent over the present $1.25.

This is a tremendous hike in a short time, and it is bound to do one thing, if nothing else. It will add fuel to the fires of inflation, which we are waging a nip-and-tuck struggle to control right now.

What are we thinking of here in time of war, with every manner of employer in this Nation complaining about shortage of labor, with wage and price ceilings rising like a hot-air balloon? What kind of judgment are we using here in the House of Representatives to further aggravate the situation in a drastic minimum wage bill?

I think the question is much more basic than some of the arguments I have heard here in the House the last 2 days. Proponents of the bill continue to run down and deride those who question the wisdom of increasing minimum wages at this time. They say that their opponents are people who constantly oppose everything, and are unfriendly to the workingman and his cause.

I should like to point out that it may be the proponents of this bill themselves, who are not the friends of the workingman. The bill proposes to help the worker on the lower end of the economic scale. This bill may actually hurt him.

The point has been made and substantiated by some of the most eminent economists in this Nation, that increasing minimum wages does not help the worker on the lower end of the economic scale, but results in his direct detriment and injury.

For example, Dr. James Tobin, the late President Kennedy's economic adviser, Dr. Arthur Burns, former head of President Eisenhower's Council of Economic Advisers, and Dr. Gottfried Haberler, economic professor at Harvard University, all have expressed opposition recently to minimum wage laws.

As Professor Tobin put it:

> People who lack the capacity to earn a decent living need to be helped, but they will not be helped by minimum wage laws, trade union wage pressures or other devices which seek to compel employers to pay them more than their work is worth. The more likely outcome of such regulations is that the intended beneficiaries are not employed at all.

It is an economic fact of life that all during the time that minimum wages have been increased, and there have been six such instances during the last approximately three decades—this bill will be a seventh minimum wage law, all during this time the proportion of unemployed among the unskilled workers, among teenagers, among females, and nonwhites, has been growing. For example, Professor Burns has pointed out in an analysis of this problem that the ratio of the unemployment rate of teenagers to that of male adults was invariably higher during the six months following an increase of minimum wage than it was in the preceding year.

As Professor Burns has put it in his own language:

> The board result of the substantial increase of the minimum wage in recent years has therefore been a curtailment of job opportunities for the less-skilled workers.

Professor Haberler of Harvard has expressed it in this language:

> Raising the minimum wage would thus be an irresponsible, anti-social measure, reducing job opportunities of the poor, promoting inflation and retarding growth.

I suggest to the House that the opinion of eminent economists such as these men cannot be taken lightly. None of these people could be classified as obstructionists, or diehard conservatives opposed to change in progress. I suggest that these men know considerably more about the problem than most of us do here in the House, for they have devoted their lives to the field of economics, the study of problems such as we have before us here in this minimum wage bill, and their advice has been sought by and given to Presidents of this Nation such as former Presidents Eisenhower and Kennedy.

Now, I am well aware of the fact that this minimum wage bill is going to pass, but I would fervently hope that the House of Representatives today will consider some amendments which will lessen the impact of this legislation upon employment in this country, and perhaps improve the bill and help out both the worker whose economic lot we are seeking to improve by this bill, as well as his employer, who provides the worker with the job by investing and risking his capital and his management ability.

Now let us talk specifically about two broad areas of coverage in the bill, where we are enacting minimum wage law for the first time, in the field of agriculture, and in the field of the restaurant and motel and hotel industries.

I talked specifically to these, because these areas are so important to the economy of the State of Florida where I come from. The tourist industry is the No. 1 industry of the State, and the restaurant and hotel and motel people make up a large part of the employers in this tourist industry. The second and most important industry in Florida in terms of dollar production is the great agricultural industry. This proposed legislation will have an enormous impact upon these industries, not only in Florida but all over the Nation.

I would expect that the arguments pro or con on the legislation so far as Florida is concerned and these particular industries are concerned would be applicable to other parts of the Nation.

In the past many weeks, in fact during almost the entire time of this session of Congress, I have talked with personally and corresponded with many people in both agriculture and the restaurant and hotel and motel industries, listening to their arguments and trying to personally acquaint myself with their problems.

I could give you example after example, all within my personal knowledge, of cases where I firmly and truly believe that the enactment of this bill under its present form will have an extreme adverse effect upon both workers and employers.

Let us take the agricultural industry first. During the last few years, the agricultural industry in Florida has been beset by labor problems. There are two basic factors involved. One is that the agricultural employer cannot find enough labor to make and to harvest his crop. The second problem is that he finds with each passing year that the labor which he is able to get is becoming less productive. Employer and employee relationships are deteriorating constantly with each passing year.

There is not the time here on the House floor in this debate to go into the many reasons why this is so. To put it in broad perspective, the reasons may be directly laid at the door of the Federal Department of Labor here in Washington. There has been constant interference with employer-employee relationship in the agricultural industry in Florida. There has been demand after demand made upon our farmers in Florida by the Department of Labor. I think it can be truly said that there has been a general reluctance on the part of the Federal Department of Labor to come to grips with and understand the problems of farmers in Florida.

May I say this also, that I do not make the point here that all agriculture employers are paragons of virtue. I expect that they have their faults and shortcomings as do all other segments of our society, and that there needs to be correction and upgrading of the attitudes and the methods used by employers. However, it does not seem to me as though they can be wrong all the time, and yet this seems to be the attitude taken by the Department of Labor.

The important thing to note here is that the wages paid in agriculture in Florida are excellent, and far exceed the minimum wages established by this bill.

For example, I have in my hand here a letter on the letterhead of the U.S. Department of Labor written by and signed by Willard Wirtz, the Secretary of Labor, dated March 16, 1966, which says this of the wages paid by the Florida citrus industry this year:

> Industry records show an average wage of $1.97 an hour; our own audits of citrus payrolls show a slightly higher figure. The indications are that less than 10% of the workers at any one time made less than the old minimum of $1.15.

Here we have an actual communication of the Secretary of Labor expressing satisfaction with the good job the Florida citrus industry was doing in paying wages.

Wages are also high in other fields of agriculture in Florida. The other big segment of the agricultural industry of Florida is the truck-garden and vegetable growing field. Here wages have continually gone up in recent years and are today on the whole, meeting minimum standards set by the U.S. Department of Labor.

Now one might make the point, well, if the wages being paid in the agriculture field in Florida are higher than the minimum wages called for by this bill, what worry do the farmers have if they pass the legislation.

There are always a certain percentage of workers in the agricultural field that are marginal workers. These people for lack of ability, either in the intelligence that the good Lord gave them, or because they are physically handicapped, are unable to meet a minimum wage and produce the necessary amount of work to earn the minimum wage. There are other workers who just plain are not motivated to work. They are either lazy or they just do not care. These people are employable at rates less than the minimum wage, and it is far better that they be employed at gainful work than on relief.

But what is certainly going to happen, if this minimum wage bill passes in its present form, is that many of these workers are going to have to be laid off, for the farmer just cannot afford to carry them at the minimum wage proposed in the bill.

There is another factor here which is very important and that is that there are workers in the agricultural areas of Florida that only want to earn a certain amount of money, regardles of how much inducement in the way of wages is offered to them. I have statistics from payrolls from Florida agricultural employers, which prove conclusively that as wages go up, worker productivity goes down. The worker has a certain goal in mind, a dollar figure that he wants to earn, to provide himself with the necessities of life. When he earns that figure, he will not work any more. There have been instances where workers, excellent workers under piece rate pay in Florida, have earned sufficient in 1 day to satisfy their needs for the rest of the week, and they only work 1 day. There is a very considerable percentage of workers who work for approximately a half a week, 3 or 4 days, and then loaf for the rest of the time, or go on relief for the balance of the week.

If we bring up the minimum wage rates as far as these workers are concerned, then we are going to have a lot more of that.

There are two other points that I want to make in this argument. We have had very serious agricultural losses in Florida in recent years, because of the very bad labor situation. Again and again, our growers have suffered severe crop losses. I have here in my hand case after case, documented from the books of the particular farmers, which show enormous acreage and dollar loss, because of an inability to get adequate workers at harvest time.

There are also many instances, and I have again case after case well documented, that many employers have cut back their acreage and proposed to cut it back further in future crop years, in order to hedge against further economic loss.

There is also concrete evidence that some of our agricultural activities are moving south of the border, down Latin America way, in order to hedge against the labor situation here in the United States.

It is entirely within the realm of possibility that, if we do not drastically improve the agricultural labor situation in this country, over the long pull we may lose a major portion of our fruit and vegetable industry in this country to Latin America.

Now there will be amendments offered here in the House to exempt agriculture entirely from the effects of this legislation. I would earnestly urge the House to support such an amendment.

It occurs to me that there is ample evidence, certainly in the agriculture industry in Florida, that agriculture is more than meeting the minimum wages set down in this bill, where there are agricultural workers who are willing to work and produce and to earn a decent wage. There is also ample evidence in our agriculture in Florida that there is a certain percentage of workers who are not able in one way or another to do sufficient work to earn a minimum wage. Now, these people are going to get hurt, and hurt badly, if this bill passes in its present form.

If the House does not see in its wisdom the way to exempt agriculture entirely, then I hope the House would support any amendments offered that would water down the present coverage contemplated under this legislation.

Now, let us turn to another segment of new worker coverage under this bill and that is the restaurant and motel and hotel industries. As in the case of agriculture, here we have a very special-type service industry, which is not at all comparable to the average industry and factory worker condition.

The arguments have been aired here in the House at great length heretofore, and I do not intend to repeat them. There are many factors which differentiate these people from those in industry. Their work hours are different. Many of them receive substantial income from tips and, while I recognize that that feature of their income is going to be recognized to some extent in this legislation, it still ponts out a marked difference in their kind of employment from that of industry employment. There are a great many fringe benefits in connection with their employment. Some of them are furnished their meals, a very substantial part of their economic and benefit. Some of them are furnished uniforms, and hence save on work clothing. Some of them are furnished shelter, as in the case of the hotel business. Their situation is entirely different from that of the ordinary worker.

It is also a fact that many of the employers in these industries today are hard pressed to make a decent living on their capital investment and the amount of time and energy they devote to their business. In Florida, and that is true in many other parts of the country, this is a seasonal business. It is not an all-year-round business where the employer can depend on week after week of substantially the same income. He has periods of good profit, but also periods of very severe loss.

I have talked to a good many people in these industries, and I have found that many a sound operation today is returning the owner no more than a minimum amount of profit on the amount of capital he has invested and the time he devotes to his business. If we boost the minimum wages of his employees, there is no question that he will have to drastically revise his operation in order to make it worth his while to continue in business. He will have two ways of doing this. He will have to pass the wage increase along to his customers in the form of higher food and meal prices in the case of the restaurant dealers, and higher motel room prices in the case of the hotels and motels, and also their allied restaurants, of course. This will contribute directly to the inflation danger we have in the country.

Or he will have to resort to another means of balancing his books and keeping some kind of a profit to himself, and that will be to reduce his work force and to eliminate the marginal workers that simply cannot row their oar in the particular boat at the minimum wages set out in this bill.

I expect that a combination of these two facts will be used. Again, I fully realize that the House will probably enact this legislation with the restaurant and hotel and motel coverage, despite any argument that I or anybody else might offer here. However, I do suggest to the House that it would be wise to take it a little easier on these people, and give them a little better break in adjusting themselves to the drastic economic effects of this act.

I am sure that even those in this House who wholeheartedly favor this bill in all of its aspects, certainly fervently desire that the bill will work, and want the bill to work in all of its aspects just as effectively as possible. I am sure also that the proponents of the bill have some misgivings about whether the bill will do all that it is designed to do. I am sure that they realize that the employers may well have some sound arguments, and that the bill may have disastrous economic effects upon some employers and also adverse economic effects upon some of the employees who are in the lower economic scale.

Why would it not be a much more sensible thing then, to go a little slow here and give a little better chance for these restaurant and motel and hotel people to work out the problems they are certainly going to have with this act.

My suggestion is this: The restaurant and motel and hotel people are newly covered under the act, just as the agricultural workers are. They are in a special category of employers-employees. Their situation is vastly different from the average industry worker. I think it would be eminently fair if these people were given the same advantages and coverage under the bill as the agricultural workers. Let us put it another way. These industries have traditionally been exempted since the minimum wage law was first enacted in 1938, and there was an excellent reason why they were. These reasons still exist. Therefore, when we are taking the first step in min-

imum wage coverage here today as far as these industries are concerned, why should not they have the same minimum wage coverage as do the people in agriculture. So when the appropriate time comes, I intend to offer an amendment which would make their minimum wage coverage correspond exactly with the agricultural workers'; $1 an hour to begin with, $1.15 the second year, and $1.30 thereafter.

The Nation has been doing pretty well in the restaurant and the hotel and motel industries for many long years. It has been doing pretty well without any minimum wage coverage at all since we first got minimum wages in 1938. What is wrong with starting minimum wages off in this field in a way which is designed to give a little more time and a little more leeway here to see exactly how this minimum wage is going to work so far as these people are concerned.

Now, I am not asking that they be excluded. I am simply asking that we use a little commonsense here and get this thing started off in a manner that may perhaps have a better chance of working. There is not any question that we are going to revise this minimum wage law again sometime. We have enacted 7 minimum wage laws since 1938, and we will enact 7, 17, and 27 more over the long years ahead. There is plenty of time to examine how minimum wages are affecting the restaurant and the motel and hotel industries the next time minimum wage comes up for review.

I would urge the House to exercise a little commonsense here and support my amendment.

The CHAIRMAN. The time of the gentleman from Florida has expired.

Mr. GURNEY. Mr. Chairman, I ask unanimous consent to proceed for an additional 2 minutes.

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

Mr. RACE. Mr. Chairman, I object.

The CHAIRMAN. Objection is heard.

Mrs. MINK. Mr. Chairman, I rise in opposition to the amendment and move to strike the requisite number of words.

Mr. Chairman and Members of the House, I believe one of the really significant recommendations which the committee has brought before the House is an attempt to bring up the level of wages and the opportunity for a decent living to the agricultural workers of this country.

The amendment has been proposed to completely eliminate coverage for all farmworkers. I dare say there is no one in this Chamber today who would deny that the worker in America who suffers the lowest income in this country is indeed the farmworker.

If we are to make progress and to say that we believe in the eradication of poverty in this country, then we must surely look to the lowest rung of workers in this country, who are the farm laborers. We heard considerable testimony and heard from all sides on this argument. It was the considered opinion of the committee that the recommendation which we have brought before this body is a fair one and takes into consideration some of the desperate problems our farmers are having throughout this country.

It think it is important to bear in mind the philosophy which is encompassed in our bill which is the same philosophy with which we approached legislation years ago in establishing an exemption for enterprise in the retail and service business. This is the same approach that we applied to our farmers. We said that a farm that does not employ 500 man-days in any calendar quarter or in excess thereof of labor would not be covered by the minimum wage provisions of our bill.

We further said not only the 500 man-days would be an exemption but for the purposes of counting 500 man-days there would be certain individuals who would not be counted in order to arrive at that figure, either. This included the hand harvesting piecework employees who commute daily from their residences and did not work more than 13 weeks.

When we put this provision into our bill providing for coverage by minimum wage of our farmers we exempted the vast majority of the farms across this country. As a matter of fact, the committee report indicates only 485,000 workers will in fact be covered. Of those 485,000 only 44 percent or 213,000 actually earn less than $1 an hour. So that is the total coverage of the bill we are now considering before this Committee which the gentleman is offering to amend and remove entirely from the coverage of this act.

Mr. BELL. Mr. Chairman, will the gentlewoman yield?

Mrs. MINK. I yield to the gentleman from California.

Mr. BELL. An increase in the minimum wage to $1.25 would mean an increase per unit of not more than 1 cent per unit of product.

Mrs. MINK. That is correct. I am grateful for the gentleman's contribution. I think I have a small personal offering in this area. My own State of Hawaii covered all workers in every category with a minimum wage of $1.25. Has this destroyed our economy which is basically agriculture? It has not. As a matter of fact, the current worker in agriculture today in sugar and pineapples is currently earning $2.80 an hour. We still have a very competitive and a very viable economic situation in my State. I think it is very important that we appreciate the report that was prepared for the Congress by the Library of Congress pointing out the fact that not only do 4 States already cover agricultural workers, but with reference to the migratory worker that the Secretary of Labor last year, in April 1965, found for foreign contract workers the requirement in 28 States would be in excess of $1 an hour. As a matter of fact, it is $1.15 throughout the States of Arkansas, Florida, New Mexico, Texas, Virginia, and West Virginia. It is $1.25 for Arizona, Indiana, Maine, Michigan, and Wyoming. It is $1.30 in Colorado, Massachusetts, New Hampshire, New Jersey, New York, Oregon, Rhode Island, Vermont, and Wisconsin. It is $1.40 for a higher category. If this country and the farm industry of this country can support the foreign migrant workers at these minimum wages, then I think it is imperative that we give this same opportunity for a decent living to all of our American workers currently working on our farms in this country.

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

Mr. MARTIN of Nebraska. Mr. Chairman, will the gentleman yield?

Mr. GLENN ANDREWS. I yield to the gentleman from Nebraska.

Mr. MARTIN of Nebraska. I thank the gentleman from Alabama.

Mr. Chairman, I would like to call attention to a couple of statements made by the two gentlewomen who have spoken in the last few moments to the attention of the committee.

First of all, I call attention to the Farm Labor Statistical Reporting Service which is put out by the U.S. Department of Agriculture. It is dated April 11. It shows that the average farmworker in the Pacific area, which I believe includes the State of the gentlewoman from Hawaii, is $1.49 an hour. This was issued on April 11.

In reply to the gentlewoman from Oregon [Mrs. GREEN], I should like to read the average farm wages reported in these statistics for New England.

The average farm wage is $1.40.

For the Middle Atlantic States it is $1.29. For the East-North Central States, it is $1.28. For the West-North Central States it is $1.25. For the South Atlantic it is $0.98. For the East-South Central States it is $0.83. For the West Central States it is $0.98. For the Mountain States it is $1.22, and for the Pacific States it is $1.49.

Mr. Chairman, these statistics are published by the Department of Agriculture.

Now, Mr. Chairman, I would like to call to the attention of the committee one other misstatement that I believe was made a few moments ago by the gentleman from California when he referred to the fact that he thought there was an exemption for a farmer unless he had seven or less employees and that he did not come under the provisions of this bill. That is not true, Mr. Chairman, because the only reference in the bill to an exemption is 500 man-days or 500 working days per calendar quarter on the farm. You can have apples to pick or you can have sugarbeets to weed and thin or whatever might be involved where seasonal workers are brought in, and if you have 25 employees on that farm, 20 days, you are utilizing your entire 500 man-days per quarter and then your farm is going to be under the coverage for the following year, even though you might have only one permanent employee.

Now, Mr. Chairman, I would like to bring out another fact. There has been reference made here today to the effect that this is going to cover 485,000 farmworkers in the United States.

The language contained in the bill which was introduced by the gentleman from California, Mr. Roosevelt, and reported last September stated that it was going to cover 1.3 million farmworkers. There is a great difference in the coverage between the Roosevelt bill and the Dent bill.

Mr. Chairman, I have here a copy of the Farm Survey which was made in order to make this determination. This survey was taken in 1965 and requested information from the farmer in regard to the week of May 16 to May 22, 1964, which is not a peak week in employment in agriculture.

So, Mr. Chairman, those are the figures upon which this is based. The enumerators went around asking questions of the farmers. For instance, here is question No. 10:

About how much was the total cash wages paid to all farmworkers on this place during the 3-month period?

And then they have the four different quarters of the year listed.

Then there is a little note to the enumerator to this effect: "If the total of items 10(a), 10(b), 10(c), and 10(d) and so forth, does not agree with the total in item 9, review the answers in item 9 and 10 so you come out in balance."

It says, "You will note about how many employees or about how much in cash wages were paid."

Then, Mr. Chairman, they took the total cash wages—this was not taken off his income tax report, but just from memory—they took what the Department figures is the average farm wage in the particular State, divided the average wage by the total amount of money that was reported as spent for wages, and said, "Well, he has so many employees."

They only took the survey on a very small number of farms. In the entire country out of 3.4 million, only a very few were taken in the various areas of the country.

Now I ask you. Is that an accurate way to make a survey—and come in with figures that 485,000 farmers are going to be covered?

Mr. ABBITT. Mr. Chairman, I move to strike out the last word and rise in support of the amendment.

Mr. Chairman, I am supporting Congressman DAVE MARTIN'S amendment to H.R. 13712—amendments to Fair Labor Standards Act. His is a most important amendment.

I represent one of the great sections of Virginia where agriculture is one of the major source of income and employment.

The aspect of the proposed coverage of farmworkers which concerns me most is the effect upon small farmers.

My district of southern Virginia is one in which there are large numbers of small farmers—growing tobacco and peanuts, fruits, vegetables, and producers of dairy products.

Although they are small farmers most of those producing the commodities I have visited have a sizable farm labor bill.

The proposed coverage of farmworkers by minimum wage legislation would provide a major incentive toward combining small farms into larger units so that they may accomplish the reduction in labor costs that are made possible by the adaption of mechanization and other labor saving equipment and procedures.

Small farms cannot ordinarily do this. Mechanization is an expensive process. Small farmers do not have the necessary volume of production to spread the costs of machine operation on an economic basis. Nor can small farmers usually acquire the necessary capital to convert to machine operation.

This reorganization of agricultural production is not, of course, all bad. It is going ahead gradually in many areas. In most cases the adjustment can be made gradually. As elderly people retire or pass on, it is common for their land to be acquired by a neighbor. But to artificially stimulate this process means that many small farmers will be forced out of production at an accelerated pace. The adjustment will be accompanied by hardship that would otherwise be unnecessary.

The hardship will be felt not only by many small farmers, but by much of the local people whom they employ. It will be reflected on the small community and on many small businesses as the number of people in rural areas declines.

It is no answer to say that this will happen anyhow. It makes a lot of difference to a lot of people if this change is permitted to occur gradually by a process of individual adjustment, or whether it is forced on a crash basis as the result of Federal minimum wage laws.

I just do not know what is going to happen to the people who are disemployed as a result of this and other features of the bill under consideration.

But I think it is clear that the population of my district will be reduced, and that many of the people in my area will be forced to move to other areas if this amendment is not accepted.

I urge the House to accept this amendment.

Mr. DENT. Mr. Chairman, I move to strike out the last word and rise in opposition to the amendment.

Mr. Chairman and Members, if you do this, I would recommend that you defeat the bill.

If you do this, I recommend that you defeat the bill. If in this year of our Lord, this House of Representatives wants to reclassify the American worker who has to earn his living on a farm, back into those days of the dark dungeons of coal mining when a mine worker could not hold his head up in the community because no matter what he did there was no opportunity for him to provide for his family or even to provide for the bare necessities of life.

Any of you who have ever lived near a farm or who have worked on a farm, if you can vote for this, then you can honestly say to yourselves, This that I do today, I do in bad conscience.

Mr. Chairman, I hold a letter here in my hand, something that I am prouder of than anything I have ever received in all my 34 years as a legislator.

This letter comes from the Pennsylvania Council of Churches. I want to read it to the membership:

THE PENNSYLVANIA COUNCIL
OF CHURCHES,
Harrisburg, Pa., April 21, 1966.

The Honorable JOHN H. DENT,
Linden Drive,
Jeannette, Pa.

DEAR CONGRESSMAN DENT: I am addressing you, on behalf of the Legislative Committee of the Pennsylvania Council of Churches, regarding H.R. 13712 (The Dent Bill on Minimum Wage).

We feel this bill is an important step toward providing economic dignity for a larger segment of the Nation's workers and are pleased, especially, to note that 465,000 farm workers are to be included in H.R. 13712. *We hope you will support this bill in its present form.*

The Legislative Committee of the Pennsylvania Council of Churches consists of delegates from the 37 conferences, dioceses, elderships and synods of 16 major Protestant denominations within the Commonwealth of Pennsylvania. The church members within these groups exceed 3,000,000. We feel we speak for them in supporting H.R. 13712.

Sincerely yours,
RODERICK J. WAGNER.

P.S.—Thank you for what you've done thus far. R.J.W.

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

Mr. DENT. I yield to the gentleman.

Mr. BOGGS. Will the gentleman from Pennsylvania explain to the House the great amount of time and effort that he has spent to work out this provision. This provision is a compromise and I know that the gentleman from Pennsylvania [Mr. DENT] has worked very hard on this and I think the Congress would be interested if the gentleman will tell the Members what the subcommittee did.

Mr. DENT. In a sense the bill covers approximately 1.6 percent of all the farms in the United States of America. But to prove that there has been a move toward the corporate entity in farming, while we only cover 1.6 percent of the farms, we do cover 39 percent of all the hired hands on the farms. Can any person here honestly say that the large farms in this Nation operating on a more than 500 man-day quarter and which have to have a minimum income of $500,000 and have to employ seven men or more—can any person here honestly say that that kind of operation is a small farm operation?

If the plea of my friend, the gentleman from Nebraska, is that we are injuring the small farm, then how can we be exempting 98.4 percent of all the farms in the United States? In fact, what I am ashamed of is the fact that I have not had the courage to do the job that has to be done so that the people who work on the farms of America can make a decent living and that because of political expediency, we have to give just this token coverage to these individuals.

Yet to find men on this floor—and I hope that no women can be counted in this endeavor, because I think their hearts are gentler when it comes to economic measurement against the needs of the people—to find men in this room, whether we voted for the measure we know that no one is denying his $30,000 a year, saying that an individual has to work for 30 cents an hour on the farms of the United States is beyond me.

Mr. STRATTON. Mr. Chairman, I rise in support of the amendment.

I find it interesting that those particularly who represent urban areas in this body are always experts when it comes to the farm. I represent one of the largest, if not the largest, farm area in New York State, and one of the largest dairy areas in the country. And I rise in sup-

port of this amendment, in spite of the fact that I think when it comes to voting to deal with the problem of poverty, when it comes to supporting the causes of working men and women in this country, I can put my record in this body during the last 8 years I have had the honor of serving in this body along with that of any Member who may be opposed to this amendment.

But I think that in representing a farm district I have a little better idea of what our farmers are facing than some of those who are talking so glibly about covering farms and farm employees in this legislation.

In the first place, the farmer himself is not covered under any minimum wage legislation. Farmers do not work on a 9-to-5 schedule. They work even longer hours than most Members of Congress work. I think someone figured up the other day that when you take into account all the hours that a farmer works and then take into account the dollar amount of his investment, many are lucky to end up with something like 42 or 45 cents per hour they put in on their own farms.

Second, there seems to be an impression that the farmers of this country have been getting rich in a hurry. And there seems to have been an impression created lately that the farmers of the country are also mostly responsible for the inflation we have been threatened with in recent months. Why even the Secretary of Agriculture cheered the other day when the return to the farmer on certain products went down in the marketplace. And the Secretary of Defense, no less, a man whom I have frequently supported in this body, dealt the dairy farmers of my district a very heavy blow when he issued an order denying butter in the daily ration of members of the Army and the Air Force. The fact is that our farmers are not getting rich. The fact is they have been very badly hurt by the past 4 years of drought. Many of them have already been forced out of business. I certainly do not want to do anything that will put even more of them out of business.

And it is also a fact that farmers in New York State and other parts of the country are not paying starvation wages. A fellow who works on a farm can also go into Syracuse, Rochester or Schenectady today and get an industrial job. Our farmers still have to compete for labor with that kind of thing.

Yet, as the gentleman from Pennsylvania plainly acknowledged just a moment ago, this bill is just a foot in the door. He apologized that it did not go nearly far enough in covering agricultural employees. Maybe this bill does not affect most farmers in New York State. But look what has already happened to the million-dollar retail store exemption which was written into law a few years ago. We will be escalating the coverage of our farmers very soon if we keep them in this bill. And if we bring farms into this bill, look at the burden of regulation and paperwork our farmers will be saddled with. They will have to determine how many man-days have been worked. They will have to determine how many people commute, and how many miles to work, how many youngsters under 21 or over 21 are working. Yes, our farmers, if this amendment is defeated, are going to be even more heavily saddled with Government redtape and increased costs, and more of them will go out of business than have gone out of business already.

I think we ought to stick with the philosophy we have already been following, and recognize the special and unique circumstances of the farmer. Let us not make agriculture bear an unfair share of the burden of the economic problems we face today.

Mr. Chairman, I urge the adoption of the amendment.

The CHAIRMAN. The gentleman from Pennsylvania [Mr. DENT] is recognized.

Mr. DENT. Mr. Chairman, I only want to be recognized for a special unanimous-consent request.

I would like to know if we can arrive at some kind of decision on a limitation of time on this particular amendment and any amendment thereto.

I see so many Members standing that I will not make my request.

Mr. WHITTEN. Mr. Chairman, I rise in support of the amendment, and move to strike the requisite number of words.

Mr. Chairman, no one—and certainly not I—would question the good intentions of the proponents of this section of the bill. Unfortunately, as the saying goes, one cannot get blood out of a turnip. The record shows that American agriculture is losing about 800,000 farmers a year, who are getting out of agriculture because of the pressures they now face in high costs and low returns. I hope some of the Members have with them the volumes of hearings by the Agriculture Appropriations Subcommittee and will look at page 655 of volume 3 of our hearings. We had a study made just to see what the results of the labor policies of this Government have been and what the effects are on American production, and upon the consumer.

We have had a little experience in the fixing of rates beyond the ability of the producer to pay because under the last law having to do with farm labor coming into this country, I believe, the Secretary of Labor had the right to set wages. At that time he set rates which caused many small producers to pay more than the traffic would bear. Today, Heinz 57, and Campbell's, and many other food processors are now operating in Mexico, taking advantage of cheap Mexican labor. The production coming into the United States has increased in some cases more than twentyfold in the last 10 years.

Most of this production comes in with a Texas name on it, or the name of some other border State, but it is produced in Mexico. Instead of giving more work at higher pay to the American farm workers, as the proponents envisage, the money is going to the adjoining areas, to other countries, and our people are getting out of the farm business, though some are making it by substituting machinery for labor.

Here is the problem: You may say if we get cheaper tomatoes, cheaper asparagus, and cheaper onions, and other perishable commodities, particularly those from Mexico, the American consumer will profit thereby. This is not usually true. There is a flooded market for a period, and there is an absence of any supply at other times. In the year before last, for a period of time, tomatoes could not be bought in Washington, D.C., in any of the large chain stores. Since our system calls for selling at the price the traffic will bear, frequently low foreign labor costs are not passed on to the consumer.

Throughout this bill there is evidence of good intention on the part of my friend from Pennsylvania and others to see that our people have a fair income. That is a worthy objective; but, my friends, it is frequently not possible to get a fair income out of a small business, and no way when such business does not make it. All you do is put the small operator out of business, or larger business operating on a small margin, can be closed down as a result of many of the provisions of this bill.

Your good intentions are not enough. Since pressure for this bill comes from areas that pay more than the minimum wage, such fact indicates that the real desire of many is to retard or stop the industrial development of my section and other similar sections of the United States. Certainly, we would like to see all persons make good salaries of wages. It is my opinion that further development, with more industries, will come nearer bringing that condition about in my section than will efforts to force, by law, payments based upon a return that the business itself does not have. Such a law will not bring that return to the worker. It can put the operator out of business; as our report shows, the business frequently merely goes across the border. The consumer pays more in the long run because supply is intermittent and unreliable

I would like to point out some of the facts concerning the American agricultural producer, as set forth in our recent committee report:

AGRICULTURAL APPROPRIATIONS 1967

FARMING NO LONGER ATTRACTIVE

The number of agricultural producers providing food and fiber for our rapidly expanding population continues to decline and is now down to about 7 percent of the people in this country. Trained and experienced farm labor is in increasingly short supply.

Long hours of hard work, more rigorous living conditions, hazards of weather, threats from insects and diseases, increasing financial risks, and decreasing financial returns, are causing farming to become less and less attractive to each succeeding generation of young people. Fewer and fewer farm children are returning to farming as a career. More and more of their parents are moving to "greener pastures" in town as the monetary return for their labor, investment, and managerial skills decreases on the farm.

As a business venture, farming is becoming less attractive as the necessary farm investment increases and the net return on the investment decreases. Figures from the Department of Agriculture show that average farm investment has increased nearly tenfold in the past 25 years, from $6,158 in 1940

to $59,519 in 1965. They also indicate that the average return on farm investment, including the value of the farmer's own labor and management skills, has dropped about 40 percent during this period, from 14.2 percent in 1940 to 8.6 percent in 1965.

It is entirely understandable, therefore, why fewer and fewer people are remaining on the Nation's farms, and why some 7 percent of our population on the farms is now feeding the 93 percent of urban dwellers in addition to themselves. This undesirable imbalance can be expected to be further aggravated as movement away from agriculture continues.

According to Department figures, an average of nearly 800,000 people have left the farms in each of the last 5 years. The farm population has decreased to about 12.5 million today, compared to double that number in 1950. The 1959 census, the latest official data available, shows that some 17 percent of all farmers in the United States were 65 or older. An additional 22 percent were 55 to 64 years of age. By 1970, it is estimated that nearly half of the farmers will be 55 years of age or over.

The trend away from the farm is also evidenced by the steadily decreasing amount of land used for agricultural production. The total land planted to crops in 1950 was 353 million acres as compared to 307 million acres in 1965, a reduction of 13 percent.

Mr. HAGEN of California. Mr. Chairman, I rise in opposition to the amendment, and move to strike the requisite number of words.

Mr. Chairman and Members of the Committee, I might say I represent the most productive agricultural district in the United States. I rise in opposition to this amendment.

I want to talk to those who represent farm areas. The situation is building up in the farm areas of the country, where there needs to be some device to provide a fair wage for a fair hour's work for a farmworker. I say to the farm area Representatives that the alternatives are worse than the provision contained in this bill, because unless something is done to upgrade farm wages throughout the Nation, farmers will be confronted with increased union activity to secure the same result.

One way to avoid that, in my judgment—because the importation of supplemental labor from abroad is over, in my judgment—is to pay a decent wage and to attract people into the farm labor establishment. Believe me, that needs to be done. This is one way to do it. In saying this, I say, in the main, farm wages in California are fair and reasonable.

I believe the figures established by this bill for farm labor are fair and reasonable, and any farmer worthy of the name can afford to pay $1.40 an hour for a fair hour's work—certainly at least as much as is provided in this bill—most farmers can pay that much, and with the exception of a few chiselers want to pay that amount. The minimum is aimed at the potentially unfair employers and not the majority of fair farmers.

I shall offer an amendment at a later time in this debate to provide that this minimum may be calculated on an average crew return on a piece-rate basis which is best suited for applying minimum wages to farm employment.

Mr. OLSON of Minnesota. Mr. Chairman, will the gentleman yield?

Mr. HAGEN of California. I yield to the gentleman from Minnesota.

Mr. OLSON of Minnesota. I join in opposition to the amendment. I, too, represent a farm district. I wish to say to the Members of the House that the farmers are not quite as naive as some critics may think they are. The farmers in my district are worried about the figures showing the growth of corporate agriculture brought out by the gentleman from Pennsylvania [Mr. DENT], and the gentlewoman from Hawaii [Mrs. MINK]. Corporate agriculture is a threat to the family farmer, and my family farmers are thankful something is being done about it. I believe the exemptions offered in this bill are more than adequate for family farmers. The sod man-days are equal to almost two full-time hired men for a full year. Farmers whose operations are bigger than this are going to offer unfair competition to family farmers if they are not required to pay a fair, minimum wage.

Mr. BURTON of California. Mr. Chairman, will the gentleman yield?

Mr. HAGEN of California. I yield to the gentleman from California.

Mr. BURTON of California. I should like to commend my distinguished colleague from California. I am sure he is aware of the fact that in California, which has the highest income from agriculture of any of the 50 States, there are only 11,000 farmers who will be affected by the provisions of this bill. I cite as the source of that statement the department of employment third-quarter figures. That is the highest quarter of agricultural employment. This is dated May 18, 1966, and it describes that some 11,000 California farmers are employing, I might add, 262,000 of the some 400,000-plus due to be covered in the bill before us; and those 11,000 farmers would be subject to the provisions of this act.

I knew my colleague was aware of these facts. This spells out the moderate nature of the committee proposal with reference to extending farm labor coverage to the farm workers of this country.

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

Mr. HAGEN of California. I yield to the gentleman from California.

Mr. GUBSER. As a representative of a major farm producing area and as a farmer I should like to join with the gentleman in his opposition to this amendment. I believe this bill will be in the long range best interests of farmers and agricultural employees.

At a later time I hope to offer an amendment which will extend this even further than the pending bill.

Mr. HAGEN of California. I thank the gentleman.

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

Mr. HAGEN of California. I yield to the gentleman from California.

Mr. BELL. California gets competition from Mexico, as stated by the gentleman from Mississippi. I should like to point out that California consistently has paid higher wages and has had higher employment in agriculture, despite that competition.

Mr. HAGEN of California. Mr. Chairman, I wish to say that part of the problem of the farmers has been getting good quality labor. The only way to get good quality labor is to pay fair and decent wages. That is the way to get production. That is what we have discovered in California.

For a while we relied on the foreign import program. This is a thing of the past, in my judgment, in any part of the country.

Unless something is done to improve the attractiveness of the farm labor situation, I submit to those who represent farm areas unless we correct existent low farm wages situation, the farmer either will not get labor or he will get it on terms he cannot accept at all. A legislated minimum wage is the least dangerous way to do it so far as the income and the welfare of the farmer is concerned. I believe the terms proposed in this bill are acceptable.

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

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

Mr. AYRES. I yield to the gentleman from Florida.

Mr. GURNEY. It seems to me that we have missed a certain fundamental point here. I do not believe anybody in the House of Representatives is opposed to paying a farm laborer a decent wage. I believe the points which the gentleman from California just made in the well indeed are excellent.

He has made the point that farmers must wake up to the economic facts of life and make living conditions for their employees good. He is eminently correct about that. As a matter of fact, our farmers in Florida follow that precise principle. We have been upgrading our farm labor, its working conditions, and its wages. As I pointed out a short time ago here, the average wage in our citrus industry in Florida is $1.97 an hour. But at the same time it seems to me we have two basic problems here. This bill is not going to have any effect on the average wage that a good farmworker is going to make. I think a lot of people in this House are under the impression it is. It does not have anything to do with that. What it is going to do is set a minimum wage. It will affect the bottom of the economic scale. It is going to pick up, if it is passed, the small percent of workers that are being paid a lesser amount than the minimum wage in the bill. But what is this going to do? There is not any question of the fact that in Florida it is going to force some people in this marginal area out of work. I would like to point out to the House of Representatives that I do not think this is an argument purely and simply between city people and farm people or between liberals and conservatives. I read an interesting article in Newsweek magazine a short time ago, which is not noted for being a conservative magazine, written by Henry Hazlitt, on the whole problem of the minimum wage. He quotes in the article in the issue of April 11, 1966, Dr. Burns, who was formerly the chief economic adviser for President Eisenhower; Dr. Tobin, who was the eco-

nomic adviser for President Kennedy; and Dr. Haberler, of Harvard, a noted economics professor at Harvard University. He says they have all made the point in recent days that minimum wage laws defeat their purposes. Let me read what one of them says here:

Professor Burns says:

The broad result of the substantial increase of the minimum wage in recent years has therefore been a curtailment of job opportunities for the less skilled workers.

As Professor Tobin has put it:

People who lack the capacity to earn a decent living need to be helped, but they will not be helped by minimum-wage laws, trade-union wage pressures, or other devices which seek to compel employers to pay them more than their work is worth. The more likely outcome of such regulations is that the intended beneficiaries are not employed at all.

Professor Haberler concludes that:

Raising the minimum wage would thus be an irresponsible antisocial measure, reducing job opportunities of the poor, promoting inflation and retarding growth.

That is what we are talking about. When we enact this minimum wage law insofar as it applies to agricultural workers we are not going to increase the wages of the workers that work well on the farm today. These wages are generally fair and good. The gentleman from Nebraska read some statistics right out of the Department of Labor that it was so. What we are going to do is to deny jobs to those people that need them desperately now. That is going to be the ultimate effect of this bill. I hope the House will support the amendment.

Mr. MARTIN of Nebraska. Mr. Chairman, will the gentleman yield?

Mr. AYRES. I yield to the gentleman from Nebraska.

Mr. MARTIN of Nebraska. Thank you. I would like to call your attention to a letter I received from the Northwest Horticultural Council that represents fruitgrowers and shippers in Oregon and Washington in regard to my minority views in which I stated I would propose an amendment to strike the entire agricultural section. Let me quote very quickly from this letter:

I have read with interest the individual views expressed by you in the report to accompany H.R. 13712, the Fair Labor Standards amendments of 1966. This Council which represents the fruit growers and shippers of Washington and Oregon is in complete agreement with the views expressed by you.

One other point I would like to make, because this has not been brought up. Here is H.R. 8260, the bill introduced by Mr. Roosevelt, former chairman of this subcommittee, and introduced a year ago after the President's message was received in respect to labor. There was no agricultural coverage included in the administration bill nor is there any reference to it in the President's message to the Congress.

Mr. WILLIAM D. FORD. Mr. Chairman, I move to strike the requisite number of words.

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

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

Mr. WILLIAM D. FORD. I yield to the gentleman from Nebraska.

Mr. CALLAN. Mr. Chairman, from time to time when legislation comes up that will ultimately affect our State and our people, oftentimes I confer with the University of Nebraska in an effort to determine what the thinking of the representatives of the university might be. On this particular minimum wage bill I asked the agricultural economics department to give me an opinion as to what the minimum wage for agriculture would do. I would like to quote some of the things that they said:

1. Only by direct action of Government can this large group of unorganized laborers acquire any kind of bargaining power.

2. This group of people spend virtually all of their income for consumer goods and services, which action must eventually stimulate the economy and increase employment generally.

3. The argument that high wages induce mechanization fails to recognize the fact that the strengthening force toward mechanization is the unavailability of qualified labor, not its cost.

I feel, Mr. Chairman, that item No. 4 is of particular significance:

4. Family farms who by definition provide at least half of the laborers for the operation of their farms, can in the long run receive labor incomes no higher than the wage paid on the large non-family farms. This assumes that other costs and returned relationships are comparable.

5. The inclusion of only those farms having seven or more fulltime employees (which constitutes only about 2 percent of the farms and receive 40 percent of the hired farm laborers) still leaves a large number of farms larger than family-sized farms still not affected.

In summary, it is our conclusion that the proposed legislation which would increase the level of minimum wages and broaden the coverage of minimum wage laws would be beneficial to the family-sized farms in the United States and the economy in general.

Mr. Chairman, with this point I cannot join my colleague, the gentleman from Nebraska [Mr. MARTIN] on this amendment, and I urge its rejection.

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

Mr. WILLIAM D. FORD. I yield to the gentleman from New York.

Mr. RESNICK. Mr. Chairman, I would like to point out to all of the Members from the Northeast and from the city what this legislation means to them.

For one thing, Mr. Chairman, it means that the farmers of the Northeast can compete fairly with the farmers from the rest of the country.

Now, Mr. Chairman, we have poultry farmers in our part of the country. Our farmers pay anywhere from $1.25 to $1.75 an hour for help.

I ask you how can they compete with the poultry farmers in Mississippi who pay $3 a day for a 10-hour day?

Also, Mr. Chairman, I would like to point out to the Members who come from the city, how can your factories sell anything to the man who is making $1 an hour?

I say, Mr. Chairman, if we do not pass this legislation, we will see a shortage of farm labor and it is going to be reflected in higher food prices. Already we have a shortage of dairy products and, unless something is done very quickly to increase production, we will have a black market in butter and milk.

This is just a tiny step in the right direction. We in the Northeast are already paying far more than the minimum wages contemplated under this legislation.

I would like to point out to the gentleman from Mississippi, when he speaks of people going down to Mexico and processing, the fact that cotton is being grown in the State of Mississippi under Federal subsidy. And he does not have to compete with Mexican cotton.

Mr. Chairman, in support of my point of view, I include the following telegram:

WOODBRIDGE, N.Y.

HON. JOSEPH Y. RESNICK,
House of Representatives,
Washington, D.C.:

Northeastern agriculture has continued to be at a disadvantage competitivewise with agricultural producers in other parts of our country due to the discrepancy in wage rates for agricultural workers here and in the areas referred to above. We are therefore in favor of Federal minimum wages for agriculture and urge the full force and prestige of your office in support of such legislation.

Intercounty Farmers Cooperative Association, Inc.
ABE JAFFE, *President.*
ALBERT COHEN, *General Manager.*

Mr. FUQUA. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, if I may have the attention of the chairman of the subcommittee, first of all, I want to thank him for his very kind and sympathetic understanding of the particular situation we have in Florida.

I wonder, Mr. Chairman, will this bill in any way change the exemptions contained in section 13(a)(14) of the act for employees employed in growing and harvesting of shade grown tobacco.

Mr. DENT. I will state to the gentleman as I told him before, I contacted the Department of Labor and the Director of the Bureau, and he informs me that the growing and harvesting of shade grown tobacco on through to the shed processing is exempt under special exemption all the way through to the stemming process and will not be covered by this legislation.

Mr. FUQUA. Then it is correct to say that these workers will remain exempt while growing and harvesting as well as processing this product up to the stemming process.

Mr. DENT. That is exactly right.

Mr. FUQUA. I thank the gentleman from Pennsylvania very much.

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

Mr. FUQUA. I yield to the gentleman.

Mr. DENT. Mr. Chairman, I just want to announce to the House that we have made a calculation of the grand effort made by the gentleman from Illinois to have so many people—and he uncovered from the act 1,600,000 workers by the amendment offered by him.

I hear some Member applauding and I just wonder if that gentleman would like to reduce his salary to $1 an hour.

As I was saying, Mr. Chairman, this amendment by the gentleman from Illinois has uncovered from the act 1,600,000 workers, and if you do this to agriculture, you will uncover 2 million workers altogether.

The CHAIRMAN. The time of the gentleman from Florida has expired.

Mr. FISHER. Mr. Chairman, I rise in support of the pending amendment, and also for the purpose of addressing an inquiry to the chairman of the subcommittee, the gentleman from Pennsylvania [Mr. DENT].

Mr. Chairman, I would like to get some clarification here for purposes of the legislative history with respect to the business of sheep shearing.

Sheep shearers are paid on a per head basis for the sheep that are shorn.

Mr. DENT. I can only answer the gentleman in this way.

Mr. FISHER. I have not finished my question.

Mr. DENT. You say you are for the amendment.

Mr. FISHER. What amendment?

Mr. DENT. The amendment that is now before us.

Mr. FISHER. Oh, yes, indeed.

Mr. DENT. You are for it?

Mr. FISHER. Yes.

Mr. DENT. Then there is no sense in me answering the question. If you vote for the amendment, then your question will be answered automatically.

Mr. FISHER. Does the gentleman mind me asking him a question?

Mr. DENT. Not at all—go ahead. But I do mind answering the question if it does not do us any good. I like to discuss matters when matters are being discussed in an effort to help. So even if it helps you, you are going to take it out of the bill so what is the value?

Mr. FISHER. Does the gentleman mean to say that he thinks throwing light and clarification on something in the bill will not help?

Mr. DENT. I am happy to throw light and clarification for those who want to see.

Mr. FISHER. Well, what I am seeking is some light on this and will the gentleman help me to provide this light?

Mr. DENT. Yes, I will and if we enlighten the gentleman, will you then reconsider your position as previously expressed to vote against the bill no matter what is in it?

Mr. FISHER. I will certainly listen to the urgings of the gentleman who is very persuasive.

Will the gentleman permit me to finish my question?

Mr. DENT. Of course.

Mr. FISHER. Then if I may start from the beginning, Mr. Chairman.

My purpose in rising was to ask for a clarification, in good faith, of the application of this bill to a particular category of employment. But I was interrupted before I could complete my question. Now before my time expires, I will start from the beginning.

Sheep shearers are paid on a per head basis for the sheep that are shorn. That is a general practice. The customary procedure is for a rancher or a farmer to contract for a crew of shearers to come in and work on the farm or on the ranch for anywhere from 1 day to around 10 days, depending on the size of the flock, and the pay is on a basis of a piece rate rather than on an hourly basis.

The question I have is as follows: Would these shearers be included in the computation of man-days which would determine whether a farm or a ranch would come under the provisions of this bill?

Mr. DENT. To the best of my knowledge, I would say they would be included. That is my opinion.

Mr. FISHER. That was the purpose of my inquiry. I think it is a fair one. Does not the gentleman agree with me?

Mr. DENT. Yes, sir.

Mr. FISHER. I yield to the gentleman from North Carolina.

Mr. JONES of North Carolina. Mr. Chairman, I rise to support the amendment offered by the gentleman from Nebraska. First, let me emphasize that in 1957, as a member of the North Carolina General Assembly, I was one of two Representatives from the agricultural section of our State that voted for the first North Carolina minimum wage law. In 1965, as a member of the North Carolina State Senate, I again voted for an increase in the State minimum wage. I did this from a conviction which I still retain, and this is simply that the matter of minimum wage should be left to the individual States, for it is an apparent truth that the farm economy of one State is not consistent with that of another State. I am not convinced that this can be corrected by congressional action. It must come from the local level, through an improved economy and competition in the labor market.

I have some interesting figures which have been supplied me by the office of the North Carolina Farm Bureau. These figures, I am informed, were developed by Mr. Lee Hammond, a marketing economist with the North Carolina State University, and Mr. C. R. Pugh, farm marketing specialist at the same institution. These figures are based on 1964 unit costs, and with the assumption that the farm minimum wage will ultimately reach $1.25 per hour. This is what this wage increase would do. It would increase the cost of the product of corn 5½ cents per bushel; cotton 1.3 cents per pound; soybeans 10.2 cents per bushel; the bright leaf tobacco, which is the main agricultural product of the district I represent, based on a 2,000-pound yield per acre, the ultimate cost under the terms of this bill would be in excess of $160 per acre. When we speak of a 2,000-pound yield, we are talking in terms of some $1,100 gross revenue. Already it is estimated that the present labor cost, plus the other cost factors, amount to some $800. If we add another $160, or an overall 42-percent increase in labor cost, we are then forcing the farmer either to mechanize or sell out. In effect, we would be defeating the very purpose for which the sponsors of this bill desire. For if we go to complete mechanization, we would be doing nothing more than adding to the unemployment and welfare rolls.

In recent months, the farm population has declined from 8 percent to 6 percent. I hope that this House will do nothing to increase this exodus of the farmers of this Nation. I firmly believe that every employer should pay as much in wages as he possibly can, but I do not feel that we should, through legislation, force any segment of our economy to pay more than is economically sound.

Finally, if the farmers of this Nation could control their selling prices as can industry, this would be another matter. Unfortunately, generally speaking, he is at the mercy of the purchaser. You were told yesterday on the floor of this House that 18 crabmeat packing plants closed in North Carolina as a result of the most recent minimum wage, which, may I remind you, involved 1,800 employees. This is what concerns me regarding the agricultural coverage.

Therefore, I intend to support the amendment sent forward by the gentleman from Nebraska.

Mr. FISHER. Mr. Chairman, I yield to the gentleman from Arkansas.

Mr. GATHINGS. Mr. Chairman, the minimum wage proposal to cover the American farmer for the first time arbitrarily would set agricultural employees' rates at not less than $1 an hour beginning February 1, 1967, not less than $1.15 an hour starting February 1, 1968, and $1.30 an hour minimum beginning February 1, 1969. It makes no allowance for the productivity of the particular worker. It says nothing about his skill or whether or not he could perform the particular assignment acceptably. There is nothing said with reference to the ability of the farmer to pay such a rate as set out in the bill under consideration.

There has been a decline of 14 percent in prices of farm commodities between 1952 and 1965. For specific commodities the change was as follows:

[1957–1959=100]

	1952	1965
Food grains	116	77
Feed grains	150	106
Cotton	119	94
Tobacco	89	105
Oil bearing crops	129	116
Livestock and products	119	101
Meat animals	115	104
Dairy products	118	101
Poultry & eggs	130	92

Price comparisons for selected commodities

	1952	1965
Wheat (bushels)	2.12	1.74
Corn (bushels)	1.64	1.16
Soybeans (bushels)	2.82	2.62
Manufacturing grade milk (cwt.)	4.06	3.37
Commercial vegetables (average of many vegetables)	2.71	2.60
Cotton (cents per pound)	36.56	28.99
Rice (cwt.)	5.53	4.99
Oranges (per box)	1.59	2.80

(Source of above information: Agricultural Prices, Statistical Reporting Services, U.S. Department of Agriculture.)

What has been happening to wage rates? Average gross hourly earnings in agriculture in 1952 were 66 cents; in 1965 it was 95 cents, or an increase of 43.9 percent.

Overall farm costs show that the 1957–59 parity index went from 98 in 1952 to 110 in 1965, which is an increase of 12.3 percent.

Farm costs

	1952	1965
Feed	126	104
Motor vehicles	87	113
Farm machinery	86	119
Fertilizer	102	100
Interest	59	204
Taxes	71	155
Wage rates	87	125

The ability of the farmer to pay the added wage rate is a most significant consideration. If he cannot pay and continue to operate his farm at a profit he will have to resort to other means of operations. He will have to change his system. That means additional mechanism instead of the use of manpower to do the particular job. If the farmer could increase the prices of the things he sells to make up the added difference which the legislation would call upon him to pay, then the farmer could not object to the increase set forth in the bill. Such a situation does not exist. The added cost to the farmer has no bearing whatever on the imposition of the new wage rates. The bill would be most harmful to all farm operators, especially small farmers.

Mr. FISHER. Mr. Chairman, I shall be constrained to support the pending amendment. The gentleman from Pennsylvania [Mr. DENT] has just informed us that for the purpose of computing man-hours worked on a farm or ranch in a previous year, to determine whether coverage applies, in his opinion that computation must include contract workers—those who work for a contractor with whom the affected farmer or rancher deals.

Mr. Chairman, most of those who have spoken here today against exempting agricultural workers are from the cities and regardless of their good intentions they simply are not qualified to speak from a background of knowledge and understanding of what the real problems are. The simple fact is that agricultural work does not lend itself to coverage by the wage and hour law. Farm and ranch workers do not punch clocks. Some days they work all day, and often when it rains or for some other reason tney work only half a day, or perhaps 2 or 3 hours. Then, there will be days when they do not work at all, or they may work for 12 or 15 hours.

Moreover, it is next to impossible to figure with any degree of accuracy the value of housing, electricity, fuel, garden space, milk cows, and other fringe benefits, in computing a wage rate by the hour. And it is also next to impossible for the average farmer or ranchman to keep the books that will be required by the Labor Department. That employer will be involved in all sorts of harassments by the wage and hour agents, who will be around to represent disgruntled former employees who claim they worked 9 hours instead of 8 on a particular day, or 10 hours, and claiming triple damages from that employer.

Anyone who knows what he is talking about knows that it is utterly impossible to determine whether a sheepherder is on the payroll at midnight when he is awakened and goes out to chase away a predatory animal that is attacking the flock. And the same is true of most of the regularly employed farm and ranch workers. The very nature of their work requires them to be always ready for emergencies during the dark hours of the night. Will the wage and hour people hold those employers must pay that worker for 24 hours of work? Or for 15 hours of work? The effect of this legislation is to declare war on American agriculture and all who are engaged in the production of food and fiber. And it will inevitably force vast numbers of workers out of jobs. It will increase cost of production, and in many instances it will reduce production. That means higher cost of living.

Those who are earnestly and sincerely concerned about the welfare of American agriculture and the welfare of agricultural workers will have to do some deep soul searching when they undertake to explain a vote in favor of forcing agriculture under the wage and hour law, with all the resulting bookkeeping, controls, and increased costs of production. Instead of finding himself paying the $1.30 per hour he may find himself in effect being forced by a Federal bureaucrat to pay a third more than that amount, or even more than that. These employers will be at the mercy of a maze of interpretations with respect to hours worked.

Aside from agricultural workers, this bill will affect thousands of people in laundries, hotels, motels, restaurants, and other small industries. Many of the smaller industries are operating on extremely close margins of profit. If they are forced to pay more, they must reduce the number of workers in order to stay in business. And that will strike hardest at the fringe workers, the elderly, those not in robust health, and others who are unable to produce enough to justfy their retention. There will undoubtedly be thousands of them.

Mrs. MAY. Mr. Chairman, I rise in support of the amendment. I do so, even though I am in favor of a minimum wage for farm labor. In my own State, until just this year, we paid the highest farm income in the United States. California leads us by only a slight percentile.

However, the reason I am supporting the amendment is because I honestly think that agriculture should not be included in the bill before us for the reason that there are so many gray areas as to how it would be applied to the very special situations and needs of agriculture. For instance, I do not think we have had time to consider the impact of the bill in the field of cattle and livestock, the gentleman from Texas brought up one point on this.

The same thing applies in the field of canning, processing, the production of sugar, and many other areas.

For that reason, and not because I am opposed to a minimum wage for farm labor, I am supporting the amendment of the gentleman from Nebraska. I think much further work needs to be done on how best we can bring agriculture under the Fair Labor Standards Act, and make just and fair applications of its provisions so that we help the farm laborer, but do not put his employer out of business.

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

Mr. Chairman, it seems that on some pieces of legislation and on some issues, many Members are determined to swing the pendulum as far as they can one way or the other.

This is a bad way to legislate. Let me remind you what the doctors did. They practically dared the Congress to push them to the edge of the cliff, and then they said, "Push us off or leave us alone." They went off and a lot further than they would have gone had they not taken that rigid position.

Let me remind you also what happened in the field of civil rights. Some people opposed civil rights so vigorously, they were pushed further than they would otherwise have been. It would be better on all legislation to negotiate for a position of fairness and reasonableness instead of all or nothing.

Let me remind my city friends that are here that there is an amendment that will be offered which would take the agricultural exemptions out of the bill. I am just as vigorously opposed to that, for the reason that about 600,000 workers that would be included and were included in the Roosevelt bill were such small operators that they have no significant impact upon the labor wage rates in their area, and there is no need to cover them.

There is no need to make them file the quarterly reports. They have too little impact on the labor market anyway to be interested in Federal legislation.

I am opposed to that amendment, too.

On the other hand, the amendment before us would take agricultural coverage clear out of the bill.

I opposed the Roosevelt bill very vigorously. I went to this committee and talked to them a long time about the agricultural amendment. It would even have covered an employer for 1 year who hired a boy part time for 1 day. Many others did, too.

We should commend this committee for the work they did on the agricultural amendment in this bill. There is not any other proposal in this bill that has been as carefully written. I challenge any Member of the House to try to write a better provision on agriculture than is in this bill.

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

Mr. SMITH of Iowa. I yield to the majority leader.

Mr. ALBERT. Mr. Chairman, I commend the gentleman on his statement. This bill has been carefully considered and I think the committee has done a good job and deserves our support. The effect of the amendment before us, if I understand it at all, is that, regardless of size, regardless of income, regardless of ownership, whether absentee or local, corporate or what not, every farming operation would be exempt. We would be putting ourselves in the ridiculous position of exempting large corporations

while including much smaller businesses of other types.

Mr. SMITH of Iowa. Anyone who is covered in this bill is a big enough operator that, if he cannot stay in business while paying $1 an hour, he should not be operating and should not be subsidized by those six or eight workers any longer.

I think the sensible thing for this House to do is to take this agricultural provision as it is written because if we do not we might get something that is badly written or not reasonable and fair.

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

Mr. SMITH of Iowa. I yield to the gentleman.

Mr. SISK. Mr. Chairman, I want to join with my colleague from Iowa. I, too, want to commend the committee for taking a reasonable approach.

We like to brag about what we represent. I believe many Members of Congress know I represent a substantial agricultural area. I understand percentagewise I will have more farmers covered than any district in the United States, with the possible exception of my friend from California [Mr. HAGEN]. We are in support of the provisions which the committee put in. We believe it is a reasonable approach.

I want to commend Mr. DENT and his committee for taking this reasonable approach to the question. Certainly, Mr. Chairman, I want to oppose vigorously the amendment offered by the gentleman from Nebraska. I commend and thank my colleague from Iowa for yielding.

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

Mr. SMITH of Iowa. I yield to the gentleman.

Mr. HUNGATE. Mr. Chairman, under the family farm exemption and the man-days requirement, I would like to ask if it is true that partners would not be counted for the purpose of determining the man-days for the quarterly exemption?

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

Mr. SMITH of Iowa. I yield to the gentleman.

Mr. DENT. They will not be counted.

Mr. HUNGATE. Then, as to farm corporations, whether they are family members or not, everyone would be counted?

Mr. DENT. Yes, including the farmers on Wall Street.

Mr. SMITH of Iowa. Mr. Chairman, I want to say again that this provision only covers those farms which are large enough that they should be able to pay the wage rates in their area if they are efficient enough that they should stay in business. If they can't do it without such cheap labor, they can become a family farmer. This is a very well written provision in the bill. I think the committee deserves support for doing all they have done to draft a fair and reasonable compromise.

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

Mr. Chairman, I shall not take the full 5 minutes. I have been interested in the arguments we have had here. I do not stand before you as an agricultural authority at all and I fear that we are legislating here today on the advice of too many pseudo farm experts. We have heard a lot of persuasive argument as to what effect this will have on the farmer. Frankly, I believe it will have a serious detrimental effect upon him and will further aggravate his manifold problems and reduce his income.

We have had a lot of persuasive argument about trying to elevate the living standards of the various farmworkers. Perhaps, should we pass this, it might be beneficial in some aspects in that area, but in my judgment it will result in loss of jobs and further migration from the farms to the urban areas.

But until this time I have yet to hear anyone argue on behalf of the third party in this controversy, and that is the consuming public of America. What effect will this have on the consumers? We find the cost of living continuing to climb, climb, climb. Economists place the prime responsibility for this on the greatly increased retail cost of agricultural commodities. So I am standing here pleading in behalf of the consumers of America.

As we vote on this particular measure, I hope we will consider this fact.

As we bring agriculture under the minimum wage law I realize we are only limiting it to large farms with 500-mandays per quarter—but this is only a foot-in-the-door proposition. We have had the experience of legislating in the past, of starting with the larger people and gradually lowering it, until ultimately every farmer in America will be covered.

My only appeal to you ladies and gentlemen is this: Consider not only the interest of the farmers, not only the interest of the laborers, but also the interest of the consuming public in America. Just as surely as we pass this measure and include agriculture under the Fair Labor Standards Act there will be an ever increasing cost of food commodities.

Mr. PEPPER. Mr. Chairman, I rise in opposition to the amendment and move to strike the requisite number of words.

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

Mr. PEPPER. I yield to the gentleman from Pennsylvania.

Mr. DENT. We can only believe and know that which we hear from our constituents and interested parties.

To the gentleman who just preceded the gentleman in the well, I wish to say that the California Consumers Information Committee has sent to every Member of the California delegation, as well as to me, a complete endorsement of this legislation. He said we had heard nothing from the consumers. I have heard from them. They are for it.

Mr. PEPPER. Mr. Chairman, esteeming as I do my distinguished colleague from Florida [Mr. GURNEY], I cannot in good conscience allow his to be the only expression of a sentiment from the State of Florida upon this amendment and that to be one in support of the amendment, which would deny the beneficent provisions of this act to many of the citizens of my State, a segment of our citizenship too long—if not too long and callously—neglected by the Government of our country.

Mr. Chairman beginning in 1938, I had an association with this subject—the minimum wage law. In 1949 I had the privilege of handling the legislation in the other body.

It is not true, as has been indicated in this debate, that the minimum wage law has had the primary effect of dislocating rather than benefiting the labor it affected. On the contrary, if that had been true, after the experiment of 1938 we would not have adopted a bill to increase the minimum wage and to expand the coverage in 1949 in the Congress of the United States. If that had been true, in 1961 we would not have increased the minimum wage and expanded the coverage of the law in the Congress of the United States.

If that were true, this distinguished committee would not have reported this measure to this body for consideration today.

On the contrary, the minimum wage law has had the salutary effect of putting a floor under the wages of this country, primarily for the benefit of those who did not have the power which goes with collective bargaining, which is associated with unionism. The same people, I fear I must say, who have opposed the minimum wage for many classes of our people have vigorously objected to their associating themselves in unions, where they would have some economic collective bargaining power.

Mr. Chairman, this is a modest beginning, to give the benefit of minimum wage legislation to a deserving segment of our citizens.

Let us look at the figures. Today there are 29.6 million persons covered by existing minimum wage legislation. Newly covered nonfarmworkers in this bill total 6,093,000. This bill would add that many from all the nonfarm people, and the pending amendment of the able gentleman from Nebraska would eliminate only 485,000 agricultural employees the bill covers. Why, there are 665,000 new Federal employees, covered in this bill and they certainly are not the most underpaid segment of our citizenship.

Yet to get rid of only 485,000 persons employed in agriculture covered for the first time in this bill the able gentleman would offer and vigorously press for the adoption of this amendment. This bill applies only to 1.6 percent of our farms and farmers, and the larger farmers relatively, many of them the corporate farmers of the Nation. Surely, Mr. Chairman, if we are ever going to make a beginning toward protecting the farmworker whose toil is usually so exacting and if we are not forever going to treat the farmworker as not only a second-class citizen but as an utterly neglected citizen, we must begin sometime.

I concur in the commendations of this able committee for the reasonable and moderate beginning it has made for the protection of the farmworker and I oppose the adoption of this amendment.

Mr. POLANCO-ABREU. Mr. Chairman, will the gentleman yield?

Mr. PEPPER. I yield to the Resident Commissioner from Puerto Rico.

Mr. POLANCO-ABREU. Mr. Chairman, I support the amendment as far as excluding the extension of coverage to agricultural workers in Puerto Rico.

A sound and viable agriculture is an absolute essential to the general welfare of Puerto Rico. In recent years, in an attempt to broaden the economic base, considerable emphasis has been placed on Puerto Rico's industrialization. Thus, we have seen small and medium industries springing up throughout the island under the stimulus of "Operation Bootstrap." Nevertheless, helpful and necessary as the industrialization program has been, agriculture still remains a dominant force in Puerto Rican life. It is still the one largest employer of labor and the one principal source of income to the Commonwealth economy.

Until the early 1950's, Puerto Rico depended almost exclusively upon agriculture. Agriculture, and agriculture alone, generated the income with which to purchase the many goods to whose production the island's climate and limited resources were not then best suited—goods produced better and cheaper on the mainland. It is in the context of this environment that we must appraise Puerto Rico's agriculture today.

Historically, Puerto Rico has been characterized by a population which, by sheer numbers, has pressed heavily against the island's ability to support. Since agriculture was the dominant factor in the economy, agriculture was forced to shoulder the burden of providing the principal source of employment. This meant spreading the work among the greatest number of workers. Because of this, however, and because of the island's limited agricultural resources, it also meant a relatively low level of wages.

In more recent times—that is, within the last 10 or 15 years—there have occurred substantial changes in the Puerto Rican economy, including changes in the island's agriculture. The need to employ a maximum number of workers as a social palliative has diminished and in many cases been replaced by the need to obtain maximum output per worker. This has enabled agricultural wages to rise. Indeed, the rise in agricultural wages has in certain instances paralleled or exceeded that in the industrial segment.

Despite this upgrading of its wage structure, the island simply has not yet had time to make all the adjustments in its agricultural economy necessary to permit survival under a Federal minimum such as that contemplated by H.R. 13712. The downward trend in labor requirements per unit of output, as evidenced in agriculture in the mainland, has been in progress many years. A similar trend in Puerto Rican agriculture is still in its earliest stages. Puerto Rican agriculture is still years away from the labor efficiency found in the mainland.

In the meantime, to saddle this industry with a minimum wage tailored primarily to mainland rather than to Puerto Rican conditions would work irreparable harm. Agriculture is still a dominant force in the economy and should be encouraged to make its full contribution to the general welfare. While having shown marked progress in recent years, the Puerto Rican economy nevertheless still cannot afford to see one of its major components seriously crippled. To blanket Puerto Rican agriculture under the Federal minimum wage structure, as presently contemplated by H.R. 13712, would do just that.

Mr. Chairman, I hope and trust that our colleagues will accept my amendment to H.R. 13712 so as to free Puerto Rico's agriculture from such an intolerable burden.

My position is supported by the report followed by the Senate Committees on Labor, Agriculture and Industry and Commerce on Concurrent Resolution 16 of the House of Representatives of Puerto Rico. The report reads as follows:

With regard to agriculture it should be particularly pointed out how undesirable and unfruitful would be the application of the provisions of the bill. Our main agricultural commodity is sugar. The wages the cane sugar grower can pay must bear relation with the price at which Puerto Rican sugar is sold in the United States. The United States sugar market is controlled by a quota system. The price at which sugar is sold is not fixed through free competition. The Secretary of Agriculture of the United States has in his hands the mechanisms to control sugar prices in the continental market. Puerto Rico has no means whatsoever to influence the price at which sugar is sold. The wages that can be paid in Puerto Rico in sugar cane cultivation depend on the price of sugar on the United States market. It cannot be higher than what that price allows. On the other hand, to pay wages lower than what economic conditions would permit, would not mean in any wise a competitive advantage, in the market of the United States, for sugar produced in Puerto Rico. If Puerto Rico sold its sugar at a price lower than the prevailing price in the United States, it would not therefore sell more sugar, in unfair competition with sugar produced in the United States, since the quantity of sugar that Puerto Rico can sell is limited to a quota. The criteria that the industrial committees would have to follow in the determination of wages, according to law, would hence be inapplicable in the case of sugar cane.

Coffee is another of the farm products of Puerto Rico. Coffee produced in Puerto Rico is almost all locally consumed. Save in the State of Hawaii, no coffee is produced in the United States. There is no competition between Puerto Rican and Hawaiian coffee. Puerto Rico's coffee is sold on the United States market only in those years in which the crop exceeds local consumption. It does not compete there with coffee produced in the United States, but with coffee imported from foreign countries, duty free.

It is evident that the fixing of wages in Puerto Rico in these two items of our agriculture is a matter that must be governed by the local situation, or by circumstances, as in the case of sugar, which are already predetermined by Congressional law. The intervention of federally appointed industrial committees in the fixing of wages in sugar cane and coffee, taken care of as it is by local law, does not respond to any practical necessity.

In so far as the law is applicable to the tropical food crops of Puerto Rico, which in their largest part are locally consumed, it is obvious that the situation would still be the more preposterous.

The law includes all farmers who have employed during the preceding year 500 man-days in any quarter. A man-day, as defined in the bill, is any man working any part of the day. Excluded from the computation are only the immediate relatives of the farmer and those workers who, besides meeting other requirements have not performed farm tasks for a period of 13 weeks during the preceding year. This last exception has very little application in Puerto Rico, where we have a rural population of 55.8 per cent of our inhabitants, a rural population whose livelihood is, almost exclusively, farming. It would seem quite odd to find a rural worker in Puerto Rico who is not customarily an agricultural laborer. Because of the complexity of computations, many difficulties would be encountered to determine which farmers would be subject to the law and which would not, particularly in the case of small farmers. This would bring about unnecessary anguish and worry, besides issues of a legal nature.

Mr. DENT. Mr. Chairman, I rise to make a unanimous consent request. I wonder if the gentleman from Ohio or the gentleman from California could reach some agreement with us on the time on this amendment and all others to it.

Mr. AYRES. Are all those who want to speak standing?

Mr. DENT. Mr. Chairman, I ask unanimous consent that the House take 20 more minutes for debate on this amendment and all others to it, and that all debate close at that time.

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

Mr. GATHINGS. Mr. Chairman, I object.

Mr. AYRES. Mr. Chairman, I wonder if the gentleman from Pennsylvania would change his request to 4 o'clock as the time for cutoff of all debate.

Mr. DENT. No. That is too long.

Mr. GATHINGS. Mr. Chairman, I move to strike the last word.

The CHAIRMAN. The gentleman is recognized for 5 minutes.

Mr. GATHINGS. Mr. Chairman, the gentleman from South Carolina [Mr. WATSON] made reference to the issue of inflation.

I would like to call the attention of the committee to an Associated Press article that appeared in the early part of April of this year, and here is what it says:

GNP RISES SHARPLY IN FIRST QUARTER

Gross national product rose sharply during the first quarter of this year, to a seasonally adjusted annual rate of $714 billion, the Commerce Department reported today.

The jump in the value of all goods and services produced in the economy was much larger than administration officials anticipated in January.

The increase could add new fuel to the continuing debate over the need for a tax increase as a hedge against inflation.

Yes, Mr. Chairman, this inflation issue is most significant in this debate. The bill as presented to us could mean increased wages for millions of wage earners which would be greater than the guidelines set by the administration for wage-price increases of 3.2 percent.

Mr. Chairman, I rise in support of the amendment which has been offered by

the gentleman from Nebraska [Mr. MARTIN].

I want to call your attention to the fact that in those areas of the country which produce cotton a great number of farmworkers will be driven from the farms to the cities where they will seek welfare benefits. We operate with a tenant or sharecropper system. Here is a farmer who has 12 tenant houses and 12 tenant families live on his place. They are good tenant houses. They are desirable homes in which to live. He has on that farm people who have been in those houses for years and years and in some instances covering farm ownership or operation for two generations.

Now, Mr. Chairman, what will be the result of this legislation? The result will be this: Out of some 12 tenant workers and their families, you will find that there are 7 heads of family of them, perhaps, who are skilled workers. They are paid adequate wages as good or above what is provided for in this legislation, which we are now considering. But on the other hand, Mr. Chairman, you have some five tenant houses filled with people who are unskilled. They have remained there and they receive free rent and also free fuel; that is to say, they get their stove wood or their gas for heating and cooking furnished to them. They have a garden plot next to their home with which they are able to supplement their food requirements for their families.

In addition, they receive free transportation.

These folk may not be needed all the year. When they need a doctor, a doctor is called and made available to their families.

They are hired to chop cotton in the spring; and to pick cotton in the fall. The rest of the year they are given every odd job possible or available. But they cannot be paid throughout the year as there is not enough work on the farm to keep them busy at all seasons.

The result is that 7 of those 12 families will remain there because they are needed to operate the tractors, the combines, and cottonpickers. But, the other five, what will happen to them? They will go to town. They will move to town or will move to a city nearby, and be thrown on the relief rolls. That is going to be the situation if some relief is not attained through an amendment like the one we are now considering.

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

Mr. GATHINGS. I yield to the gentleman from Texas.

Mr. POOL. Of the five families which go to the city, they will go onto relief rolls and the Federal Government is going to have to take care of them; is that not correct?

Mr. GATHINGS. The Federal Government and State or local is going to have to pay the cost. That is what is going to happen.

Mr. POOL. Mr. Chairman, if the gentleman will yield further; therefore, we have to figure all of that into the cost of this proposed bill?

Mr. GATHINGS. That is the fact of the matter. This legislation set out to help the tenant and sharecropper but you are not going to help them. You are going to drive them to the city.

Mr. POOL. Mr. Chairman, if the gentleman will yield further, he is going to be out of a job and will starve to death if he is not placed on the relief rolls.

Mr. GATHINGS. That is right. He will not have a job at all. However, the others that are skilled will be kept there and will be maintained and will be paid good wages.

The farmer is the only person in our economy who goes to the marketplace with his commodities and is thrown upon the mercy of the buying public. He says to the consuming public, "How much am I offered for my cotton, corn, wheat, peanuts, tobacco, soybeans," or whatever the product is that he produces and wishes to sell. At the time he is selling the produce of his labor and work, little consideration is given the question of how much the cost was to produce that crop.

The farmer is caught in a situation of having to pay more and more for those things that he must buy in his operations. These include labor which has consistently gone up in recent years and that part of the cost represents from 40 to 45 percent of the total outlay of expense in the operation of a cotton farm in which handpickers and choppers are used. In 1946 I was in the farm implement business. We sold a small tractor for about $1,600. Today that tractor has more than doubled in price. The attachments and equipment that go with the tractor have likewise and similarly advanced in price. The cost of farm trucks has risen at about the same rate since 1946. Repair parts such as the overhauling of motors continue to soar in cost.

Now let us take a look at what has happened to the price of cotton. Three years ago the support level on Middling inch cotton was 32.47 cents a pound. Two years ago that support level dropped to 30 cents a pound. In 1965 that support level dropped to 29 cents a pound for the same Middling inch cotton.

The farmer is the only member of society that goes into the marketplace and asks how much will you offer for my produce and commodities.

The amendment to strike agricultural provisions in this bill should be adopted. I trust it will be approved.

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

Mr. Chairman, I shall not take 5 minutes, but I take this time now to ask a question of the chairman of the subcommittee, or some member of the committee, with relation to this agricultural section.

Mr. Chairman, with regard to the formula or method used for figuring exemptions in man-days worked, I would like to know if the members of a farmer's family are to be included in computing exemptions?

Mr. DENT. Mr. Chairman, if the gentleman will yield, they would not be.

Mr. WAGGONNER. Would employees who are not paid on an hourly rate be included? Monthly employees such as managers for example.

Mr. DENT. Yes; they are included.

However, I must clarify and the gentleman must understand if they are not paid by an hourly wage, in most instances they are tenant farmers or live on the premises. All of the costs that are attached to their living expenses are taken into consideration in figuring the wage.

I tell you in all honesty that this will will not touch anything but the high type corporate farm.

Mr. WAGGONNER. I thank the gentleman.

The CHAIRMAN. The time of the gentleman has expired.

Mr. BENNETT. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I feel that this amendment that has been offered would strike a blow at all farmworkers. I have been particularly interested in trying to protect migratory farmworkers where I have found in my State and in other States injustices working against them.

I think it will be in the interest of our area, as well as all the United States, if farmworkers, and particularly migratory workers, are given the potection that this bill affords. Perhaps the bill could be improved by further amendments or modifications but to remove all farm labor from the bill would be a backward step. I had the privilege of testifying before the committee on this subject and I am glad they saw fit to cover these good Americans in the provisions of the bill. I also suggested to the committee the need to have all Federal employees covered by the minimum wage law and it is my understanding that section 306 will have that effect. I certainly hope so.

Mr. SMITH of Virginia. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, for many years we have had on the books minimum wage legislation. This is the first time in my recollection that any attempt has been made seriously to extend it to farm labor, which operates under entirely different conditions and wage arrangements and so forth from any other industry in the country.

The farming business is a variegated business. There are many products involved and there are many different methods of operation.

The farmer in the past—until the government got hold of him—has been a very independent man. He has been the backbone of this country. Now we are undertaking to take all the farmers, with all of their business, and put them in a straitjacket under the dictatorship of a bureaucrat.

The ordinary farmer is not a bookkeeper. It would be utterly impossible for him to keep an accurate record of what he has to do.

Now we have done enough to the American farmer up to now to put most of them out of business. Now we are going to put them in this straitjacket where everybody is governed by the same system and the same regulations. It is utterly impossible for the farmer to carry on his business under such a system and such regulations.

You know very recently, last year, I remember very well the complaints that

came here from California because they could not get the labor to pick their strawberries. We fixed it so that they cannot get the labor to pick vegetables. We fixed it so that they cannot get the labor to pick their apples. I think we have done them enough damage up to now so that we might lay off them for a little while before we put all of them out of business.

You know somebody has to do some farming or the rest of you fellows around here are not going to be eating—unless you work out some synthetic kind of food.

But this is serious business—this farming business. I happen to have been born and reared on a farm and I have been interested and have been engaged in the farming business throughout all of my life. I know something about what I am talking of in my area. I think a lot of the folks who voted for these farm measures really did not understand the practical difficulties that the farmer operates under.

The type of farm operation that is predominant in my district is the dairy business. They are going out of business so rapidly in this area in my congressional district that we are just about to run out of the dairy business. You tell a man on a farm that he has to keep account of how much labor he uses and if he hires a fellow for a half hour to milk a cow, then that is a full day's work under this bill and it is so defined in this bill. If a man does any work during the day, it is a full day's work. I happen to have tenants who run dairy farms and I have some knowledge on the subject. I have been in the business for 30-and-some-odd years. A man has a herd of 100 cows—that is not a big dairy—you cannot run a dairy and break even with a farm any smaller than that. You have to cultivate your land and raise your feed and feed those cows. You have to milk those cows every day, and there are no Sundays off. You have to milk them on Sundays, too. Those farmers do not fit into this picture. A 100-cow dairy, which I would say is smaller than the average, would come under the provisions of this bill. That farmer would have to keep all of the records specified.

Then comes the question of the benefits the employees receive. They can receive their houses free, their electric lights, their garden plots, with time to work them, and a certain amount of foodstuffs. Just stop and think what you would be doing to these farmers. I think you have done enough to the farmer. Please do not try to help them any more.

Mr. GOODELL. Mr. Chairman, I rise in support of the amendment. As I said earlier, I will vote for this legislation regardless of the adoption of amendments. But there have been some statements made here about the exclusion of farm labor that I think are not entirely accurate and could mislead our colleagues.

The statement has been made that only corporate farmers will be covered under this legislation. Let me give you some examples of the types of farmers who could very quickly be covered under this legislation. Any seasonal operation is vulnerable. Any farmer who employs a large number of workers for a very short period of time is vulnerable.

Example: A farmer who uses migrant labor. Migrant labor is counted throughout for coverage here. A farmer who uses 50 migrant laborers for 10 days would be covered with all of his permanent employees for the year. He might employ 3 people in his regular year-round operation, but if he employs 50 migrant laborers for 10 days, he meets the 500-man-day requirement, and he is covered. He is no corporate farmer.

A lot of small farms have seasonal operations in which a large labor force is put on for a short period of time. That is the problem with the 500-man-day requirement.

There is another confusion involved here. If you will look at the bill, if you have it before you, on pages 34 and 35 is discussed the type of farm labor that will not be counted toward eligibility, toward this 500-man-day requirement. In order for a worker to be not counted, he must meet all the requirements on page 35—all of them—not a single one alone. Those requirements are as follows: He must be a hand harvest laborer working for piece rate. If he is working for an hourly rate, he is counted. He must be a hand harvest laborer working for piece rate. He must commute daily from his permanent residence to his work. Finally, he must work less than 13 weeks in agriculture.

Those three requirements must be met if the Secretary of Labor is going to go in and say, "We will not count those workers you have on now."

This situation would create havoc for a number of types of farm operations. Each farm operation and each commodity is somewhat different. We had examples of farms that employ large numbers of workers who do commute daily. The workers commute daily to do types of work on the farm. These workers also work less than 13 weeks in a year in farmwork. So they comply with two of the three requirements, but they are not paid on a piece rate. They are paid an hourly rate.

If they are paid an hourly rate, they are counted toward this 500 man-days. With the various types of farm operations in this country, there will be a number of small farms that have seasonal peaks which will be covered with their permanent employees—one, two, three, or four permanent employees through the year. If they meet this 500-man-day requirement in any quarter, they are covered for the whole year. That is the difficulty with the farm provisions for coverage of agricultural workers in this bill today.

I myself believe we should move toward covering farmworkers. We can take some first steps even in this legislation, in spite of the difficulties farmers are having. But let no one be misled that we are going to cover only corporate farms under this bill. We are going to cover a great many small operations.

Mr. HARSHA. Mr. Chairman, I rise in support of the amendment to take the farmers out of the minimum wage coverage. Historically, farmers have been excluded from coverage under this law because of the very nature of their business.

Now this administration who has been using the farmer as a whipping boy for its own inflationary policies is again going to add to the dilemma of the farmer by increasing his costs and decreasing net profit with its insistence that farmers be covered under this minimum wage law. The domestic policies of this administration have been pushing farm production costs to record heights, now to require him to meet these additional costs of increased labor, wages will push his production costs even higher. The Secretary of Agriculture has been depressing grain and livestock prices by dumping Government-owned commodities on the market and expressing pleasure as prices drop. The administration has increased imports on cheese, restricted exportation of hides, sharply curtailed purchases of pork and dairy products by the military and recommended drastic cuts in the school milk and lunch program. Now to further implement its "war on agriculture" it raises farm labor costs. Such action is certainly inequitable and completely unjustified.

This bill is completely discriminatory in its method of treatment of farmers. Many business enterprises are excluded if they do a gross annual business of under $500,000. Yet the farmer is covered irrespective of his gross sales if he uses more than 500 man-days of agricultural labor per quarter. His total volume of sales might be only $25,000 yet he is required to pay a wage an enterprise grossing 20 times what he does, is not required to pay. This is certainly not fair nor equitable under any stretch of the imagination. Furthermore, Mr. Chairman, many farmers in addition to the wages he pays his worker, provides him a place to live, gives him many food products off the farm, and many other benefits, yet no credit apparently is to be granted the farmer for these; nevertheless they cost the farmer considerable money. These fringe benefits will undoubtedly exceed the increases provided for in this minimum wage law and the worker is far better off with them than he is with the increased wage. I predict that if the farmer is forced to pay this higher wage he will take away many of these fringe benefits. He will have to protect himself—so the worker is going to be worse off in the long run and the Federal Government has its long nose further into the business of the American farmer.

Mr. Chairman, this action will drive more Americans from the farm and further deplete the number of farms in this country. I urge my colleagues to support the American farmer and exempt him from coverage under this bill. Let us stop the administration from further eroding the profits of the farmer and support this amendment.

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

Mr. Chairman, I support the amendment to remove agricultural workers from coverage under the provisions of this minimum wage bill. Their inclusion

in this bill will open up a whole new field for Federal intervention and regulation. Further intervention into and regulation of our farmers' affairs by the Federal Government is something that our farmers do not want. The Federal Government has already crippled many of our Nation's farmers by all of its controls and regulations and subsequently forced them off their farms. Why, I ask, put this additional burden on those remaining and eventually cause them to seek other ways of making a livelihood?

Our Nation must depend upon our family type farmers for its food. We cannot depend on the large corporate type farms to do the job. This has been proven time and time again, and is at present being proven in the Soviet Union. Yet, there are those among us today who are willing to put the future of these remaining family type farms in question by further burdening them by inclusion in a bill specifically designed for big business and industry. Under this bill a retail business would have to gross $500,000 per year to be covered and after 2 years $250,000 per year. Yet, regardless of a farmer's gross income he would be covered. Yes, I realize that under the foot-in-the-door approach used in this bill, a farmer's coverage would at first be on a 500-man-day per quarter basis. But, everyone knows that the history of this legislation has been to expand rather than diminish the coverage. The next session of Congress would undoubtedly cut these man-days in half and a succeeding Congress could easily remove them entirely. So, let us not kid ourselves into believing that only our large farm operations would be covered under this bill once the regulations had been promulgated and the precedent established.

I need not remind our farmers that they have not been receiving a fair return on their investments and for their labors. Yet, this type legislation would further diminish their small return. I would think that the Secretary of Agriculture would realize this, but, as the gentleman from Pennsylvania [Mr. DENT], the bill's author, said before the Rules Committee:

> The Secretary of Agriculture is not opposed to this legislation.

I say he should be if he is concerned about farm income. However, on second thought, I wonder if he really is concerned about farm income. If he is, one could not have detected it from the protestations that were heard just recently when a few farm prices started to rise or when pork and butter were withdrawn from our Armed Forces.

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

Mr. Chairman, I rise in support of the amendment.

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

I rise in favor of the amendment.

From time to time in past years, proposals have been made that farmworkers be covered under minimum wage legislation. This should not be done and I want to record my continued opposition to the coverage of farm labor under minimum wage legislation.

Such legislation would be hurtful to farmers, farmworkers, and consumers.

I strongly support the pending amendment to eliminate farmworkers from coverage.

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

Mr. Chairman, I take this time to inquire of the subcommittee chairman, Mr. DENT, if, once a farmer finds himself under your bill, will he remain under it from thereon and thereafter?

Mr. DENT. No. It always looks back to the previous year. He can be covered this year because of the conditions of the crops and weather, and so forth. But then next year he may be decreased to less than 500 man-days and he will not be covered.

Mr. ABERNETHY. To illustrate, if a farmer used the required labor in 1966, then such would bring him under in 1967. He would be under the law for the entire year 1967. But if, during 1967, he did not use the required amount, which is set at 500 man-days in any one quarter, he would not be under the law in 1968. Is that correct?

Mr. DENT. That is correct.

Mr. ABERNETHY. Suppose this farm is divided next year. It is sold, and it comes under the ownership of two different people. What is the status of the two owners?

Mr. DENT. There are two different places, then, and it would have to follow that each of the places had the 500 man-days. That is a simple matter of law.

Mr. ABERNETHY. Will the law apply to the particular individual and not the land?

Mr. DENT. It applies to the employer.

Mr. ABERNETHY. Then there is no requirement that it must be the same farmer and the same farmland. Is that correct?

Mr. DENT. Are you trying to say that if I had qualified to be covered, and I moved off the farm and into the city, I would still be covered?

Mr. ABERNETHY. Let us put it this way: Suppose the gentleman has a farm, and he is covered this year. He sells that farm and buys another. What then would be your situation as regards this law?

Mr. DENT. There was a man named Solomon. He could not answer everything, and I cannot. I do not believe anybody can answer that. Hypothetical cases can be thrown into the aisle until we reach the moon, but it is not possible for me to anticipate that a farm will be split into 10 sections and sold to a man, perhaps to a man who will build apartments. I do not know what the ruling will be. A request will have to be made to the interested department, and it will rule on the interested employer.

Mr. ABERNETHY. What was the intention of the gentleman when he put this provision in the bill? What was your intention? Was it your intention for the coverage to follow the man thereafter, even though he may have sold the farm and moved on to another?

Mr. DENT. No, I did not intend that. I intend that if a farm is being farmed by a farmer, and he employs labor for 500 man-days a year, and if that same man had that same farm the next year and again hired the people, he would be covered.

If we go into hypothetical situations, there is no limit to the stretch we could make. We could say, "Here is a farmer who had 500 man-days last year, and had 190 acres. He sold 5 acres. Will he now come under the terms of the bill?"

I would not be able to answer that. I cannot make legislative history out of something which may be probable but is not attached to the meaning of the bill.

Mr. ABERNETHY. I assure the gentleman it is not my intention to submit a series of hypothetical questions that confuse. I am simply seeking information. I believe the gentleman has been quite fair and endeavored to enlighten me.

Mr. DENT. I have tried. I really do not know.

Mr. ABERNETHY. But I am trying to determine just what this bill will do. My farmers want to know. I thank the gentleman for his answers, but they do not clear up the confusion.

Mr. Chairman, while I have the floor, may I say that the Martin amendment should be adopted. To include farmers in the minimum wage law would be a serious mistake both for them and the consumers.

Every farm in America will eventually become a disaster area if this law is made applicable to agriculture. While the provision in this bill will exempt the majority of our farms and farmers, it is simply a foot-in-the-door proposition and coverage will soon be expanded to every farm in America. As we all know, it has been the policy of the Congress to modify and eventually repeal all exemptions.

If the proponents of this measure want to kill the way of life of American agriculture and reduce it to the status of big corporate operations, then I can think of no better way to do it than to direct Uncle Sam to move in and begin fixing farm wages.

Second only to the gambling fanatics who frequent the dens of chance of Monte Carlo, there is no greater gambler than those who till the soil. Some years the weather is good, some it is bad. Some years the crops are good, some they are bad. There is a further risk to farming not applicable to most businesses or enterprises. The farmer never knows what he will get for his crop. He takes it to market and has to accept what he is offered. He has no bargaining power whatsoever. He is at the mercy of the buyers.

Furthermore, this idea of minimum farm wages would force more and more mechanization, and more unemployment of farmworkers. The unemployed will have no choice but to depart their rural areas and head for your already overcrowded cities. Untrained and unadapted for urban employment, these unemployed farmworkers will become a part of and further aggravate the already complicated social problems of our cities.

Lastly, there is no question but that bringing farmers under this bill will add to the cost of living. Prices will soar. And the Great Society could very well become the hungry society.

I earnestly urge that the Martin amendment be adopted.

Mr. RANDALL. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from Nebraska [Mr. MARTIN] which would eliminate all coverage for agricultural workers under H.R. 13712.

The proponent of this amendment to eliminate coverage predicates its merit upon the fact that the agricultural economy is in the doldrums and that matters would be worse if minimum wage provisions were applied to agricultural employers. To oppose his amendment means to favor retention of the provision of the bill as it comes from the committee.

The bill as written contains the clear stipulation that there shall be an exemption for agricultural employees if the employer did not during any calendar quarter use more than 500 man-days of agricultural employees. This is the approximate equivalent of seven employees full time in a calendar quarter. In other words it would mean a farmer must have seven or more full-time employees before these employees would receive minimum wage coverage. This is in addition to the exemption excluding agricultural employees if they are a parent, spouse, child, or other member of the employer's immediate family.

The question might properly be asked, What is the effect of these exemptions? The answer is that coverage would apply only to a small portion of all farmers. The provision would have application only to operations of considerable size.

I do not profess to be an agricultural economist. I have heard the expression used quite frequently to describe large agricultural operations as "corporate farming." I don't know whether corporations are actually formed to engage in farming or not. On the other hand, my concern is for the perpetuation of the family farm. It would seem to me that the provision of H.R. 13712 as originally written without this proposed amendment would have a beneficial effect for the family farmer.

To demonstrate this point, if higher minimum wages are paid by large or corporate farmers and the exemption continued for the small or family farmer, this should put the family farmer in a better competitive position. The large or corporate farmer would henceforth, if this bill is passed, be required to pay a higher minimum wage to those who need it the most, being the large numbers of migrant or transient workers he employs, while the family farmer by using his own family or neighbors or those who commute from the smaller communities near the farms will continue to enjoy the minimum wage exemption. In my judgment this is the reason why it is so important that the provision as written be retained in the bill rather than the elimination of all minimum wage coverage as now proposed.

Prior to consideration of this bill, we received some correspondence from our farmers who were concerned about the inclusion of any agricultural employees in the minimum wage bill. On the other hand, our office was the recipient of an enthusiastic letter from one of our constituents, who wrote as chairman of National Egg Producers Organization. At his request, we caused to be included in the daily CONGRESSIONAL RECORD on March 9, 1966, the letter which pointed out:

> We are hearing a lot about eliminating poverty in rural areas and redevelopment of rural America. Frankly, there is very little wrong with rural America that a decent income level wouldn't cure.

The chairman of the Egg Producers goes on to point out:

> Our country towns have been bled white by loss of millions of their people who have flocked to the big cities in search of greener pastures. This exodus has added to such urban problems as housing, traffic, air pollution, etc., and much of it could have been prevented if we had been realistic and included all workers, including farm workers, under the minimum wage and hour law at the very start.

Finally, near the conclusion of the rather lengthy letter our correspondent concludes by saying:

> We strongly urge inclusion of all farm workers in the wage and hour law, and at the same minimum wage as other workers, so that farmers can compete on even terms for scarce labor to produce more meat and milk for Americans and more grain and soybeans for a hungry world.
>
> Let's keep the remaining farmers on the farms producing food instead of going to the cities to produce more smog, slums, and traffic jams. Immediate inclusion of all farm workers is a must.

Mr. Chairman, one of the speakers in the debate a few moments ago hinted at the fact that farming is now a most important occupation because we must feed almost the entire world. He mentioned the increased productivity of farmworkers increasing from 1940 when 1 farmworker supplied the needs of only 11 persons up to the point where in 1964, 1 farmworker supplied the farm needs of 33 persons. Yes, I think it is true we may be required very soon to help feed the world. There may be some remaining possible gain in productivity because of mechanical harvesting and an increased use of fertilizer and chemical agents, but there must certainly be a limit to this productivity. For that reason it is an equal certainty we must retain on the farms a large farm population if we are to provide the world's food supply. The experts say within the next decade many portions of the world will suffer from famine. It is for such reasons and objectives I agree with my constituent that the best way to keep farmers on the farm is to pay wages which will keep farmers on the farm.

One of the previous speakers bemoaned the fact in this debate on the amendment to eliminate farm coverage, everyone seemed to be worried about the farmer or the farmworker, and the consumer had been forgotten. He made a slight effort to renew the old argument that there was a conflict of interest between the farmer and consumer. The speaker was using the old device to array the city against the country or the farmer against the consumer. Well, if the price of farm products should rise more than wages as a result of this coverage, of course the intent of this legislation would be negated. But the fact of the matter is that field labor is a very small percentage of the cost to the consumer. It has been estimated the cost of bringing agricultural wages up to a level of about $1.25 an hour is approximately equivalent to 1 penny per unit for most vegetables or fruits, whether that unit is a pound or dozen or head or whatever the unit may be. If retail prices should go up more than this amount and if then there is an outcry to blame such an increase of food on rising cost of farm labor then everyone concerned should forthwith demand a complete congressional inquiry.

It should be emphasized that for agricultural workers we are talking about a minimum wage which begins at only $1 an hour on February 1, 1967, and progressed to no higher than $1.30 an hour in 1969. Again the intention is to provide protection for farm employees of the large agri-business enterprises. This provision will not injure the family farmer but in fact should benefit his operation and hopefully assist perpetuation of the family farm.

The CHAIRMAN. The question is on the amendments offered by the gentleman from Nebraska [Mr. MARTIN].

The question was taken, and the Chairman announced that the "noes" appeared to have it.

Mr. MARTIN of Nebraska. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chairman appointed as tellers Mr. MARTIN of Nebraska and Mr. BURTON of California.

The Committee divided and the tellers reported that there were—ayes 149, noes 157.

So the amendments were rejected.

AMENDMENT OFFERED BY MR. BERRY

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

The Clerk read as follows:

> Amendment offered by Mr. BERRY: On page 34, line 24, strike out "or"; page 35, line 9, strike out the period and the quotation mark and insert in lieu thereof ", or"; and, after line 9, insert the following new paragraph:
>
> "(3) any individual who is employed by an employer engaged in agriculture if such individual is employed on a farm or ranch which is principally engaged in the production or feeding of livestock."

Mr. BERRY. Mr. Chairman, I have two amendments designed to make the same correction in two different parts of the bill, and I ask unanimous consent that both amendments be considered en bloc.

The CHAIRMAN. Is there objection to the request of the gentleman from South Dakota?

There was no objection.

The CHAIRMAN. The Clerk will report the second amendment.

The Clerk read as follows:

> Amendment offered by Mr. BERRY: On page 37, line 12, strike out "or" and, in line 14,

immediately before the semicolon insert the following: ", or (C) if such employee is employed on a farm or ranch which is principally engaged in the production or feeding of livestock".

The CHAIRMAN. The gentleman from South Dakota is recognized for 5 minutes in support of his amendment.

Mr. DENT. Mr. Chairman, I wonder if we could have the courtesy of a copy of these amendments? They are complicated amendments. A moment ago we could not obtain a copy of that amendment. The gentleman now wants an amendment to cut out what he put into the bill. We must have copies of these amendments in order to know intelligently how to vote on this situation.

Mr. BERRY. Mr. Chairman, this is a simple amendment. All it does is to exempt, if you please, from the provisions of the bill those engaged in ranching and the producing and the feeding of livestock.

Now, Mr. Chairman, from the very nature of the bill itself, it means primarily that these are the larger ranches, already paying probably more, much more, than the minimum wage. For these people it will just simply exempt them from having to make these reports and from having some bureaucrat breathing down their neck.

As a matter of fact, in the ranch business, whether it be ranching in the production of cattle or sheep ranching, there is not any way of determining how many hours a week a man works. No bureaucrat can sit on the tongue of a sheep wagon and tell whether a sheepherder, a man out there with his flock, spends 24 hours a day, or is working 8 hours a day or 40 hours a week. It is impossible to make that determination.

Mr. Chairman, the purpose of these amendments is simply to relieve these larger operators, where they have to have additional help during lambing, during calving time, and during haying time, relieve them of making these reports, and having someone come out and, in effect, see whether or not their help is working 40 hours a week or 41 hours a week, when no one under the provisions of this bill can tell anyway.

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

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

Mr. Chairman, these amendments were taken up by the committee on more than one occasion. The gentleman from Nebraska offered them in another form, but they were designed to accomplish the same thing.

Mr. Chairman, we deliberated over them and discussed them. We talked to the various groups involved. I talked to the ranch people myself and other men from the West talked to me about it.

People came in from the West and they talked to us here. The sheep people and the cattle people came in and I want to say that we left very friendly. If I were to quote them, I would say to you that they are not opposed to this legislation.

The record you are talking about is contained on page 22 of the report. I do not believe anybody can hire anybody with or without a bill without having their name, their home address, the date of their birth and if they are under 19 years of age and their sex and the kind of work they are going to do and the time of the day and the day of the week and when the employee's workweek begins and the hours he works each week.

If you hire anybody whether he is covered by the bill or not, you ought to know his name and you have to know how many hours he works in order to pay him his total weekly earnings. When you pay the worker, you have to mark it down somewhere on a check or something that you are paying the man. These records that he is keeping are the only records that we can get so that we can come before this House and deliberate on a bill intelligently. I was asked a question a minute ago and I had to confess to the House, and I did confess, that I could not answer the question. Why? Because in areas where they do not keep any records and have no records, none of us have any way of knowing what we are doing. That is the reason, sir, in the agricultural wage schedule this committee stopped at $1.30 because we honestly could not really and sincerely go beyond 2 years of coverage because we do not know for sure what it is going to do.

We asked the Members of the House to believe we are trying to work in a reasonable fashion. We covered your folks out in your area. They talked to us. They came in to see us. There is not one single coverage in this bill that has not been discussed with the different people and we took suggestions from each of them to change the provisions of previously proposed legislation.

But, it is impossible with 435 Members of the Congress, with each one of us wanting to play on the team and all of us wanting to be the pitcher. No one here wants to shag a fly and say, well, now, I cannot get everything I want for my district. There are 435 districts—each one different—and it is difficult to write a piece of legislation that covers all of the districts and yet give each and every one a complete exemption.

If you do that—if you take out the sheep and cattle ranch people—you will be taking out the largest ranchers in the country.

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

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

Mr. BERRY. How can you tell how many hours these people work? How can anyone determine the hours that these people put in?

Mr. DENT. You really do not have to worry about that. There are no overtime provisions. It is a question of man-days. The law itself is based on man-days and in all the correspondence that we have here and we have a great volume of correspondence here, each and every one of them says it is the fairest method.

Mr. BERRY. How are you going to figure out how much an hour a man is getting if you do not know how many hours he works?

Mr. DENT. I will tell you this. If that farmer or that rancher is smart enough to employ people for 500 man-days a quarter and he does not know how to figure out how to pay his people, he needs some supervision. I am trying to be intelligent about it.

Mr. BERRY. And I will tell the gentleman something—all the rancher is interested in—and he is paying more than the minimum wage now——

Mr. DENT. Then why are you objecting?

Mr. BERRY. All the rancher is interested in is that he just does not want some Federal bureaucrat breathing down his neck and checking his books and going through all of these things every 3 months.

Mr. DENT. I would only say this to my colleague. If that is the only basis and the only argument for your amendments, I would point out to you that there is nobody in the United States who welcomes Government snoopers breathing down their back. I am against the income tax. Do you want to repeal the income tax laws because someone is snooping all the time? If that is the only objection to the bill—and the bill does not work any hardship on anybody—and the gentleman points out that these people are paying more than the minimum wage—and it does not affect the ranchers so far as that is concerned, but the ranchers do not want to have snoopers, then I would say that is not a sufficient argument.

Mr. POAGE. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, it had not been my intention to involve myself in this discussion, but I do feel we must clarify some of the questions of fact which are involved here.

I assume that the amendment offered by the gentleman from South Dakota is actually offered in the form which it takes because there is a problem which more generally confronts livestock growers than it does what are called "row crop" farmers, more often than not, at least in the area with which I am acquainted and I assume in other areas.

There are a great many people who own livestock operations and who employ one—sometimes more than one, but oftentimes only one—employee who will work on the farm or ranch, live in the house, receive all of his utilities and probably transportation in addition as part of his wages. I discussed this question with the chairman of the subcommittee and he was very courteous. I raise it now, not by way of criticism, but solely that we may have a clear-cut understanding of it in the RECORD.

To me it seems clear that if a man is working on a farm or ranch—and it is ordinarily a livestock operation—by the month, and people do not work ordinarily under those circumstances by the hour—at least they do not understand it by the hour—that man is there to do everything and anything which may come up on that place, and if he is required to go out at midnight, he goes out at midnight. If he takes his family to town one day, that is not counted against him. He is in many respects his own boss, but both he and his employer recognize that he is employed to do any work which is needed and at any time it is needed.

I think that under the decisions of the Labor Board that were he working in industry that they would hold he was working 24 hours a day because he is available to work 24 hours a day. I think they have held that way in cases of industrial employment. I see no reason to assume that there would be a different rule under the proposed legislation. I understand the chairman of the subcommittee disagrees with me on that point. Is that correct?

Mr. DENT. Yes, I do.

Mr. POAGE. Just for the record—and I want to get your feeling, not mine—you feel, as I understand it, that the employer and employee would have the right to make any agreement they wanted to, so that a man such as I have described could be considered as working only 8 hours a day, if that is all the time he actually averaged putting in in physical labor?

Mr. DENT. Since there is no time-and-a-half requirement in the bill and no overtime criteria in the legislation, the question gets down to whether or not a monthly payment, with the fringe benefits that are usually granted in conditions where the employees work by the month, the Department of Labor must establish some sort of a ruling other than to take the purely hourly rate, when the whole computation is on a day-rate basis. They will have to establish that a day is considered to be so many hours.

As you know, the Department of Agriculture, in the Sugar Act, has decreed that a farm day is considered to be 12 hours. The Sugar Act works on a 12-hour base and has for many years, as the gentleman knows. I do not know what they will determine, but that has to be determined.

Mr. POAGE. This man working in livestock operations is actually on the job 24 hours a day and he is subject to work any one of those 24 hours. I think under the decisions we have in the industrial field they would hold that this man is an employee for 24 hours. That immediately brings this operation under the terms of the bill, because that is more than 500 man-hours.

Mr. DENT. This is not hours.

Mr. POAGE. What is it?

Mr. DENT. That has nothing to do with it.

Mr. POAGE. It has nothing to do with the wage. I am not talking about that, but I want to see if the employment of one man who has a constant responsibility would bring his employer under the bill. I think that there is a strong probability that it would. You think that it would not.

Mr. DENT. It has nothing to do with the coverage. It is 500 man-days. If he worked 24 hours a day, it would be 1 day.

Mr. POAGE. I think they would clearly hold that his 24-hour day was 3 man-days. I do not think there is the slightest doubt about that, and that figures out about twice 500 man-hours per year even if it is not necessary to employ any other help all year, and that is a most unlikely assumption.

Mr. DENT. All I can say to you is that I do not believe the Labor Department or any court in the land would determine that a man was working 21 days a week. They can't do that.

Mr. POAGE. I think it is clear they have done it in the past, and I think it is clear that they would do it in this instance. Under those circumstances it would mean that anyone who employed a sheepherder would be subject to the terms of the bill, and I think we must recognize that danger.

Mr. DENT. He will not be subject to the bill.

Mr. POAGE. I can only hope that the Chairman is correct. Anyway let the record show that the Chairman interprets his own bill as presenting no obstacle to the continuation of the existing practice of employment by the month with the understanding that the employee may be required to work 24 hours at a time.

I fear, however, that even this does not explain how the employer will fill out those records to which the Chairman has just referred. Clearly, the employer could not know just when the employee was working and when he was sleeping, yet it seems equally clear that this bill would impose such a responsibility—I must conclude that regardless of the Chairman's unquestioned good faith, that the proponents of this bill simply have no concept of the practicalities of farming, and that they do not know what the effect of their bill will be.

Mr. SISK. Mr. Chairman, I move to strike out the last word.

The CHAIRMAN. The gentleman from California is recognized for 5 minutes.

Mr. SISK. Mr. Chairman, I would like to have the attention of the chairman of the subcommittee.

I believe it is rather important to establish some interpretation here of what we are talking about. I well appreciate the problem that has been brought to the attention of the House by my colleague from Texas.

I happen to have a substantial stock industry. I happen to have a very large sheep industry.

I might say that as late as yesterday I discussed this subject with my wool growers. We are employing a substantial number, I might say—and a great many of you probably know we have to bring them in, because we have to do that in order to get experienced people.

I have assured them they will not be adversely affected by this legislation. But I want to make certain that it is not the intention of the committee that the fact that a sheepherder, who goes out on the range and literally for weeks and months lives with a herd of sheep, is going to be interpreted as working 24 hours a day and has to receive whatever the minimum wage is for each hour of that 24 hours.

Is there any such intention whatsoever in the mind of the committee?

Mr. DENT. There is no such intention. I would stake my reputation as a Philadelphia lawyer that there will be no such ruling.

Mr. SISK. I supported the position of the committee in opposition to the amendment which was offered. But this would be of serious consequence. I think my colleague from Texas and I ought to have some understanding of what we are talking about, because this is a very important subject. We are paying now, for example, $240 and found—and I assume the gentleman knows what we mean by "found."

Mr. DENT. I surely do.

Mr. SISK. We pay a man $240 a month and sometimes more, and we furnish him all his food and lodging and practically all his clothing, and everything he has.

Mr. DENT. That is found. Found is found, and counted.

Mr. SISK. If there is any reasonable interpretation of the hours in a day, it would seem we pay the minimum wage.

Mr. DENT. It is my interpretation, the interpretation I have put on this, that it would not be counted a 24-hour day. A day on the farm is the customary work day on the farm as such.

However, before we vote finally on the bill I will try my best to obtain a statement in this respect from the department that has to administer it. I think that is the only way to get at it.

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

Mr. SISK. I yield to the gentleman from Texas.

Mr. POAGE. Mr. Chairman, I think the subcommittee chairman is doing a pretty fair thing. I appreciate it.

I want to ask the gentleman from California, if that interpretation is correct, how he will keep these records he referred to, because the chairman pointed out one of the records that must be kept is the exact hours the man worked.

How in the world is the sheep owner, who lives in Fresno, going to know the hours that man has worked up on the side of the mountain? How is he going to fill in that blank and turn it in?

Mr. SISK. If the chairman of the committee desires to answer it, I will yield to him. I think I have an answer, but I will be glad to yield to him.

Mr. DENT. Mr. Chairman, there is not a mandatory carrying of the records on all of the four lines. If we will look at the language, it simply says that, for the overwhelming majority of employers this is the only information with respect to employees which will be preserved. When we have a man on a monthly payroll, we do not have to keep the hours.

The CHAIRMAN. The question is on the amendments offered by the gentleman from South Dakota [Mr. BERRY].

The amendments were rejected.

AMENDMENTS OFFERED BY MR. GUBSER

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

Mr. Chairman, I have another amendment at the desk. It goes to another portion of the bill.

I ask unanimous consent that the two amendments be considered en bloc.

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

Mr. DENT. Mr. Chairman, I did not hear the unanimous-consent request.

The CHAIRMAN. The gentleman from California requests that the two amendments be considered en bloc.

One amendment goes to another portion of the bill.

Mr. DENT. I thank the Chairman.

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

There was no objection.

The Clerk read as follows:

Amendments offered by Mr. GUBSER: On page 34, strike out line 25 and all that follows down through and including line 14 on page 35.

On page 37, strike out lines 8 through 14, inclusive, and insert in lieu thereof the following:

"(6) any employee employed in agriculture if such employee is the parent, spouse, child, or other member of his employer's immediate family; or".

Mr. GUBSER. Mr. Chairman, I opposed the amendments of the gentleman from Nebraska, which would have stricken agriculture from this bill. If I read the legislative barometer correctly, I believe we can now predict that in a very short period of time there will be a minimum wage for agricultural labor. This is a step forward but too small a step.

The bill does not go far enough, so I am offering this amendment which would strike out the exemption for those who use less than 500 man-days of agricultural labor in any one quarter. In other words, it would apply to almost every farmer except those who hire members of their own family.

In defeating the Martin amendment to exempt all agriculture we have established the principle of an agricultural minimum wage. Now the question is, What kind of a minimum wage? I hope in this bill, we will not create one which will be discriminatory.

This bill as presently written discriminates against the employees who work on various sized farms who do exactly the same kind of work. One man can be doing a job on one side of the road and be covered. Another man with the same sized family to feed could be doing the same kind of work on the other side of the road and not be covered.

Furthermore, this bill would widen the competitive gap which already exists between California farmers and the farmers with whom they compete in the rest of the Nation.

The gentleman from Pennsylvania stated that 61 percent of farmworkers would not be covered.

The gentleman from Iowa stated that 600,000 would not be covered. I suggest that these 600,000 persons are being discriminated against.

California agriculture by its very nature is different. We irrigate, and most other States do not. This causes extra work. It means that ground must be worked and reworked between irrigations. We raise deciduous fruits, so we must prune and spray in the dormant season. We have all sorts of operations which other States do not have in the production of the same commodities. This means we use more labor per acre than other States.

We in California are paying the highest agricultural wage rates, with the exception of Hawaii, in the entire Nation. Yet our State is the target today of those who say we are not paying enough. We feel that if we are a target when we are exceeding the minimum wage and leading other areas, it is wrong to exempt 600,000 workers who work for our competitors across the Nation and not force our competitors to at least part of the way up to the level of wages which we in California are paying and will continue to pay.

This discrimination between workers is impractical. If one worker knows in the morning that the farm down the road is paying a nickel more, everybody in that county will know it by noon, and wages will go up. So the distinction is not necessary and therefore not practical.

It is inconsistent with the Sugar Act, which we have had for years and under which all farmers, both small and large, must pay a certain wage.

It has been said that 600,000 people do not constitute an impact on the labor market. I point out that there is an impact on 600,000 human beings who are discriminated against. Let us consider the impact upon people instead of the impact upon the labor market.

It has been said that this will hurt the small farmer. In California when you talk about seven employees versus six employees, you are not talking about the difference between a small and a large farm; you are talking about a small and a smaller farm, because they are all small if they employ as few as seven people.

The trend today is toward larger farm units and fewer small farms. This is due to the tremendously inflated cost of equipment and the necessity for spreading increased overhead over a larger volume.

This trend has persisted even without a minimum wage and I predict that it will continue with or without an agricultural minimum wage.

So the real underlying question is: "In passing this bill, do we intend to subsidize small farms and help them to resist a natural and inevitable economic trend?"

If this is our purpose, then I suggest that we achieve it properly by asking the Committee on Agriculture to consider a program of small farm price supports and subsidies.

It is wrong to ask the farmworker who is currently on the bottom rung of the economic ladder to bear the entire brunt of this subsidy.

It is wrong to ask the California farmer, who is already pressed by unequal competitive factors, to accept increased disparity by legalizing some farmworkers to work at lower wages in order to subsidize small farms.

I came from a small farm and I regret seeing this great American institution gradually disappear. I might even be willing to support a program to help it survive, but I cannot support it by licensing discrimination between workingmen who do exactly the same job.

I do not think any of you should favor such discrimination.

Therefore, I urge you to remove the 500-man-day-per-quarter criteria for coverage of agricultural labor.

I urge you to eliminate discrimination against some workers and against some farmers.

I urge that if we have a minimum wage for agriculture we have it for all farmers, all States, and all workers.

I urge your support of my amendment.

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

Mr. Chairman, if I understand the amendment of the gentleman from California [Mr. GUBSER] correctly, the effect of it would be to include almost every farm in the United States. Every farm that employs one person other than the immediate members of the family would be included if this amendment is adopted. This may be a very fine goal in the future, but I do not think, Mr. Chairman, the time has arrived when we can do this. The 500-man-day test in the agriculture section is to that section what the enterprise test is to the retail trade section. So when we eliminate the 500-man-day test from the agricultural section, it is just like cutting out the enterprise test in the other sections which the gentlemen on the other side of the aisle have seen fit to raise. So it seems to me if we are going to be consistent, we are going to furnish to the small farmer, the family farmer I may add, the same type of protection for his smallness that we are providing to the small businessman with the enterprise test. This I submit also would bring to the small farmer, as the gentleman from Virginia mentioned earlier, problems of bookkeeping which the individual family farmer is not prepared to assume.

Mr. Chairman, I submit that the gentleman from California states that the small farmer is going out of business, anyhow. This amendment would work toward putting him out in a real hurry.

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

Mr. MEEDS. I yield to the chairman of the subcommittee.

Mr. DENT. I would ask you to oppose this amendment, because the committee did try to do that which was just and proper and fair. We tried to limit coverage to those farms we believed were in a corporate type of entity. We did not believe covering all farms in America would be fair to the farmer or fair to the economy of the Nation any more than we ever believed in covering the mama-and-papa store of a retail association.

Mr. HAGEN of California. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman and members of the Committee, I am going to vote for the amendment of the gentleman from California. I would like to say I think it is a fiction to assume in any area where you have any substantial number of large farms that are covered by this bill that you are not going to raise wages for every farmer in the area, because there are shortages of farm labor almost everywhere in the United States now and all of these farmers are competing for the same labor. They will compete in terms of wages if this bill is passed.

I would like to ask the chairman of the subcommittee some questions if I might. No. 1, in applying this law would

it be possible to calculate the compliance with the minimums established for farmwork on the basis of piece rates which result in an average for all his employees, equal or above the minimum, or must there be a flat dollar minimum for every single employee regardless of his individual productivity working on a piece rate basis.

Mr. DENT. Yes.

Mr. HAGEN of California. This method of compliance would be valid under this bill?

Mr. DENT. Yes. If there is a piece rate, it meets the minimum. It is a measure of earnings. A piece rate is used in industry today, and I would assume it would be used in the agricultural field the same as it is used in industry.

Mr. HAGEN of California. And, therefore, if the farmer uses a piece rate method of pay, if his rate were high enough for the average of his employees he would not be out of compliance because a few workers failed to earn the dollar minimum?

Mr. DENT. Mr. Chairman, if the gentleman will yield further, those people who are piece rate workers in most instances are going to be exempt under the Green amendment which will be offered very shortly.

Mr. HAGEN of California. The gentleman says that there will be an amendment offered to permit a pure piece rate as a method of compliance.

Mr. DENT. If the gentleman will yield further, it is an amendment that is designed to clarify the counting and the coverage.

Mr. O'HARA of Michigan. Mr. Chairman, will the gentleman yield?

Mr. HAGEN of California. Not at the moment. I shall be glad to yield to the gentleman later.

I want to ask some questions about this agricultural coverage formula and who is covered, the present description of coverage is rather poor, to be sincere about it.

How is the farmer to determine in counting his man-days whether or not a particular worker has worked less than 13 weeks during the preceding calendar year? How can he accurately determine that?

Mr. DENT. When you ask him.

Mr. HAGEN of California. Suppose he furnishes an incorrect answer?

Mr. DENT. If the gentleman will yield further, it will have to be the same answer as is given when you have to determine the age of a person who is buying a drink of liquor in a liquor store. You can only ask him.

Mr. HAGEN of California. Why put these qualifications in there—this commuting item and this 13-week requirement?

Mr. DENT. Mr. Chairman, if the gentleman will yield further, in order to cover the migrant who is, in fact, a farmworker. We tried to distinguish between a farmworker, one who earns a livelihood at farming, and the local farmworker who comes out during the harvest season, where the worker and his family go out in the harvest season and harvest cherries, strawberries, and blackberries, and other cover crops or ground crops. We do not want to cover them as farmworkers, when they are not in the farmworkers classification, because they are only temporary.

Mr. HAGEN of California. I would like to point out to the gentleman from Pennsylvania that I do not know what the situation is in other States, but labor has settled down in California. A large number of the farmworkers who do harvest, for example, fruits and vegetables, live in the area, and they, in fact, commute to work from their homes.

As I understand it, under the gentleman's definition, their work activities would not be included in this computation of man-days?

Mr. DENT. Not if they work less than 13 weeks in the year. They would travel back and forth to their homes and they would pick another crop.

We have made the provision as tight as we can.

Mr. HAGEN of California. I am not going to try to change your formula with an amendment, but I believe a much fairer criterion would be a criterion of gross income, such as you have with reference to retail establishments, for example.

Mr. DENT. Mr. Chairman, if the gentleman will yield further, that was gone into very, very thoroughly by the committee, and it just was not possible to get any kind of agreement. For example, a farmer may have in 1 year a very fine, prized bull. You just do not get one of those every year, and he might be covered because he had that prized bull. We did not want this bill to be based upon bulls.

Mr. HAGEN of California. Let us assume that the only quarter in the year that he employed 500 man-days of farm labor was the last quarter. What is his situation the next year?

Mr. DENT. He is covered the next year.

Mr. HAGEN of California. Even though this is a new year?

Mr. DENT. That is right. If he does not reach 500 man-days that year, then he is uncovered the next year. That is the only formula about which we know.

Mr. HAGEN of California. He is uncovered the next year?

I would respectfully submit that this formula should be changed when the bill reaches the other body in some fashion. Serious questions remain; for example, assume that the first affecting year of the act coverage is based on the first quarter's employment—does that record establish a requirement for the balance of that calendar year or only for the succeeding year?

Mr. GLENN ANDREWS. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I will say to my colleagues that I have listened to the debate yesterday afternoon and today on this bill. I have listened attentively, I think, and I have found expressed by the various Members of this body two distinct purposes behind this legislation.

I, myself, am inclined to believe that both of these factors are involved in the legislation.

But I would like to make it very clear, if I possibly could, particularly to the gentleman from California whether or not the closing of the competitive gap between California agriculture and other agriculture in the United States is their purpose in this legislation? Or whether we ought to believe, with the gentlewoman from Oregon and the gentlewoman from Hawaii, that the purpose of this legislation is to establish decent wages for the lower paid in America.

May I ask the gentleman from California who just spoke if he can tell me whether or not the chief purpose of the bill so far as the California people are concerned is to close the competitive gap—where California enjoys a good climate and great soil and abundant labor—whether their purpose in this bill so far as Californians are concerned is to close the competitive gap or to gain a decent wage for the farm employees of America.

The gentleman from California is not answering that question. Then may I ask the gentlewoman from Oregon what she thinks the chief purpose of this bill is?

Mrs. GREEN of Oregon. The chief purpose of the legislation is to try to establish a minimum floor which would provide a decent living standard for as many Americans as we possibly can at this time in this country. If I had my way, I would like to provide such a decent living standard for every single American in the United States who wants a job, could find that job, and devote his time and energies to it. However, I realize political problems are involved.

I think it is politically and economically unwise and impossible as of today, May 25, 1966, to extend the minimum wage to every family-size farm as well as the corporate farms.

Mr. GLENN ANDREWS. I would say to the gentlewoman, I rose in opposition to this amendment. If it is her purpose as I understand the gentlewoman to gain a decent living for all the farmers in the United States, does she not recognize that there is a difference in living costs which exists and has been established throughout the United States.

The gentlewoman has traveled widely. She knows what the cost of living is in Mississippi as compared with Oregon, New York, and Chicago. Would she not recognize that there is a vast difference in the cost of living and therefore of necessity a difference in wages—while she would have a uniform minimum wage throughout the Nation.

Mrs. GREEN of Oregon. I would apply a floor. And above that floor the wages could go to any particular amount that would be appropriate in that particular community or that particular area of the country.

Mr. GLENN ANDREWS. The floor would affect only those who are below that standard minimum and States like California and New York would have utterly nothing to do with this bill at all; is that correct? Are there not pockets of low income in every State where food costs and laundry costs and so on and

so forth vary within the State tremendously—for example, as between New York City and the hinterlands of the State of New York would there not be different living costs where the minimum wage or a uniform wage throughout the Nation would apply in one case and not in another—or would apply unfairly in one case and not unfairly in another case?

Mrs. GREEN of Oregon. I have tried to explain my position on this. I favor establishing a minimum floor. There are differences in the actual living costs and in many States wages are above the floor.

The CHAIRMAN. The question is on the amendments offered by the gentleman from California [Mr. GUBSER].

The amendments were rejected.

Mr. DENT. Mr. Chairman, I ask unanimous consent that the remainder of the bill be read by title and be open for amendment and that each title be open to amendment at any point.

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

There was no objection.

Mr. MARTIN of Nebraska. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. MARTIN of Nebraska. I have an amendment to title I and I understand that we are still considering title I.

The CHAIRMAN. The gentleman is correct. We are still on title I.

Mr. COLLIER. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. COLLIER. Do I understand correctly that the unanimous-consent request of the gentleman from Pennsylvania is not put into effect until we have completed title I?

The CHAIRMAN. That is correct.

Then the remainder of the bill will be considered by title.

AMENDMENT OFFERED BY MR. MARTIN OF NEBRASKA

Mr. MARTIN of Nebraska. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. MARTIN of Nebraska: On page 35, between lines 14 and 15, insert the following:

"DEFINITION OF WAGES

"SEC. 103. Sec. 3(m) of the Act is amended by inserting immediately before the first proviso and after the word 'employees', the following language, *'Provided*, That such cost shall be determined in each State, subject to the approval of the Secretary of Labor, by the appropriate State agency or officer, or if there is no such officer or agency, an officer or agency designated by the Governor or by State law', and inserting the word 'further' after the word *'Provided'* in such first proviso."

Mr. MARTIN of Nebraska. Mr. Chairman, I would like to have the attention of the chairman of the subcommittee.

Mr. BURTON of California. Mr. Chairman, will the gentleman yield?

Mr. MARTIN of Nebraska. I am glad to yield to the gentleman from California.

Mr. BURTON of California. As I understand the gentleman's proposal, it would permit each of the 50 Governors to decide what constituted a wage in the area of farm labor.

Mr. MARTIN of Nebraska. No. That is not the point of the amendment at all.

Mr. BURTON of California. That is what the amendment appears to say to me.

Mr. MARTIN of Nebraska. That is not correct. I have discussed the amendment with the subcommittee chairman. In fact, we discussed it in the Rules Committee. Let me explain it for a moment.

First, the amendment provides that the value of any meals, food, and housing furnished to an employee would be determined by the appropriate officer within a State government—for example, the secretary of labor, the secretary of agriculture, or, if there is not any, the appropriate officer to be appointed by the Governor—who would make the determination as to the value of such food and housing furnished.

The determination made would still be subject to the final approval of the Secretary of Labor here in Washington.

Mr. BURTON of California. Mr. Chairman, will the gentleman yield further?

Mr. MARTIN of Nebraska. I yield to the gentleman from California.

Mr. BURTON of California. As I understand it, your amendment would amend the wage section of the bill. You would permit the Governor in each of the States to assign a value to certain incidents of employment that would affect to what extent cash wages would be paid under the minimum wage bill. Is that correct?

Mr. MARTIN of Nebraska. No; that is not correct.

I yield to the subcommittee chairman.

Mr. DENT. Mr. Chairman, the gentleman from Nebraska has taken up his amendment with me many times. All he is asking is that because we are now covering restaurants, we hope, and farmers, we hope, there are areas in which allowances are made for services and fringe benefits that are given to the employees, such as meals, uniforms, housing, and so forth.

Each State that has a minimum wage bill covering those particular areas of coverage has an allowance that they permit, and each State varies in the allowance they permit.

For example, in my State $3 a day is allowed for workers employed in resort hotels that get room, board, and other fringe benefits.

As I understand the amendment, it would allow the Secretary of Labor to accept the State allowances established by the State secretary of labor or wage and hour board, and if the Secretary does not approve those allowances, then he would not accept them. I believe that the amendment is all right.

Mr. MARTIN of Nebraska. That is correct. I have exactly the same interpretation as the subcommittee chairman.

Mr. BURTON of California. Mr. Chairman, will the gentleman yield at this point?

Mr. MARTIN of Nebraska. I am happy to yield to the gentleman.

Mr. BURTON of California. As I understand it, Mr. Chairman, the Secretary must find that the value assigned to these incidents of employment is fair, just, and equitable to the employees. Is that the gentleman's understanding?

Mr. MARTIN of Nebraska. There is nothing in there as to whether it is fair or equitable to the employee or the employer. All my amendment does is simply bring it down to the State level to make the original determination as to what the value of room and board is which is furnished to the employees. But that determination at the State level is still subject to the approval of the Secretary of Labor in Washington. I am trying to bring it down to the State level.

Mr. BURTON of California. Will the gentleman yield further?

Is it the gentleman's intention that this will be applicable only in States that have a statutory minimum wage?

Mr. MARTIN of Nebraska. That is not correct. Would the gentleman like to have me read my amendment again? This is an amendment to the act itself.

Mr. BURTON of California. I understand what the amendment does. I am trying to clarify the gentleman's intention.

Mr. MARTIN of Nebraska. My intention, as I have stated twice now, is simply to make the original determination on the value of any room and board furnished an employee at the State level, subject to the approval of the Secretary of Labor.

Mr. BURTON of California. As I understand, it is not the intention of the gentleman, at least as I have understood the debate, to expand on that which is currently defined as wages in the act, but it is to the extent that the definition is amended in this pending bill?

Mr. MARTIN of Nebraska. It has nothing to do with the wage rate or the minimum wage, either at the State or Federal level.

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

Mr. Chairman, the distinguished gentleman from Nebraska mentioned that this applies to the 50 States. Will the gentleman's amendment exclude Puerto Rico?

Mr. MARTIN of Nebraska. The act will read, with this amendment included:

(m) "Wage" paid to any employee includes the reasonable cost, as determined by the Secretary of Labor,[10] to the employer of furnishing such employee with board, lodging, or other facilities, if such board, lodging, or other facilities are customarily furnished by such employer to his employees—

This is where my amendment starts:

"Provided, that such cost shall be determined in each state, subject to the approval of the Secretary of Labor, by the appropriate state agency or officer, or if there is no such officer or agency, an officer or agency designated by the Governor or by state law".

Perhaps that does not include Puerto Rico.

Mr. POLANCO-ABREU. Mr. Chairman, will the gentleman yield?

Mr. POWELL. I yield to the distinguished Resident Commissioner from Puerto Rico [Mr. POLANCO-ABREU].

Mr. POLANCO-ABREU. Mr. Chairman, will the distinguished gentleman from Nebraska accept an amendment? Will the gentleman accept an amendment after the word "State" in his amendment, to insert "and the Commonwealth of Puerto Rico"?

Mr. MARTIN of Nebraska. I will be happy to accept that amendment; yes.

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

I am not going to belabor this. The chairman of the full committee has indicated his view on the matter. The gentleman who has offered the amendment has represented it as not his intention to affect or expand on the definition of "wages." That is of some comfort.

However, we are permitting 50 different States' yardsticks to be applied to weighing and measuring the value of room and board. I think this is not wise.

The Secretary of Labor would be deprived of his authority as it currently exists to assign a value in this regard, and put in an appellate position.

I believe the gentleman's suggestion is ill advised. I believe it will mean having 50 different interpretations of the value of room and board. It could well frustrate the purpose of the legislature.

I am personally opposed to its adoption.

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

Mr. BURTON of California. I yield to the gentleman from Illinois.

Mr. PUCINSKI. Would the gentleman from Nebraska clarify one point? Is the gentleman suggesting that the State is going to determine the value of these services in the case of farmworkers only, or across the board on everything, restaurants and everything else?

Mr. MARTIN of Nebraska. This would cover any area where room or room and board are furnished.

Mr. PUCINSKI. For whom?

Mr. MARTIN of Nebraska. For employees. It would cover employees on farms. It would cover employees in restaurants and hotels.

Mr. PUCINSKI. Then what the gentleman really is saying is that a Governor or a secretary of state, or a secretary of labor, or a commissioner of labor, or a director of labor—whatever he might be—could actually manipulate for each State a different value and a different standard merely by manipulating the value of lodging, clothing, and food?

Mr. MARTIN of Nebraska. That is not correct; because the determination made at the State level still would be subject to the approval of the Secretary of Labor in Washington, D.C.

I should like to make one other point, if the gentleman will yield further.

In regard to the question by the chairman of the committee [Mr. POWELL] about Puerto Rico, I should like to quote from paragraph (c) of the act as to the definition of a State. I have used the word "State" in my amendment.

"State" means any State of the United States or the District of Columbia or any Territory or Possession of the United States.

I believe that Puerto Rico would be covered by my amendment.

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

Mr. BURTON of California. I should like to pursue this matter.

Is it the gentleman's position that if the Secretary decides the value assigned to room and board is not fair and equitable to the employee, the Secretary would have the authority to assign a value to the room and board?

Mr. MARTIN of Nebraska. That is correct; because the Secretary of Labor would make the final determination here in Washington, D.C.

Mr. BURTON of California. So it is the very clear and explicit intent, without regard to the language of the amendment, that the Secretary, if he decides the assignment of value to room and board is not fair and equitable to the employee, may assign the value on his own motion?

Mr. MARTIN of Nebraska. That is correct. All my amendment would do is allow the original determination to be made at the State level.

Mrs. MINK. Mr. Chairman, I rise in opposition to the amendment and move to strike the requisite number of words.

I should like to join my colleagues on my committee and object to the amendment suggested by my colleague from Nebraska.

I point out that the language in section 3 with reference to wages permits the Secretary of Labor to make the determination of value with respect to board, lodging, and other services which might be rendered the employees. I believe it is entirely fitting and proper, that the responsibility be lodged in the Secretary of Labor, since this is Federal legislation establishing a minimum wage. Whatever policies are determined by the Secretary of Labor ought to be uniform, consistent with rules and regulations which are adopted by the Secretary, operative in all the 50 States.

If the purpose of the amendment is to permit the State agencies some opportunity to inform and advise the Secretary of Labor, I should like to point to the language in section 11(b) of the act as it exists today, which gives the Secretary of Labor the responsibility of consulting with the State agencies charged with the administration of State labor laws.

In consulting with these State departments they can arrive at the responsibilities which the Secretary of Labor is charged with under this act. I think the purposes of the bill are well met by the present language of the bill. Therefore, I ask the Members of this House to vote down the amendment as not being necessary and as one which would really thwart the purposes of a Federal minimum wage law which is to establish uniform rules and regulations for the meeting of all the conditions with reference to wages and overtime that are provided in this bill.

Mr. PUCINSKI. Mr. Chairman, will the gentlewoman yield?

Mrs. MINK. I yield to my colleague from Illinois.

Mr. PUCINSKI. I would like to commend the gentlewoman for her observations. I cannot think of any faster way to destroy the whole concept of this minimum wage standard than by letting this amendment go through, because, as we have seen here earlier, what you would do then is let each State set its own standards. You can really negate the basic standard of the minimum wage by doing this. I think it will be giving certain States greater advantages at the expense of other States. I cannot think of any amendment which was presented here today that would do a greater injustice to this whole concept of fair labor standards.

Therefore, Mr. Chairman, I hope this amendment is rejected.

Mr. BURTON of California. Mr. Chairman, will the gentlewoman yield?

Mrs. MINK. I yield to the gentleman from California.

Mr. BURTON of California. I, too, would like to commend the gentlewoman for pointing out that the current law already gives to the Secretary of Labor the authority to assign a value to room and board and this proposal at best is superfluous, and at worst could confront us with the dilemma of an administration of 50 different kinds of yardsticks in the various States of the Nation. We are enacting a national minimum wage here, and the national Secretary of Labor has authority in this area. The fragmentation of this authority into 50 pieces is most unnecessary at best.

Mr. DENT. Mr. Chairman, I rise to see if I can clarify a little of the atmosphere here and clear it up. When the gentleman talked to me, I believe we were discussing the question of who would establish and how could they establish the value of the home provided for a farmhand—power, beef, food from the gardens, or whatever he gives them—and the question of the allowance for meals and uniforms and other things now covered by the act.

I did not contemplate that we would go into an all-inclusive thing. I was ready then and I am now personally ready to accept an amendment which is restricted to the coverage of the new areas of restaurants and farms, because under the old act they have already established procedures which are in effect. So let us not redo them.

My question to those who are afraid that this fragmentation will be to the detriment of the work is, remember that if they do not establish it on a State-by-State basis and you have a Secretary of Labor who might establish a meal value for the city of New York in the State of Kansas or Alabama or Virginia, then you will find that your employee will not get a minimum wage but he will get a meal a day. I think I know a little bit about what I think is best for the worker.

If the Secretary of Labor feels a State has established a value entirely out of proportion to the amount of money being paid to the worker, he can reject it, but if he had the responsibility of setting it up, he will find he must go beyond those in high-cost States trying to take out of the wage earner's pocket a higher cost

for the fringe benefits he is getting than what are actually the values.

If it is a low-wage area, the value of a meal will be less than it is in a high-wage area. You will find it to be true. In some counties of some States, for instance, they are different than in other counties. A State may set it up in the city of Pittsburgh, as it does, differently from the county of Westmoreland. If the Secretary of Labor is going to go into the 8,700 counties in the West, he will find himself in an awful situation.

Mr. BURTON of California. Mr. Chairman, will the gentleman yield?

Mr. DENT. I yield to the gentleman from California.

Mr. BURTON of California. Mr. Chairman, I would like to commend the distinguished chairman of the subcommittee, because the gentleman has pinpointed the problem inherent in this proposal.

I am pleased to hear that the gentleman from Pennsylvania is going to reject and oppose the amendment, because this amendment covers all, not just the newly covered.

Mr. DENT. I would ask the gentleman from Nebraska [Mr. MARTIN] whether or not when he discussed it with me, at any time we discussed it, it was for other than the newly covered people in the restaurants and on farms. In fact, we were discussing farms when we talked about it.

I will be happy to accept it too, but I cannot take away from the Secretary established authority which he already has.

Mr. MARTIN of Nebraska. Mr. Chairman, will the gentleman yield?

Mr. DENT. I yield to the gentleman from Nebraska.

Mr. MARTIN of Nebraska. If we added these words, "provided that such cost with respect to employees employed in agriculture, restaurants, hotels, and motels—

All of these are newly covered employees—and then go on to the wording, would that be acceptable to the gentleman from Pennsylvania?

Mr. DENT. I do not see anything wrong with the wording that the Secretary may accept or reject the State allowance, the allowance allowed by the State government, because if you do not have that, then, of course, you have no protection against the State government, which might want to establish false rates. I would accept it if it were properly worded.

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

Mr. Chairman, this discussion, I believe, should include the fact that in the bill now we do have the machinery and we do have the provisions for doing what the gentleman from Nebraska suggests and it is in the bill to the effect that the Secretary of Labor and the U.S. Department of Labor may make the determination based upon the following language:

Provided further, That the Secretary is authorized to determine the fair value of such board, lodging, or other facilities for defined classes of employees and in defined areas, based on average cost to the employer or to groups of employers similarly situated, or average value to groups of employees, or other appropriate measures of fair value. Such valuations, where applicable and pertinent, shall be used in lieu of actual value of cost in determining the wage paid any employee.

Mr. Chairman, I just cannot see how this formula, which has worked so well, could be improved upon. We have had no complaints about it. No State has testified in support of any other formula. There has been no criticism of this formula.

I do not know wnat purpose this Congress is going to serve in trying to revise that formula now and bring in 50 different standards all across America and Puerto Rico.

I say to the members of the Committee that if this is done, we are going to create more problems with that kind of formula than we will solve.

The Secretary of Labor has the experience. There has been no complaint. There has been no testimony in support of this, and I believe at this moment that to rewrite this basic original law is to do what we have previously done when we see what we have done later, it was a mistake.

Mr. Chairman, I feel that we should reject the amendment and stay with the law as it is now spelled out, on which we have had a great deal of experience and expertise and past history.

Mr. MARTIN of Nebraska. Mr. Chairman, will the gentleman yield?

Mr. PUCINSKI. I yield to the gentleman from Nebraska.

Mr. MARTIN of Nebraska. We have actually had very little experience in the labor field with reference to making a determination in respect to board, lodging, or other facilities, because there has been very little coverage in this area.

The gentleman from Illinois is making a mountain out of a molehill on this amendment. All I am simply doing is trying to establish the value, of any room and board, at the State level which I believe, might be more realistic than one made in Washington.

I believe further that it will be of great assistance to the Secretary of Labor in Washington to get the advice of the people within the States themselves whom I believe are, perhaps, more conversant with local conditions and the value of housing and meals and so forth.

Mr. PUCINSKI. If we are going to follow the gentleman's logic, why not let the secretary of labor in each State set his own minimum wage standards? Why do you not let them do that and let us have 50 different standards for minimum wages. We are talking about labor and the Fair Labor Standards Act, and I feel when you bring in these extraneous issues, you will not be able to hold this together.

Mr. MARTIN of Nebraska. Mr. Chairman, I have a very simple amendment and the gentleman is making it very complicated. The chairman of the subcommittee has accepted the amendment and I hope the Committee of the Whole will approve it.

Mr. PUCINSKI. Mr. Chairman, I hope the amendment will be rejected.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Nebraska [Mr. MARTIN].

The amendment was rejected.

The CHAIRMAN. If there are no further amendments to title I, the Clerk will read.

Mr. POWELL. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. POWELL. Did not the chairman of the subcommittee obtain unanimous consent that each title be considered as read?

The CHAIRMAN. Without objection, the further reading of title II will be dispensed with.

There was no objection.

Title II is as follows:

TITLE II—REVISION OF EXEMPTIONS

Hotel, restaurant, and recreational establishments; hospitals and related institutions

SEC. 201. (a) Section 13(a)(2) of such Act is amended by striking out everything preceding "A 'retail or service establishment'" and inserting in lieu thereof the following:

"(2) any employee employed by any retail or service establishment (except an establishment or employee engaged in laundering, cleaning, or repairing clothing or fabrics or an establishment engaged in the operation of a hospital, institution, or school described in section 3(s)(4)), if more than 50 per centum of such establishment's annual dollar volume of sales of goods or services is made within the State in which the establishment is located, and such establishment is not in an enterprise described in section 3(s) or such establishment has an annual dollar volume of sales which is less than $250,000 (exclusive of excise taxes at the retail level which are separately stated)."

(b)(1) Section 13(b) of such Act is amended by inserting after paragraph (7) the following new paragraph in lieu of the paragraph repealed by section 211 of this Act:

"(8) any employee employed by an establishment which is a hotel, motel, or restaurant; or".

(2) Section 13(a) of such Act is amended by inserting after paragraph (2) the following new paragraph in lieu of the paragraph repealed by section 202 of this Act:

"(3) any employee employed by an establishment which is an amusement or recreational establishment, if (A) it does not operate for more than seven months in any calendar year, or (B) during the preceding calendar year, its average receipts for any six months of such year were not more than 33⅓ per centum of its average receipts for the other six months of such year; or".

Laundry and cleaning establishments

SEC. 202. Section 13(a)(3) of such Act is repealed.

Agricultural employees

SEC. 203. (a) Section 13(a)(6) of such Act is amended to read as follows:

"(6) any employee employed in agriculture (A) if such employee is employed by an employer who did not, during any calendar quarter during the preceding calendar year, use more than five hundred man-days of agricultural labor, or (B) if such employee is the parent, spouse, child, or other member of his employer's immediate family; or".

(b) Section 13(a)(16) of such Act (agricultural employees employed in livestock auctions) is repealed.

(c) Section 13(b) of such Act is amended—

(A) by striking out the period at the end of paragraph (11) and inserting in lieu thereof "; or", and

(B) by adding at the end of paragraph (11) the following new paragraphs:

"(12) any employee employed in agriculture or in connection with the operation or maintenance of ditches, canals, reservoirs, or waterways, not owned or operated for profit, or operated on a sharecrop basis, and which are used exclusively for supply and storing of water for agricultural purposes; or

"(13) any employee with respect to his employment in agriculture by a farmer, notwithstanding other employment of such employee in connection with livestock auction operations in which such farmer is engaged as an adjunct to the raising of livestock, either on his own account or in conjunction with other farmers, if such employee (A) is primarily employed during his workweek in agriculture by such farmer, and (B) is paid for his employment in connection with such livestock auction operations at a wage rate not less than that prescribed by section 6(a)(1); or".

Agricultural processing employees

SEC. 204. (a) Sections 13(a)(10) (employees engaged in handling and processing of agricultural, horticultural, and dairy products); 13(a)(17) (country elevator employees); 13(a)(18) (cotton ginning employees); and 13(a)(22) (fruit and vegetable transportation employees) of such Act are repealed.

(b) Section 13(b) of such Act is amended by adding after paragraph (13) (added by section 203(c) of this Act) the following new paragraphs:

"(14) any employee employed within the area of production (as defined by the Secretary) by an establishment commonly recognized as a country elevator, including such an establishment which sells products and services used in the operation of a farm, if no more than five employees are employed in the establishment in such operations; or

"(15) any employee engaged in ginning of cotton for market, in any place of employment located in a county where cotton is grown in commercial quantities; or

"(16) any employee engaged (A) in the transportation and preparation for transportation of fruits or vegetables, whether or not performed by the farmer, from the farm to a place of first processing or first marketing within the same State, or (B) in transportation, whether or not performed by the farmer, between the farm and any point within the same State of persons employed or to be employed in the harvesting of fruits or vegetables; or"

(c) Subsection (c) of section 7 of such Act is amended to read as follows:

"(c) For a period or periods of not more than fourteen workweeks in the aggregate in any calendar year, any employer may employ any employee for a workweek in excess of that specified in subsection (a) without paying the compensation for overtime employment prescribed in such subsection if such employee (1) is employed by such employer in an industry (other than an industry described in subsection (d)) found by the Secretary to be of a seasonal nature, and (2) receives compensation for employment by such employer in excess of ten hours in any workday, or for employment by such employer in excess of forty-eight hours in any workweek, as the case may be, at a rate not less than one and one-half times the regular rate at which he is employed.

"(d) For a period or periods of not more than fourteen workweeks in the aggregate in any calendar year, any employer may employ any employee for a workweek in excess of that specified in subsection (a) without paying the compensation for overtime employment prescribed in such subsection, if such employee—

"(1) is employed by such employer in an enterprise which is in an industry found by the Secretary—

"(A) to be characterized by marked annually recurring seasonal peaks of operation at the places of first marketing or first processing of agricultural or horticultural commodities from farms if such industry is engaged in the handling, packing, preparing, storing, first processing, or canning of any highly perishable agricultural or horticultural commodities in their raw or natural state, or

"(B) to be of a seasonal nature and engaged in the handling, packing, storing, preparing, first processing, or canning of any highly perishable agricultural or horticultural commodities in their raw or natural state, and

"(2) receives compensation for employment by such employer in excess of ten hours in any workday, or for employment in excess of forty-eight hours in any workweek, as the case may be, at a rate not less than one and one-half times the regular rate at which he is employed."

(d)(1) Subsections (d), (e), (f), (g), and (h) of section 7 of such Act are redesignated as subsections (e), (f), (g), (h), and (i), respectively.

(2) Subsections (g) and (h) of such section 7 (as so redesignated by paragraph (1) of this subsection) are each amended by striking out "subsection (d)" and inserting in lieu thereof "subsection (e)".

Small newspapers

SEC. 205. Section 13(a)(8) of such Act is amended by striking out "where printed and published" and inserting in lieu thereof "where published".

Transportation companies

SEC. 206. (a) Section 13(a)(9) of such Act is repealed.

(b)(1) Section 13(a)(12) of such Act is repealed.

(2) Section 13(b) of such Act is amended by adding after paragraph (16) (added by section 204(b) of this Act) the following new paragraph:

"(17) any driver employed by an employer engaged in the business of operating taxicabs; or".

(c) Section 13(b)(7) of such Act is amended to read as follows:

"(7) any driver, operator, or conductor employed by an employer engaged in the business of operating a street, suburban or interurban electric railway, or local trolley or motorbus carrier, if the rates and services of such railway or carrier are subject to regulation by a State or local agency; or".

Motion picture theater employees

SEC. 207. Section 13(a) of such Act is amended by inserting after paragraph (8) the following new paragraph in lieu of the paragraph repealed by section 206(a) of this Act:

"(9) any employee employed by an establishment which is a motion picture theater; or".

Logging crews

SEC. 208. Section 13(a)(15) of such Act is amended by striking out "twelve" and inserting in lieu thereof "eight".

Automobile, aircraft, and farm implement sales establishments

SEC. 209. (a) Section 13(a)(19) of such Act is repealed.

(b) Section 13(b) of such Act is amended by inserting after paragraph (9) the following new paragraph in lieu of the paragraph repealed by section 212 of this Act:

"(10) any salesman, mechanic, or partsman employed by an establishment which is primarily engaged in the business of selling automobiles, trucks, or farm implements to the ultimate purchaser, and any salesman, mechanic, or flight personnel employed by a nonmanufacturing establishment which is primarily engaged in selling aircraft; or".

Food service employees

SEC. 210. (a) Section 13(a)(20) of such Act is repealed.

(b) Section 13(b) of such Act is amended by adding after paragraph (17) (added by section 206(b)(2) of this Act) the following new paragraph:

"(18) any employee of a retail or service establishment who is employed primarily in connection with the preparation or offering of food or beverages for human consumption, either on the premises, or by such services as catering, banquet, box lunch, or curb or counter service, to the public, to employees, or to members or guests of members of clubs."

Gasoline service stations

SEC. 211. Section 13(b)(8) of such Act is repealed.

Petroleum distribution employees

SEC. 212. (a) Section 13(b)(10) of such Act is repealed.

(b) Section 7(b)(3) of such Act is amended to read as follows:

"(3) by an independently owned and controlled local enterprise (including an enterprise with more than one bulk storage establishment) engaged in the wholesale or bulk distribution of petroleum products if—

"(A) the annual gross volume of sales of such enterprise is less than $1,000,000 exclusive of excise taxes,

"(B) more than 75 per centum of such enterprise's annual dollar volume of sales is made within the State in which such enterprise is located, and

"(C) not more than 25 per centum of the annual dollar volume of sales of such enterprise is to customers who are engaged in the bulk distribution of such products for resale, and such employee receives compensation for employment in excess of forty hours in any workweek at a rate not less than one and one-half times the minimum wage rate applicable to him under section 6.".

Eniwetok and Kwajalein Atolls and Johnston Island

SEC. 213. Section 13(f) of such Act is amended by striking out "and the Canal Zone" and inserting in lieu thereof "Eniwetok Atoll; Kwajalein Atoll; Johnston Island; and the Canal Zone".

Technical and conforming amendments

SEC. 214. (a) Section 3(n) of such Act is amended by striking out ", except as used in subsection (s)(1),".

(b) Section 13(a) of such Act is amended—

(1) by redesignating paragraphs (11), (13), (14), (15), and (21) as paragraphs (10), (11), (12), (13), and (14), respectively, and

(2) by striking out "; or" at the end of paragraph (14) (as so redesignated in this subsection) and inserting in lieu thereof a period.

(c) Paragraph (7) of section 13(a) of such Act is amended by striking out "or order" and inserting in lieu thereof ", order, or certificate".

AMENDMENT OFFERED BY MRS. GREEN OF OREGON

Mrs. GREEN of Oregon. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mrs. GREEN of Oregon: On page 37, line 12, strike out "or", and, in line 14, insert immediately before the semicolon the following: ", or (C) if such employee (i) is employed as a hand harvest laborer and is paid on a piece rate basis in an operation which has been, and is customarily and generally recognized as having been, paid on a piece rate basis in the region of employment, (ii) commutes daily from his permanent residence to the farm on which he is so employed, and (iii) has been employed in agriculture less than

thirteen weeks during the preceding calendar year".

Mrs. GREEN of Oregon. Mr. Chairman, this bill proposes to extend the minimum wage to cover the migrant workers, sharecroppers, and full-time farm employees. With this purpose I am in full and complete agreement.

These are the very ones in most urgent need of some protection; they have no organized voice, no strong lobby to plead their cause.

However, there is one part of the bill, it does seem to me, to which we need to direct our attention and it is to this point that my amendment is directed.

My amendment is designed to encourage part-time seasonal employment opportunities for our young people.

Mr. Chairman, summer employment for our young people is becoming more and more difficult to find.

The release from the White House in April of 1966 stated:

In 1966, 1,800,000 of our youth will look for work in the summer without finding it. Some of these youngsters will be looking for temporary summer jobs, and getting those jobs may be the difference between going back to school or not being able to return.

It seems to me that work of this nature in the summertime that is on a temporary basis, for less than 13 weeks, is good for young people, if there is no exploitation, and if the children are not engaged in hazardous occupations.

Many of us in this House have worked in the summertime, and I think if we were honest with ourselves we would admit that youngsters who are working in the harvest fields are not working all of the time. Their interest and their energies are not sustained for every single hour of the day. I do not think it is a fair requirement to say to the farmer, "You must pay these youngsters by the hour the same as you would the adult employees. By retaining the piece-rate basis of payment, an incentive is provided and the student can work to full capacity or part-time.

Last month the Secretary of Commerce wrote to employers of the great need to employ as many school-age children as industry can possibly employ. He stated this:

The President has again asked the Federal, State and local governments and private employers to join forces this summer in an investment program in the nation's youth. He is asking for a cooperative effort to provide work and training experiences this summer for as many as possible of almost one million boys and girls 16 to 21 years of age who will be looking for work with little hope of finding it."

Through the Neighborhood Youth Corps the Federal Government is financing with Federal funds jobs for this particular category of students.

So let us not promote jobs on the one hand with full Federal funds, and then at the same time pass legislation which might well eliminate the opportunity for many of these people to work.

This year the NYC is spending nationwide over $209 million. My home State is spending over $1 million. Yet with this bill unamended, it seems to me that we run the very grave risk of closing the door to fruitful work and employment for many of those for whom Federal funds are creating the opportunities in NYC.

Finally, may I say that this amendment will not affect any single person in the United States who works more than 13 weeks in the preceding year. It has been discussed by the committee. I am authorized by the chairman of the subcommittee, the distinguished gentleman from Pennsylvania, who has done such an outstanding job of handling this bill, to say that the amendment has been accepted by the subcommittee and recommended for approval by the House.

May I emphasize three things. In order to come under this exemption, any workers must meet the following three criteria:

One, they are employees for less than 13 weeks during the preceding year in agriculture.

Second, they are employed as hand harvest workers and are employed on a piece-rate basis—and this, by the way, will provide an incentive for these youngsters so that they will earn as much as possible.

The third point is that they will commute daily from their permanent residence to the farm on which they are employed.

But may I say again and emphasize that all migrants, all sharecroppers and full-time farm employees would still be covered by the minimum wage.

Mrs. MINK. Mr. Chairman, will the gentlewoman yield?

Mrs. GREEN of Oregon. I yield to the gentlewoman from Hawaii.

Mrs. MINK. Does your amendment relate only to minors who fit the three categories you listed, or does it cover all types of farm employees who fit the description of doing hand harvesting, being paid on a piece-rate basis, commuting daily, and being employed for less than 13 weeks?

Mrs. GREEN of Oregon. The amendment is designed primarily for young people, those youngsters who are working only in the summertime, living at home, and going out into the fields for hand harvesting.

The CHAIRMAN. The time of the gentlewoman from Oregon has expired.

Mrs. GREEN of Oregon. Mr. Chairman, I ask unanimous consent that I may proceed for 2 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentlewoman from Oregon? The Chair hears none and the gentlewoman is recognized for 2 additional minutes.

Mrs. GREEN of Oregon. The amendment also would apply to any other person who would meet these three criteria.

Mr. MARTIN of Nebraska. Mr. Chairman, will the gentlewoman yield?

Mrs. GREEN of Oregon. I yield to the gentleman from Nebraska.

Mr. MARTIN of Nebraska. I would like to ask what is the difference between her amendment and section 103, particularly at the top of page 35 of the bill, which sets up three tests in regard to the exemption being counted toward the 500 man-day?

Mrs. GREEN of Oregon. We are being consistent and we are making the three criteria the same.

Mr. ULLMAN. Mr. Chairman, will the gentlewoman yield?

Mrs. GREEN of Oregon. I yield to the gentleman.

Mr. ULLMAN. Mr. Chairman, I commend the gentlewoman from Oregon. This is a worthwhile amendment. I heartily endorse it and commend her for offering it.

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

I would like to ask the gentlewoman from Oregon another question or two.

We have in our area of the country young teenagers, about 14 or 16 years of age, who go out and detassle hybrid seed corn in the summer. It provides about 500 jobs in my own community.

These people do not work on a piece-rate basis. They are paid by the hour. They work less than 13 weeks in agriculture, and they are within commuting distance of their homes. They do not work on a piece-rate basis.

How would the gentlewoman's amendment affect these young people who are detassling corn?

Mrs. GREEN of Oregon. One of the three criteria is the hand harvest. It is my judgment it would not include the work to which the gentleman from Nebraska refers.

I am also advised the youngsters doing the work the gentleman described are presently paid over the minimum. Is that correct?

Mr. MARTIN of Nebraska. That is not correct. They are paid, as I understand it, 90 cents an hour.

There is a section in the bill as the gentlewoman knows, that provides that these schoolchildren shall be paid 85 percent as much as the full-time workers. But when this gets up to $1.15 and $1.30, it is going to create a problem for the hybrid seed company.

In fact, I have talked to officials of the hybrid seed company about this problem. They say they will be forced to go to what we call sterile corn, which does not require any detassling. In my county alone that means a loss of 500 jobs for these young people. They work 4 to 6 weeks, they earn from $150 to $180 a year.

If we had an "or" in the amendment, instead of the word "and" in regard to working less than 13 weeks in agriculture, it would take care of this situation of the young people who are students. But when we have the three tests, they cannot meet them because they are not on a piece-rate basis.

Mrs. GREEN or Oregon. I would say to the gentleman that one of the main reasons why I think it desirable to accept this amendment is that paying those youngsters on a piece rate basis, and limiting it to that, will provide an incentive for them to earn as much as they can.

Mr. MARTIN of Nebraska. Would the gentlewoman object to an amendment to her amendment to include the word "or" before the last criteria, that is, the one about working less than 13 weeks in agriculture?

Mrs. GREEN of Oregon. If the gentleman will yield, I would oppose

offering this as an amendment to the amendment offered. If the gentleman wants to suggest that as a separate amendment, to be considered on that basis, that is all right. I think it should be limited to a piece-rate basis. If these youngsters are energetic they can earn the minimum and beyond it. If they are earning at the hourly rate it should be considered separately.

Mr. MARTIN of Nebraska. In other words, the gentlewoman is opposed to the youngsters going out in the summertime and learning the value of a dollar by the sweat of their brow. She would exclude them from this opportunity simply because they get paid on an hourly instead of a piece-rate basis. That is the only conclusion I can come to from her remarks.

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

Mr. Chairman, I rise in support of the amendment.

Mr. BURTON of California. Mr. Chairman, will the gentleman yield?

Mr. POWELL. I yield to the gentleman from California.

Mr. BURTON of California. Mr. Chairman, it is seldom I find myself in even minor disagreement with our distinguished chairman. I recognize the concern that our colleague from Oregon is trying to meet.

However, I am led to believe, by the Wage and Hour Office of the Department of Labor, that some 70,000 employees in the month of May—that is, 70,000 out of 400,000—would be cut out from this bill. Some 85,000 of the 485,000 annual average of farm workers would be cut out of the bill by this amendment.

Although the gentlewoman from Oregon is talking about minors, her proposal excludes adults as well.

This bill has already given consideration to minors by providing the 85 percent differential for the kinds of cases the gentlewoman from Oregon mentioned.

I do not intend to belabor the point. I am certain the amendment will be adopted. I feel it useful and desirable that I record my dissent to the action of the committee.

Mr. POWELL. Mr. Chairman, I believe it would be advisable if we could come to a meeting of minds on this amendment. I should like to know who else is seeking time.

Mr. MARTIN of Nebraska. On this particular amendment?

Mr. POWELL. On this particular amendment, yes.

Mr. Chairman, I ask unanimous consent that debate close on this amendment in 15 minutes.

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

There was no objection.

Mr. POWELL. Mr. Chairman, I know there is reasonable dissent on the part of my colleagues, the gentleman from California and the gentlewoman from Hawaii, but I wish to point out that in the course of history even the Bible had to be revised.

The CHAIRMAN. The Chair recognizes the gentleman from Washington [Mr. MEEDS].

Mr. MEEDS. Mr. Chairman, I strongly back the proposed amendment to section 203 of the minimum wage bill. But let me make clear that I support the general provisions of this legislation and appreciate the intent of section 203—extending minimum wage coverage to farmworkers. For many of these people, the minimum wage will be a step toward a living wage.

But in the Pacific Northwest, the harvesting of berries and beans has been a traditional source of summer work for students. Each year, thousands of young people in the counties of Whatcom, Skagit, and Snohomish earn money and appreciate the value of hard work. My own son, Mike, picked strawberries when he was 11 years old. These part-time employees are not breadwinners. Yet, the intent of the farm section of the bill is to protect those workers who must depend on agriculture for a living.

The young pickers in my area are paid on a piece-rate basis. That is, they get paid for what they accomplish. This means that workers with a low output can be kept on the payroll and off the streets. If the farmer had to pay the minimum wage to everyone, many of the inexperienced student pickers might be left standing on the corner.

The present bill without our amendment guarantees a minimum wage of $1 an hour which rises in two stages to $1.30. Students would have to be paid 85 percent of this amount. Let me again emphasize that our minor amendment to section 203 is consistent with the intent of the legislation: migrants, sharecroppers, and full-time employees of large farms would still be protected by the minimum wage.

The amendment we are backing would apply to farmworkers only if they meet three conditions. They must work in agriculture for less than 13 weeks during the preceding year; they must commute daily from their permanent residence; and they must be hand-harvest employees in areas where the piece-rate system is traditional. If they meet all of these requirements, they would be exempt from the minimum wage.

Just a few short weeks ago, President Johnson inaugurated the 1966 youth opportunity campaign. He has urged employers to hire young people for summer jobs. Because I support this effort, and because I fear the effect of the present section 203 of the bill, I am strongly urging the House to approve a needed amendment. Let us keep the door open for young people.

The CHAIRMAN. The Chair recognizes the gentleman from Washington [Mr. HICKS].

Mr. HICKS. Mr. Chairman, I rise in support of this amendment and I commend the committee for accepting the amendment. I wish to join in the remarks of my colleague from Washington [Mr. MEEDS].

The congressional district which I have the honor to represent has a flourishing industry based on berry fields and truck gardens. At least, it has been flourishing. I am frankly more than a little worried about the effects of minimum wage requirements upon growers, unless we amend this otherwise excellent bill to exempt them.

While the berry and truck garden industry is not the most important single factor of our economy in the Sixth District of Washington, it is definitely significant. To those to whom it is important, it is very important indeed. And among those to whom it is extremely important are thousands of young people.

High school youngsters, junior high youngsters, grade school youngsters flock into the fields each summer to earn their first incomes. My own secretary picked berries during her grade school and high school years, and earned money to buy her own wardrobe for the school year. If she is a fair example of the results of this early lesson in earning a living, I can only say that it is unfortunate every child in the country cannot have a chance to at least partly pay his own way in this manner. We would be a better people for it.

I realize that children are not the only ones involved. There are adults who come into the area to pick berries to feed and clothe themselves and their families, and they depend on the berry-picking money almost exclusively for their sustenance. Their plight has not always been a happy one. Conditions are improving rapidly for them, however. Much better housing is provided for them than was the case only a few years ago. Facilities of many kinds are made available to them. And their incomes are improving, too. Just yesterday I read in my hometown newspaper that the berry growers of the great Puyallup Valley have raised the price-per-unit to be paid this season, so workers of all ages in the berry fields will be taking home more money this year.

The overriding consideration, though, is the fact that the industry simply cannot afford to pay a minimum wage. It probably could do so for the adults, for by and large they are expert pickers who in fact often earn more than the minimum wage on a piecework basis; thus they could very well lose money on a minimum wage.

But there are not enough adult professional pickers to harvest the berry crop. Berries ripen all around Puget Sound at the same time, and they must be picked within a day or two or it will not be worth picking at all. That is why youngsters are used in such great numbers to harvest this important crop.

The employment of young people is important enough in this regard alone to justify amending this legislation to permit them to continue picking berries for piecework payment. The area which I represent just cannot afford to be without this industry, and the young people are the ones who make it possible.

But to me it seems at least as important on another level, the level of growing up to responsible and productive citizenship. We are trying with all our might and main to rear Americans who are geared to stand on their own feet, to make their own way and not depend

on government to take care of them. The lessons of the berry fields can be very important in their formative years.

They live at home and commute to work, and they are carefully supervised on the job. They do not have to work hard. They do not have to work at all, as a matter of fact, but can spend the whole day gazing at the northwestern sky if they so choose. Of course, they do not get paid if they do not work. And therein lies the first lesson: You work for what you get, and you get paid for what you do.

And it is important for a youngster to get the first breath of independence in the proper atmosphere. He can get it on a street corner or any number of places that do not distribute much to his sense of responsible independence. Or, in our part of the world, he can get it in an atmosphere of productivity and earning, at least during the harvest season.

Generations of young people have depended on berry and fruit picking to earn their first important money, and generations of parents have depended on it to teach their children some practical economics and to relieve part of the strain on the parental purse.

As I indicated earlier, I regard this as a fine and necessary piece of legislation. But all things considered—the value of the berry and fruit industry to my home area, its contribution to the growing-up process of our children, and the drastic effects on all concerned of a minimum wage requirement—the exemption of this industry from minimum wage provisions is fair and necessary.

The CHAIRMAN. The Chair recognizes the gentleman from Louisiana [Mr. WAGGONNER].

Mr. WAGGONNER. Mr. Chairman, I rise in support of the amendment, but I should like to ask the author of the amendment a question.

In establishing criteria for eligibility to participate in this exemption, is there to be an age limit?

Mrs. GREEN of Oregon. No, there is not to be an age limit, but it is really designed for the youngsters who go out in the summertime. There is no age limit set up in the amendment.

Mr. WAGGONNER. I thank the gentlewoman from Oregon.

The CHAIRMAN. The Chair recognizes the gentleman from Oregon [Mr. WYATT].

Mr. WYATT. Mr. Chairman, I commend the gentlewoman from Oregon on her amendment and wholeheartedly support the same.

Mr. Chairman, I rise in strong support of the amendment offered by the gentlelady from Oregon. My files bulge with letters from children who have written to me pleading that they be allowed to continue to work in our fields during their summer vacation period. I have talked to many of our farmers, particularly our strawberry and pole bean growers, and it is very clear that many of them will be out of business if this amendment is not agreed to. Perhaps it does not go far enough, but it at least offers substantial relief where it is needed. The wages of migrant workers will not be effected because of the strict requirements set up to qualify for the exemption. It is good for our agriculture, and it is good for our young people. The abuses which at one time were involved in child labor are not present in our fields where this labor will be done. I urge in the strongest possible manner that this house agree to this amendment.

The CHAIRMAN. The Chair recognizes the gentlewoman from Hawaii [Mrs. MINK].

Mrs. MINK. Mr. Chairman, I regret very much that I must rise in opposition to the amendment which has been offered by my distinguished colleague from Oregon [Mrs. GREEN], and also in opposition to the stated position of the chairman of my subcommittee. I feel that the philosophy of this bill with reference to the coverage of farmworkers was to establish farms that qualified for coverage under minimum wage. We discussed this matter of trying to exempt individuals, and we felt this would be highly inconsistent with the basic philosophy as it now exists in the other areas of coverage with reference to retail trade, hotels, and so forth.

It was our feeling once a farm qualified by virtue of having 500 man-days of labor in any calendar quarter, that entire farm ought to be brought under the coverage of minimum wage and no single individual within that farm ought to be working for anything less than $1 an hour if that farm qualified. However, in order to meet the difficulties of the farm areas we were willing to exempt from the qualification of 500 man-days these three categories.

The CHAIRMAN. The Chair recognizes the gentleman from New Jersey [Mr. JOELSON].

Mr. JOELSON. Mr. Chairman, what disturbs me about this amendment is I think there are some farmowners who would, in order to get the cheaper child labor—and let us face it, because that is what it is—who would be putting out of work adult labor. I feel this is certainly not the purpose of the author of the amendment. Her purpose is laudatory. I think what is going to happen as a result of this amendment is that a lot of kids are going to be exploited and will be doing the work of adults and not being paid the pay of an adult. This is an unfortunate amendment, and I will oppose it.

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

Mr. GOODELL. Mr. Chairman, I rise in opposition to this amendment. I agree with the statements that were made by my colleague from Hawaii [Mrs. MINK] and would indicate we discussed this amendment at great length in the subcommittee. Here is what you are going to do by adopting this amendment. You are going to have workers working side by side on the same farm, some of whom are covered by the minimum wage and some of whom are not. In order to help supposedly to exempt children, which sounds like a very good objective, we are exempting all farm laborers qualified according to the criteria. In effect you are saying that if you are a local person coming to work on the farm for a short period, you are exempt. A migrant person is covered. So the farmers using migrant labor will be covered by the minimum wage as far as the migrant labor is concerned. They will not be covered as far as local labor is concerned with people coming from permanent residences and commuting every day. You say we cover permanent agricultural employees but do not cover temporary agricultural employees.

The CHAIRMAN. The Chair recognizes the gentleman from Illinois [Mr. PUCINSKI].

Mr. PUCINSKI. Mr. Chairman, I ask unanimous consent to yield my time to the chairman of the subcommittee, Mr. DENT.

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

There was no objection.

The CHAIRMAN. The Chair now recognizes the gentleman from Pennsylvania [Mr. DENT].

Mr. DENT. Mr. Chairman, I want to say to the gentleman from New York that you can dig up all kinds of bogeymen to scare people into voting one way or another, but it is nothing new for a two-wage level to be employed in the same shop. Under the Walsh-Healey Act we have been doing this for years. Under the O'Hara bill now, in combination with the minimum wage bill, we will be doing it for many more years to come. It is not unusual. Why, in fact, you find very, very few shops in the world anywhere where all of the workers receive the same remuneration. There are workers working alongside each other doing the same job. One has been there 10 days and another has been there 10 years longer than another. He gets longevity. The only place you do not get it is in Congress. It is a little bit above the minimum, though, I may say.

Now, the gentlewoman from Hawaii [Mrs. MINK] has pointed out, as has the gentleman from California [Mr. BURTON], the difficulty of writing legislation if you undertake to write it based upon that which would affect your own area only.

The CHAIRMAN. The Chair recognizes the gentleman from Ohio [Mr. AYRES].

Mr. AYRES. Mr. Chairman, it is very seldom that the two gentlewomen on our committee, for whom we have such a great respect and admiration, have disagreed upon any major issue. But, rather than to take a position, since they are in disagreement, I yield the balance of my time to the gentleman from New York [Mr. GOODELL].

Mr. GOODELL. Mr. Chairman, I would only answer the gentleman from Pennsylvania by saying that when we debated and discussed this in the subcommittee, we found no resolution, no way to resolve equitably, the contradictions involved in this amendment. I feel that the amendment should be defeated.

We are now looking into an area in an attempt to try to take care of one small segment of temporary seasonal labor, while the rest would be covered. You are looking into an area where we say to an employer, "You are covered with cer-

tain types of people you employ, but you are not covered with other types of people you employ."

Mr. Chairman, I feel that it is a messy amendment. I believe it will cause many problems and it will be unfair.

The CHAIRMAN. The Chair recognizes the gentleman from Michigan [Mr. O'HARA].

Mr. O'HARA of Michigan. Mr. Chairman, I yield back the balance of my time.

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

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

The CHAIRMAN. The question is on the amendment offered by the gentlewoman from Oregon [Mrs. GREEN].

The question was taken; and on a division demanded by Mr. POWELL, there were yeas 63, noes 55.

So the amendment was agreed to.

AMENDMENT OFFERED BY MR. BELL

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

The Clerk read as follows:

Amendment offered by Mr. BELL: On page 41 strike out "highly perishable" in lines 1 and 5, and insert in lieu thereof "perishable."

Mr. BELL. Mr. Chairman, my amendment would strike the word "highly" on page 41 of the bill.

This change is intended to avoid the grave possibility that needed overtime exemptions in the agriculture processing industry will be eliminated for virtually all perishable agricultural commodities that must be processed as soon as possible after harvest.

Under the present language, as interpreted in the committee report, only those commodities that would deteriorate within a 24-hour period after harvest would retain the overtime exemption.

Through conversations with representatives of both labor and management in the processing industry, it is my conclusion that there is hardly a commodity that would qualify for the 14-week exemption under this language.

Agricultural commodities vary in their degree of deterioration.

A few, such as white asparagus, will deteriorate within 24 hours to the point that they cannot be used for marketing.

Others, such as tomatoes, may be kept over 24 hours before processing.

However, this depends upon weather conditions and harvest timing.

When it is extremely hot, and they are picked during the midday, tomatoes would have to be processed immediately or they would ripen beyond the useful stage.

Similarly with peaches, berries, peas, and apricots.

It is obvious, then, that a great deal of confusion will be caused if this language is retained.

My amendment would maintain the language of the present law which has been applied by the Labor Department for a number of years.

Perishable covers products subject to decay or spoilage. A commodity is not regarded as perishable at the time of delivery unless under ordinary circumstances some affirmative and continuous step such as refrigeration or canning is necessary to preserve it from substantial spoilage or decay within a short period of time, certainly less than 1 week.

And I want to make it abundantly clear that all of those agricultural processors that receive a 14-week exemption under section 7(d) of the act will not qualify for an additional 14-week exemption under section 7(c)—industries of a so-called "seasonal nature."

Section 7(d) to which my amendment is directed applies only to first processing operations.

Section 7(c) will have no application to the processing industry.

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

Mr. BELL. I yield to the gentleman.

Mr. DENT. The committee has considered your amendment this morning at an executive committee meeting and the committee endorses and accepts the amendment.

Mr. BELL. I thank the gentleman.

The CHAIRMAN. Without objection, the amendment offered by the gentleman from California [Mr. BELL] is agreed to.

There was no objection.

AMENDMENT OFFERED BY MR. PUCINSKI

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

The Clerk read as follows:

Amendment offered by Mr. PUCINSKI: On page 43, line 18, insert "trailers," immediately after "automobiles,".

The CHAIRMAN. The gentleman from Illinois [Mr. PUCINSKI] is recognized.

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

Mr. PUCINSKI. I yield to the gentleman.

Mr. DENT. The subcommittee in executive meeting this morning met and approved and accepted this amendment.

The CHAIRMAN. Without objection, the amendment offered by the gentleman from Illinois [Mr. PUCINSKI] is agreed to.

There was no objection.

AMENDMENT OFFERED BY MR. MARTIN OF NEBRASKA

Mr. MARTIN of Nebraska. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. MARTIN of Nebraska: On page 36, line 15, strike the semi-colon ";" and the word "or" wherever is appears and insert the following: "or is an establishment engaged in the operation of a hospital described in Sec. 3(s)(4).

Mr. MARTIN of Nebraska. Mr. Chairman, the purpose of this amendment is simply to allow to the hospitals throughout the country the overtime exemption that is extended to others in business, particularly the hotels, motels, and restaurants. That is the only purpose of this amendment—to allow the hospitals this same exemption.

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

Mr. MARTIN of Nebraska. I yield to the gentleman.

Mr. DENT. Mr. Chairman, before I state where I stand, I would like to ask the gentleman a question. I know you are trying to perfect the bill. If it is perfected the way you want it, will you still vote against it?

Mr. MARTIN of Nebraska. I am afraid I would have to. I think the gentleman has asked me that question before.

Mr. DENT. Mr. Chairman, I must oppose the amendment because no hospital or association of hospitals have asked for the amendment.

Mr. MARTIN of Nebraska. Mr. Chairman, I decline to yield further to the gentleman.

Mr. Chairman, I would like to explain this amendment.

Hotels, motels, and restaurants have heretofore been exempt from the provisions of the Fair Labor Standards Act. This has also been true of hospitals.

In the bill we have before us today, an exemption is granted from the overtime provisions which is granted to those in the hotel, motel, and restaurant industry. Yet, hospitals, most of which throughout the entire country are nonprofit institutions, are not exempt from overtime.

I had some figures that were furnished to me by the American Hospital Association—in fact, they came up to the Committee on Ways and Means and this was given to me by the distinguished chairman of that committee, in regard to a survey made by the American Hospital Association a year ago based on the current minimum wage which is $1.25 an hour. It was further based on the fact that there was no overtime involved in these calculations. Remember it was based on $1.25 an hour.

Do you know what they came up with? The average increase in the cost in the United States nationally per bed, per day, in our hospitals will amount to $5.87 based on $1.25 an hour.

In the Southern States, this increase will amount to $9.31 a day per bed.

That is a tremendous increase in costs of hospital beds.

This Congress passed a medicare bill which included hospitalization last year, which goes into effect in a very few weeks.

What is this increased cost in regard to hospitalization going to do to the projections as to the cost of medicare set up by the committee and the Congress a year ago? It is going to throw it into a cocked hat, Mr. Chairman. I think this is an excellent amendment. I think it is a fair amendment. I think that the hospitals, particularly because of the fact that they are nonprofit institutions and serve all the people should be entitled to the same exemption from overtime that this committee grants to hotels, motels, and restaurants. I urge the adoption of this amendment.

Mr. HARVEY of Indiana. Mr. Chairman, will the gentleman yield?

Mr. MARTIN of Nebraska. I yield to the gentleman from Indiana.

Mr. HARVEY of Indiana. I have just had an opportunity to check with the

county hospital in my own county this afternoon. The superintendent of the county hospital told me that on the basis of their present costs for maintenance help, in other words, the hospital personnel—and compared with the ultimate costs of $1.60, without taking into consideration overtime—that the average per day cost would be increased from $18 to $36 per day.

Mr. MARTIN of Nebraska. Mr. Chairman, I would like to quote very quickly from a letter I received from Paxton and Seasongood of Cincinnati in regard to this particular amendment:

> One of my civic jobs is working with the hospitals in Cincinnati. We have been concerned with the impact of Fair Labor Standards coverage upon these institutions, not with the minimum wage coverage but the overtime provisions. As you know, it is difficult, if not well nigh impossible, to obtain sufficient nurses, both registered nurses and licensed practical nurses, to adequately cover patients in our hospitals.

They go on to ask whether dietitians, technical employees and others will be subject to the overtime provisions of this law.

Mr. POWELL. Mr. Chairman, I rise in opposition to this amendment. The gentleman from Nebraska, who is a member of the Committee on Education and Labor, obviously is not in favor of this bill, and, therefore, any amendment brought forward will ultimately be voted against by him anyway if the bill passes.

I would like to bring the facts before this body. The rate of hospital workers will not go up to $1.60 an hour. That is not true. If you read the bill, you will see that the fact is hospital workers will go up from $1 to—in 1971, 5 years from now—$1.60.

Also, the Department of Labor, Wages and Hours and Public Contracts Divisions, Office of the Administrator, Clarence Lundquist, just assured the distinguished, hard-working chairman of our subcommittee, the gentleman from Pennsylvania [Mr. DENT] as follows:

> If we add $72 million to payroll costs and expenditures to comply with H.R. 13172, there will be an increase in the proportion of the payroll to total expenditures of 0.2 percent—two-tenths of one percent.

Mr. Chairman, I would like to conclude on a personal note. In New York City we are being faced with a very, very serious shortage of workers in our hospitals. We are in another nurses' strike. While the bill does not affect nurses as such, nevertheless the fact is that nurses are resigning and going into other areas. Their action is symptomatic of the unrest right down to the lowest paid employee of the hospitals in the biggest cities of our Nation.

Therefore, I must appeal on the basis of emotion, plus the facts which I have stated from Mr. Lundquist's letter, that this amendment be defeated.

I yield the remainder of my time.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Nebraska.

The amendment was rejected.

AMENDMENTS OFFERED BY MR. RONCALIO

Mr. RONCALIO. Mr. Chairman, I offer amendments.

The Clerk read as follows:

Amendments offered by Mr. RONCALIO: On page 41, line 13, strike out the quotation mark, and after line 13 insert the following:

"(e) Notwithstanding any other provision of this section, for a period or periods of not more than twenty-eight workweeks in the aggregate in any calendar year, any employer in a State may employ any employee for a workweek in excess of that specified in subsection (a) without paying the compensation for overtime employment prescribed in such subsection if such employee (1) is employed by such employer in an enterprise found by the Secretary to be (A) the only enterprise in such State engaged in the canning of any perishable agricultural or horticultural commodity, and (B) not engaged in the canning of any such commodities in any other State, and (2) receives compensation for employment by such employer in excess of twelve hours in any workday, or for employment by such employer in excess of fifty-six hours in any workweek, as the case may be, at a rate not less than one and one-half times the regular rate at which he is employed."

On page 41, strike out lines 15 and 16 and insert in lieu thereof the following: "section 7 of such Act are redesignated as subsections (f), (g), (h), (i), and (j), respectively."

Mr. RONCALIO. Mr. Chairman, ladies and gentlemen, my colleagues and fellow Members of Congress, it is with some reluctance that I take the well of the House tonight, at this late hour, to add further to the work involved in this difficult and complicated legislation, but I must do so in protection of the last remaining industry of its kind that I have in my district, which is the entire State of Wyoming.

I believe, ladies and gentlemen, that this is a classic example of the difficulties we encounter when we try, with one fell swoop, to pass a law that is applicable to some of the richest land in the world, where tens of thousands are employed, where hundreds of canneries are in operation, and where agricultural industry and canning goes into billions of dollars a year, and have that same law be applicable to a little State, 5,000 feet high, with a short growing season, where we have a tough time putting in a crop in June without a foot of snow destroying the first crop.

At one time, when I was a young man, 30 years ago or so, there were over 52 canneries in the Rocky Mountains and West. Now there are less than 20. Of those, only one is in Wyoming. There is only one cannery remaining in the entire State. When the season comes there is not an unemployed person in that part of Wyoming. The cannery employs every college student, every father or mother it can find, every housewife who wants to make a few extra dollars.

This cannery cannot stay in business unless it has an exemption of the kind it now has.

All my amendment does is provide that in those States which have only one cannery, that cannery shall have an additional exemption of the nature it now has and needs.

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

Mr. RONCALIO. I yield to the gentleman.

Mr. CEDERBERG. Mr. Chairman, the gentleman said that at one time they had 20 canneries, and now he is down to 1 cannery.

Mr. RONCALIO. No, Mr. Chairman, I said there were 52, now only 20, in the Rocky Mountain West, and only 1 in my State.

Mr. CEDERBERG. I sympathize with the gentleman's predicament. I think we have to take action, or we will have this situation all over. That is why I believe we have to support the amendment Mr. GOODELL is going to put in, or we will have difficulty all over the country.

Mr. RONCALIO. I thank the gentleman.

We can take two alternatives. We can take the land of Wyoming and reduce it by 4,000 feet, down from where it is, so the growing season can be extended. Or we can pass an amendment of this kind and help Wyoming keep the one industry it has.

Mr. BURTON of California. Mr. Chairman, will the gentleman yield?

Mr. RONCALIO. I yield to my colleague from California.

Mr. BURTON of California. Mr. Chairman, I would like to commend the distinguished gentleman from Wyoming for his interesting course on the economics and the industry of that wonderful State of Wyoming.

Further, he made it very clear that few men in this House have the reputation the gentleman from Wyoming has for vigorously advancing and defending the interests of his State.

This particular proposal is not one of giant proportions. It is a modest proposal, as the gentleman knows. But I must reluctantly oppose it. Tough cases make bad law. The gentleman has advanced a very tough case, but I think that his proposal would be a bad law, and I would urge the defeat of the amendment of the distinguished gentleman.

Mr. RONCALIO. I am very sorry the gentleman cannot support the amendment. I was hopeful the chairman of the committee or the chairman of the subcommittee might accept this modest, humble, minute amendment in the interest of equity.

Mr. BURTON of California. I might say that the chairman of the full committee left it to me, believing I would affect fewer votes than anyone else, and that is why I have been handed the assignment to speak in opposition to the amendment.

Mr. RONCALIO. In that event, I hope the rest of my colleagues will vote with me for this amendment. It is equitable and fair.

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

When our distinguished colleague from California requested the chairman to accept the amendment, I was reminded of the old adage, "Beware of Greeks bearing gifts and colored men seeking loans."

We are going to discuss this entire issue of canneries tomorrow, when the gentleman from New York [Mr. GOODELL], offers his amendment. I believe it would be wise for all of us, pro or con on this issue, to delay action until we have the full matter before us. There-

fore, I am loath to state that I rise in opposition to the amendment.

Mr. ANDREWS of North Dakota. Mr. Chairman, I move to strike the requisite number of words.

I rise in support of the amendment, and I should like to ask the gentleman from Wyoming if the amendment would apply to any State which has but one cannery?

Mr. RONCALIO. My amendment would apply to any State which has but one cannery, provided the owners or operators thereof did not have additional canneries in other States.

Mr. ANDREWS of North Dakota. That is why I rise in support of the amendment, because we in North Dakota have been looking for our first cannery for some time and this would give us an excellent hunting license.

Mr. RONCALIO. I am very happy to benefit my neighboring States.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Wyoming [Mr. RONCALIO].

The amendment was rejected.

AMENDMENT OFFERED BY MR. ROGERS OF FLORIDA

Mr. ROGERS of Florida. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. ROGERS of Florida: On page 37, following the Green amendment, insert "or (D) if such employee's wage rate is established by the Secretary of Agriculture under section 301(c)(1) of the Sugar Act of 1948.

Mr. ROGERS of Florida. Mr. Chairman, this amendment is a simple one which states that because the Secretary of Agriculture under the Sugar Act now sets the minimum wage for sugar field workers they would not now be covered under the Department of Labor, to have that Department also administer the minimum wage.

It is a simple amendment, and it is my understanding—we have a letter to that effect—that the Department of Agriculture and the Department of Labor concur in this amendment.

It is my understanding that the chairman of the full committee may wish to comment at this time, so I yield to him for that purpose.

Mr. POWELL. Mr. Chairman, I thank the distinguished gentleman for giving me this opportunity to comment.

I have before me a letter from the Department of Agriculture, from Under Secretary John A. Schnittker, which I wish to read:

The Sugar Act authorizes the Secretary of Agriculture to establish minimum wages for fieldworkers in the sugar industry. Under this authority the Secretary has established minimum wages for the current crop. These minimum wage levels increased from 75 cents per hour in 1960, to $1.35 per hour in 1966 for Florida—

That is more than the present bill would provide—

and from 60 cents per hour in 1960 to 90 cents per hour in 1966 for Louisiana.

In view of the provisions of the Sugar Act, exemption of fieldworkers in the sugar industry from minimum wage legislation now before the Congress would not affect such workers adversely. I am advised that the Department of Labor concurs in this view.

I am happy to accept the gentleman's amendment.

Mr. ROGERS of Florida. I thank the chairman for accepting the amendment.

Mr. BURTON of California. Mr. Chairman, will the gentleman yield?

Mr. ROGERS of Florida. I yield to the gentleman from California.

Mr. BURTON of California. Do I correctly understand that the wages under the Sugar Act currently, at least, are as high as provided in the bill, $1 an hour?

Mr. ROGERS of Florida. In Florida we are paying even more than that. We are now paying $1.35. As has been stated, I believe Louisiana is already paying 90 cents.

The Agriculture Department has already scheduled hearings as to whether the wage rate in both Florida and Louisiana should be amended or continued at the present level.

Mr. BURTON of California. If wages were set and we had in this Sugar Act a minimum that would protect all of those working in this area, that would be fine. However, those of us in California, I might add, pay those in our beet fields higher wages, considerably higher, than this. To some extent cane and beet are competitive. I am sure my colleague from Hawaii [Mrs. MINK] would have a feeling about permitting any agricultural worker to have a wage level set at less than that provided for all other workers in agriculture under this bill.

Mr. ROGERS of Florida. I think you will find they have stated, of course, that they will be guided by this bill in their wage determinations in the Department of Agriculture. As I say, in our State they are even far beyond that. In fact, we were paying up to $1.90 an hour during the 1964–65 season.

Mr. BURTON of California. In other words, it is your understanding that the Department of Agriculture would apply that minimum wage at no less than, or would say those working in the sugar fields, no matter where they are in the country, would receive no less than the minimum provided in this proposal if it becomes law?

Mr. ROGERS of Florida. I understand it will be a guiding feature of the Department of Agriculture.

Mr. BURTON of California. But it is your understanding and your intention in introducing this amendment that the Secretary of Agriculture would in no event establish a wage less than that provided for other agricultural workers in this bill, assuming this bill becomes law. Is that your understanding? If it is, I withdraw my objection.

Mr. ROGERS of Florida. I say that I understand it can be used as a guideline. I cannot speak for the Secretary of Agriculture, but it is my understanding that already he has set a wage in Florida beyond what has been asked for in this bill, which is $1 an hour.

Mr. BURTON of California. As the gentleman knows, the Sugar Act asks for the prevailing wage without any minimum.

Mr. ROGERS of Florida. I understand your minimum will pretty well set a prevailing wage anywhere and, in fact, we are paying above that now.

Mr. ANDREWS of North Dakota. Mr. Chairman, I rise in support of the amendment.

Speaking on behalf of the beet growers in the northern part of our country, we have the same situation existing there. These wage rates are set by the Secretary of Agriculture. For the edification of my friend from California, they are not set higher than the minimum wage that will be established by this act if it goes into effect. In the temporary absence of the chairman of the subcommittee I would like to question my colleague from Florida [Mr. ROGERS], who joined me in conversation with Mr. DENT earlier on the thrust of this amendment. Is it not true that this amendment would also relieve from the 500-man-day criteria these people who are included in this amendment?

Mr. ROGERS of Florida. All this does, as I understand it, is to say that the Department of Agriculture will administer the minimum wage to those field workers in sugar just as they have always done.

Mr. ANDREWS of North Dakota. Let me refer the question to Mr. DENT. This will remove them from the act since they are already covered, that is, these people whose wages are already set by the Department of Labor and the Department of Agriculture, and would remove them from the 500 man days as we said earlier?

Mr. DENT. Will the gentleman yield?

Mr. ANDREWS of North Dakota. I yield to the gentleman.

Mr. DENT. Yes. They will not have any part of this act. They are under the Sugar Act, and I understand the Secretary of Labor and the Secretary of Agriculture already agreed on the jurisdictional disputes.

Mr. ANDREWS of North Dakota. I want to make it crystal clear for the record they will not figure in the 500 man days.

Mr. DENT. Yes.

Mr. HAGEN of California. Mr. Chairman, will the gentleman yield?

Mr. ANDREWS of North Dakota. I yield to the gentleman.

Mr. HAGEN of California. It is my understanding the Sugar Act in setting wages is based on the findings of the prevailing wage. There are wide differences across the country in these wage rates. They have been very low in the South and very high in other parts of the country.

Mr. ANDREWS of North Dakota. I can only speak for the sugarbeet growers of the North. I understand they are higher.

Mr. HAGEN of California. They are so high there I do not know why you object to this coverage.

Mr. ROGERS of Florida. Will the gentleman yield further?

Mr. ANDREWS of North Dakota. I yield to the gentleman.

Mr. ROGERS of Florida. I will be glad to tell him. Here are workers covered by one department and here you have another department coming in to administer the same thing. It is ridiculous. We think it is simply a matter of

trying to see that these people are covered. We recognize that. We passed the law covering them. Now we are simply saying that the Department of Labor and the Department of Agriculture have agreed. Even the Secretary has agreed, and certainly I would object if it were not fair, just, and equitable.

Mr. HAGEN of California. The gentleman will agree that wage rates differ from State to State; is that not right?

Mr. ANDREWS of North Dakota. Mr. Chairman, I do not have the time to yield further.

Mr. Chairman, I wish to commend the gentleman from Florida [Mr. ROGERS] for offering this amendment and I appreciate the committee chairman and the subcommittee chairman accepting it and clearing up the question of the 500 man-days which is so important to the diversified farmer in my area.

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

Mr. Chairman, I shall just take one moment. However, I believe the record should be absolutely clear. A question was asked about whether these workers would be counted toward the 500 man-days total. That provision appears in title I of the bill. I have just checked the amendment. They will be counted, based upon my interpretation, in the 500 man-days. They are exempt from the minimum wage coverage, but they will be counted toward the 500 man-days. This will have to be taken into consideration in determining whether a farmer himself is covered. I believe the record should be clear on this point.

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

Mr. GOODELL. I yield to the gentleman from Pennsylvania.

Mr. DENT. Well, all of us have agreed to disagree. That is why there are so many lawyers here.

Mr. Chairman, the Department of Labor said that this is the only amendment required, and they will remain in the status in which they are at the present time. We want to remember that under the Sugar Act now, the Secretary of Labor, in conjunction with the Secretary of Agriculture, has established a control based upon the so-called bracero or migrant worker coming into an area, and if you do not do this, you take away that $1.25 now set up for a local area.

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

Mr. GOODELL. I yield to the distinguished majority leader.

Mr. ALBERT. Mr. Chairman, let me pose this question: If a farmer has beet or cane sugar operations and also produces wheat or some other crop and has workers engaged therein, would you add the two together in order to get the 500 man-days or in other words does the exemption just go to the workers themselves in the sugar industry, that industry being exempt?

Mr. GOODELL. There is no exemption in this amendment as to counting. They are all counted toward the 500 man-days. The exemption that is included in the gentleman's amendment would exempt them from minimum wage coverage. They would be counted under the Sugar Act insofar as the minimum wage is concerned. Then, all of the employees in the sugar industry would be counted in this instance, working on sugarbeet or sugarcane farms, toward the 500 man-days. You have to amend title I in order to get the correct computation.

Mr. ROGERS of Florida. Mr. Chairman, will the gentleman yield?

Mr. GOODELL. I yield to the gentleman from Florida.

Mr. ROGERS of Florida. I believe the chairman of the subcommittee has stated the situation correctly concerning its intent. It was so stated by the Department of Labor and by the Department of Agriculture that the intent of this amendment, as stated by the chairman, is simply to allow them to go ahead and cover them as they have been covered under the Sugar Act.

Mr. GOODELL. That is correct, and that is what will happen.

Mr. ROGERS of Florida. And they will accept the minimum wage.

Mr. GOODELL. But they will be counted in the 500 man-days.

Mr. ANDREWS of North Dakota. Mr. Chairman, I would like to ask the subcommittee chairman—I brought this point up earlier this afternoon with the gentleman and he assured me that he had the assurance of the Department of Agriculture and the Department of Labor on the matter—this question: If the amendment does not apply properly to title I, could we have the assurance of the subcommittee chairman, it will be amended in conference to reflect the intent of Mr. ROGERS and the sugar industry that these man-days are not counted toward the 500?

Mr. PEPPER. Mr. Chairman, will the gentleman yield for a question?

Mr. ANDREWS of North Dakota. Mr. Chairman, would the chairman of the committee give us assurance that it will be modified in the conference in order, if possible, to reflect the thrust of what the gentleman from Florida and I would like to have?

Mr. POWELL. I cannot bind the conferees to a conference on such a matter.

Mr. ANDREWS of North Dakota. I understand that. Will you keep in mind the idea as expressed by the gentleman from Florida [Mr. ROGERS] that you will try to have this worked into the legislation?

Mr. POWELL. Yes.

Mr. GOODELL. I think we may have problems in getting this settled in the conference unless there is a change in the Senate bill.

Mr. PEPPER. Mr. Chairman, I move to strike out the last word to ask this question. Will the able gentleman inform the House how long the Sugar Act under which the Secretary of Agriculture has been fixing the minimum wages and on which now the Secretary of Labor will concur in the decision has been in effect?

Mr. ROGERS of Florida. Minimum wage coverage for sugar workers has been in effect under the Sugar Act, as amended, since 1948.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Florida [Mr. ROGERS].

The question was taken, and on a division (demanded by Mr. BURTON of California) there were—ayes 89, noes 38.

So the amendment was agreed to.

Mr. POWELL. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly, the Committee rose; and the Speaker having resumed the chair, Mr. PRICE, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 13712) to amend the Fair Labor Standards Act of 1938, to extend its protection to additional employees, to raise the minimum wage, and for other purposes, had come to no resolution thereon.

ADJOURNMENT TO 10 A.M. TOMORROW

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet at 10 o'clock tomorrow.

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

There was no objection.

MISCELLANEOUS AMENDMENTS TO COAST GUARD LAW

Mr. GARMATZ. Mr. Speaker, I ask unanimous consent that the Committee of the Whole House on the State of the Union be discharged from further consideration of the bill (H.R. 11781), to improve and clarify certain laws of the Coast Guard, and I ask for its immediate consideration.

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—and I shall not object—I wish to say to the gentleman that I realize the necessity for getting this legislation through if it is to meet the desired purpose for which it is intended.

I am glad to have the assurance from the Treasury Department and Coast Guard officials that the term of obligated service for the aviation cadets who will be trained for the Coast Guard will be 3½ years, which conforms to the training program for cadets trained by the Navy, the Navy providing for the training of the Coast Guard. I am also glad to have the assurance which has been given by the Treasury Department that no new or additional facilities will be necessary to train the aviation cadets for the Coast Guard; that this training will be provided by the Navy without additional expense for new facilities to be operated by the Coast Guard.

Mr. GARMATZ. The gentleman is correct.

Mr. GROSS. Mr. Speaker, I support the legislation and I withdraw my reservation.

Mr. CLARK. Mr. Speaker, reserving the right to object, I rise in support of H.R. 11781.

The bill, H.R. 11781, is intended to provide the Coast Guard with necessary authority to meet its expanding obligations.

The Coast Guard recently acquired the responsibility for the operation of all large icebreakers. During the coming year it is anticipated that five such icebreakers will be transferred from the Navy to the Coast Guard.

In the past few years we have all observed the rapid expansion of pleasure boating in the United States. This places an increasing burden on the Coast Guard by way of policing and protection of our citizens using the waters. As more and more of our inland waterways are opened to navigation, there is an increasing need for aids to navigation and each year the Coast Guard must provide equipment and facilities to meet this expanding need.

The organization has been operating under a ceiling of 3,500 officers. This bill would increase that figure to 4,000. While there is no present intention of expanding the officer corps of the Coast Guard to any appreciable degree, the expanding responsibilities indicate quite clearly that it will be necessary to add to the number of officers over the next few years.

Along the same line, there is presently a ceiling of 300 cadets in the incoming class at the Coast Guard Academy. At the present time somewhat less than this number is being admitted. Nevertheless, in the immediate future it is more than likely that the needs of the Coast Guard will require an incoming class of more than 300, since this is the prime source of officer material for the Coast Guard. It is necessary that this ceiling be increased so that planning for facilities can be undertaken in time to have them available for the growing classes. During the current year the Congress authorized the construction of a new 300-man barracks at the institution.

This is part of a long-range plan to provide facilities for training of future officers. In the course of the next few years, if this bill is passed, it is likely that additional facilities by way of classrooms and laboratories will be required. In any event, the increasing authorization for the incoming classes is necessary now to provide for orderly expansion, as needed.

Along the same line, members of the Coast Guard are being trained by the Navy for careers in the aviation branch. However, their status is different from that of their naval counterparts with whom they are being trained, and this bill provides for a parallel grade with the Navy—that of aviation cadet.

Again in line with future requirements, provisions are inserted in the bill for procurement of merchant marine officers. In view of the fact that a considerable part of Coast Guard activity is devoted to merchant marine inspection and control of large merchant vessels, a percentage of merchant marine trained officers is desirable. This bill would would provide them.

In this connection I call the attention of the House to the fact that the Maritime Safety Committee of the Intergovernmental Maritime Consultative Organization has just completed a session in London at which representatives of the Committee on Merchant Marine and Fisheries were in attendance. The results of this session will materially improve fire safety standards on merchant vessels and strengthen the hand of the Coast Guard in protecting our people who travel in foreign vessels.

Finally, the bill places the retirement provisions for the Commandant and the Assistant Commandant upon the same level as those of the other three armed services. In view of the growing importance of the Coast Guard, I feel that this is a most reasonable advance.

It is my view, and that of my committee, that all of the provisions of this bill are necessary for the future welfare of the Coast Guard, and accordingly I urge that it be approved.

I include in the RECORD at this point a letter from the Coast Guard to the chairman of the committee:

TREASURY DEPARTMENT,
U.S. COAST GUARD,
May 23, 1966.

HON. EDWARD A. GARMATZ,
Chairman, Committee on Merchant Marine and Fisheries, House of Representatives, Washington, D.C.

DEAR MR. CHAIRMAN: In response to your inquiry of 20 May 1966, you are advised that approximately 150 prospective officers would not be commissioned on 10 June 1966 if H.R. 11781 (or S. 2471) does not become a public law by June 10th.

This situation stems from the proposed amendment to increase the maximum authorized number of Commissioned Coast Guard Officers on active duty from 3500 to 4000. On 8 June 1966, after commissioning the Class of 1966 at the Coast Guard Academy, there will be 3466 commissioned officers on the active duty list, or 34 below our present authorized ceiling of 3500.

On 10 June, 174 men will graduate from the Officer Candidate School in Yorktown, Virginia. In addition, 8 direct commissions are contemplated for graduates of maritime academies, and 2 commissions are planned for aviation cadets.

The following figures indicate the status of the commissioned officer program on 10 June 1966 with the present ceiling of 3500 officers in effect:

On board June 8, 1966		3,466
Acquisitions	174	
	8	
	2	
	184	
On board June 10		3,650
Present authorized ceiling		3,500
Excess		150

The urgent need for these additional officers is due to increased responsibilities in the search and rescue and international fishery patrols, as well as the recent requirements for officer personnel in South Viet Nam and for manning the additional icebreakers being taken over from the U.S. Navy.

The enclosure hereto contains a breakdown of the officer growth in the Coast Guard since 1948 and some examples of officer increases planned for 1967, in addition to our requirements for South Viet Nam and for manning five Navy icebreakers.

Sincerely yours,

P. E. TRIMBLE,
Rear Admiral, U.S. Coast Guard Chief of Staff.

Enclosed: (1) Commissioned Officer Growth.

Commissioned officer growth

[Number on June 30]

Year:	
1948	1,854
1949	1,984
1950	2,073
1951	2,652
1952	3,146
1953	3,177
1954	2,653
1955	2,654
1956	2,694
1957	2,763
1958	2,824
1959	2,897
1960	3,011
1961	3,078
1962	3,140
1963	3,176
1964	3,284
1965	3,388
1966 (estimated)	3,649
1967 (estimated)	3,870

EXAMPLES OF OFFICER INCREASES

Operation of larger vessels and aircraft built under prior year A.C.&I. appropriations	27
Additional pilots and flight instructors to meet increased workload on existing aviation units	35
Operation of expanded shore facilities, including hazardous cargo supervision	33
New planning staff and engineers for Loran C	9

RECENT OFFICER REQUIREMENTS

Operation Market Time—South Viet Nam	94
Support and manning of five Navy icebreakers	82

Mr. Speaker, I withdraw my reservation.

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

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

There was no objection.

Mr. ST. ONGE. Mr. Speaker, reserving the right to object—and I shall not object—on many occasions we of the Merchant Marine Committee have had occasion to call the attention of the House to the great and growing importance of the Coast Guard. We have pointed out the part played by the weather stations in making ocean transportation and air transportation safer—the great part played by that organization in connection with protecting the growing number of small boat users in the country, and in providing aids to navigation both on our inland waterways and on our coastal shores.

As our commerce grows and as the number of people using the water for recreation increases there is a growing demand for the services of the Coast Guard. We are substituting helicopter stations for the old lifeboat stations along our coasts, and we are all too slowly providing replacements for the overaged fleet of large cutters to protect those who travel on the oceans. The tragic

disasters of the *Yarmouth Castle* and *Viking Princess* have emphasized anew the role played by the Coast Guard in protecting our passengers by establishing and enforcing standards of ship construction and maintenance.

This organization, though its commandant, achieved a notable success only this month by persuading other nations of our intent to furnish the maximum practicable protection to those who travel in foreign vessels.

It is obvious that the growing needs of the Coast Guard in all of these fields will, in the course of time, require a larger organization which in turn means more trained officers. At the moment the organization has a ceiling of 3,500 officers and approximately that number are presently serving our needs. This bill will provide a ceiling of 4,000, in place of the 3,500. While there is no present intention to make any drastic increase in the number of officers, the increased authorized number is necessary in order to provide for future planning and to make the necessary arrangements for future plant and equipment.

Along the same lines, the ceiling on incoming cadets at the Coast Guard Academy in New London, which is in my congressional district, is set at 300. Although somewhat less than that number is presently being admitted, the future needs of the Coast Guard indicate that a degree of flexibility be afforded it to increase this number as the needs of the organization demand. Accordingly, the bill provides for a new ceiling of 400. The provision for such a figure is dictated by future needs of the Coast Guard, and also by the necessity of providing facilities for them to permit a gradual increase in the student body. By the same token new provisions for the procurement of officers with merchant marine training is required.

As one who has had the interest of the Coast Guard at heart for many years, I heartily endorse the aims of this bill and urge the House to support it.

Mr. Speaker, I withdraw my reservation.

Mr. HALL. Mr. Speaker, reserving the right to object—and I shall not object—I want to compliment the committee which has brought this to the floor of the House under this unusual circumstance, in view of the action of the Coast Guard and the need for a cadet aviation training program, as well as the manner in which they are going to do it, and the obligated service, to be conducted in close coordination with the uniformed military services.

The Coast Guard is doing a tremendous job overseas and around the world, and of course its regular excellent job on our own coastal waters.

I am strongly in favor of this legislation. I commend the gentleman from California [Mr. MAILLIARD], our colleague who is the ranking minority member of the important Committee on Merchant Marine and Fisheries, for the coordination done on the floor of the House and in the Congress.

I strongly recommend that the bill be passed.

Mr. Speaker, I withdraw my reservation.

Mr. ROGERS of Florida. Mr. Speaker, I rise in support of this legislation. As a member of the committee which has jurisdiction over the Coast Guard I am pleased to have seen the fine public service record of the Coast Guard extolled before the committee, and to have participated in this legislation.

Certainly the Coast Guard is entitled to the authorization of additional officers provided by this legislation. The Coast Guard is doing an excellent job not only in the execution of its duties here in the United States, but in Vietnam as well.

I urge the Congress to approve this legislation, and clear it for the President.

Mr. Speaker, I withdraw my reservation.

The SPEAKER pro tempore (Mr. ALBERT). Is there objection to the request of the gentleman from Maryland?

There was no objection.

The Clerk read the bill, as follows:

H.R. 11781

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That title 14, United States Code, is amended as follows:

(1) Section 4 is amended—

(A) by inserting the word "and" at the end of clause (d); and

(B) by striking out "; and" at the end of clause (e) and inserting a period in place thereof.

(2) Subsection (a) of section 42 is amended by striking out "three thousand five hundred" and inserting "four thousand" in place thereof so that the subsection will read as follows:

"(a) The total number of commissioned officers, excluding commissioned warrant officers, on active duty in the Coast Guard shall not exceed four thousand."

(3) Section 44 is amended by striking out "The position vacated by an officer appointed Commandant shall be filled by promotion according to law."

(4) Subsection (c) of section 46 is amended to read as follows:

"(c) An officer who is retired prior to the expiration of his term, while serving as Commandant, may, in the discretion of the President, be retired with the grade of admiral and retired pay computed at the highest rate of basic pay applicable to him while he served as Commandant."

(5) Subsection (d) of section 46 is repealed.

(6) Subsection (c) of section 47 is amended to read as follows:

"(c) An officer who is retired while serving as Assistant Commandant, or who, after serving at least two and one-half years as Assistant Commandant, is retired after completion of that service while serving in a lower rank or grade, may, in the discretion of the President, be retired with the grade and retired pay of vice admiral."

(7) Subsection (d) of section 47 is amended to read as follows:

"(d) An officer who, after serving less than two and one-half years as Assistant Commandant, is retired after completion of that service while serving in a lower rank or grade, shall be retired in his permanent grade and with the retired pay of that grade."

(8) Section 182 is amended by striking out "three" in the first sentence and inserting "four" in place thereof so that the sentence will read as follows:

"The number of cadets appointed annually to the Academy shall be as determined by the Secretary but the number appointed in any one year shall not exceed four hundred."

(9) Section 186 is amended—

(A) by striking the words "of the teaching staff" and the words "whose compensation shall be fixed in accordance with the Classification Act of 1949, as amended" in the first sentence, by inserting the word "faculty" between "civilian" and "members" in the first sentence, and by inserting a period after the word "require" so that the first sentence will read as follows:

"The Secretary may appoint in the Coast Guard such number of civilian faculty members at the Academy as the need of the service may require."

(B) by redesignating the amended section as subsection (a).

(C) by adding a new subsection (b) as follows:

"(b) The compensation of persons employed under this section is as prescribed by the Secretary."

(10) Section 190 is amended by inserting the following after the first sentence:

"The Secretary may retire any member of the permanent commissioned teaching staff who has completed thirty years' active service."

(11) Subsection (a) of section 211 is amended by striking out "four" in paragraph (4) and inserting "two" in place thereof so that the paragraph will read as follows:

"(4) licensed officers of the United States merchant marine who have served two or more years aboard a vessel of the United States in the capacity of a licensed officer."

(12) Subsection (a) of section 214 is amended by striking out the period at the end of the sentence and adding ", and from licensed officers of the United States merchant marine."

(13) Subsection (b) of section 214 is amended by striking out the period at the end of the sentence and adding ", and from licensed officers of the United States merchant marine."

(14) Subsection (c) of section 214 is amended by striking out the period at the end of the sentence and adding ", and from licensed officers of the United States merchant marine."

(15) Subsection (a) of section 253 is amended by inserting "the officers eligible for consideration," after "to be considered,".

(16) Subsection (a) of section 256 is amended by inserting the words "who are eligible for consideration for promotion to the next higher grade and" before the words "who have not" in the second sentence.

(17) Clause (2) of section 258 is amended to read as follows: "the names and records of all officers who are eligible for consideration for promotion to the grade to which the board will recommend officers for promotion, with identification of those officers who are in the promotion zone."

(18) Subsection (b) of section 332 is amended by inserting the following sentence at the end thereof: "However, this limitation does not apply to retired officers of these grades recalled to serve as members of courts, boards, panels, surveys, or special projects for periods not to exceed one year."

(19) The catchline of section 334 is amended to read as follows:

"334. Grade on retirement".

(20) By adding the following new sections after section 370:

"§ 371. Aviation cadets; procurement; transfer

"(a) The grade of aviation cadet is established as a special enlisted grade in the Coast Guard. Under such regulations as the Secretary prescribes, male citizens in civil life may be enlisted as, and male enlisted members of the Coast Guard with their consent may be designated as, aviation cadets.

"(b) Except in time of war or national emergency declared by Congress, not less

than 20 percent of the aviation cadets procured in each fiscal year shall be procured from qualified enlisted members of the Coast Guard.

"(c) No person may be enlisted or designated as an aviation cadet unless—

"(1) he agrees in writing that, upon his successful completion of the course of training as an aviation cadet, he will accept a commission as an ensign in the Coast Guard Reserve and will serve on active duty as such for at least three years, unless sooner released; and

"(2) if under twenty-one years of age, he has the consent of his parent or guardian to his agreement.

"(d) Under such regulations as the Secretary prescribes, an aviation cadet may be transferred to another enlisted grade or rating in the Coast Guard, released from active duty, or discharged."

"§ 372. Aviation cadets; benefits

"Except as provided in section 402(c) of title 37, aviation cadets or their beneficiaries are entitled to the same allowances, pensions, gratuities, and other benefits as are provided for enlisted members in pay grade E–4. While on active duty, an aviation cadet is entitled to uniforms, clothing, and equipment at the expense of the United States."

"§ 373. Aviation cadets; appointment as Reserve officers

"(a) An aviation cadet who fulfills the eligibility requirements of section 6023(b) of title 10 for designation as a naval aviator may be appointed an ensign in the Coast Guard Reserve and designated a Coast Guard aviator.

"(b) Aviation cadets who complete their training at approximately the same time are considered for all purposes to have begun their commissioned service on the same date, and the decision of the Secretary in this regard is conclusive."

(21) Section 438 is amended by striking out "and section 438 of this title,".

(22) Section 654 is amended by inserting the following catchline immediately after the section number:

"Public and commercial vessels and other watercraft; sale of fuel, supplies, and services".

(23) Subsection (b) of section 755 is amended to read as follows:

"(b) The provisions of chapter 13 of this title, except for section 461, apply to members of the Reserve under the same conditions and limitations as are applicable to officers and enlisted men of the Regular Coast Guard."

(24) Section 771 is amended to read as follows:

"§ 771. Applicability of this subchapter

"(a) This subchapter applies:

"(1) only to the Coast Guard Reserve;

"(2) equally to women members of the Reserve except where the context indicates otherwise.

"(b) This subchapter does not apply to temporary members of the Coast Guard Reserve."

(25) The analysis of chapter 11 is amended—

(A) by striking out—

"334. Retirement in cases where higher grade has been held."

and inserting in place thereof:

"334. Grade on retirement."

(B) by inserting the following new items:

"371. Aviation cadets; procurement; transfer.

"372. Aviation cadets; benefits.

"373. Aviation cadets; appointment as reserve officers."

(26) The analysis of chapter 13 is amended by striking out the following items:

"462. Pay and allowances of rear admirals.

"464. Allotment of pay.

"465. Advance to officers ordered to and from sea or shore duty beyond the seas.

"466. Settlement of accounts of deceased officers and men.

"474. Compensation for travel tolls and fares.

"504. Disposition of remains of personnel.

"505. Escorts for deceased officers and enlisted men.

"506. Issue of national flag free of cost."

SEC. 2. Title 37, United States Code, is amended as follows:

(1) Subsection (e) of section 415 is amended by striking out "435" and inserting "214" in place thereof.

(2) The second sentence of section 402(c) is amended by deleting "or" between Air Force and Marine Corps in both places that it appears and by inserting ", or Coast Guard" after Marine Corps in both places where the latter appears so that the sentence will read as follows: "An aviation cadet of the Navy, Air Force, Marine Corps, or Coast Guard is entitled to the same basic allowance for subsistence as is provided for an officer of the Navy, Air Force, Marine Corps, or Coast Guard, respectively."

SEC. 3. Subsection (e) of section 5 of the Act of September 24, 1963 (77 Stat. 193), is amended by adding the following at the end thereof: "An officer of the Regular Coast Guard who was appointed as a permanent commissioned officer under any provision of law in effect prior to the effective date of this Act and who is serving on active duty shall be considered to have been appointed under section 211 of title 14, United States Code, and subject to the provisions thereof."

SEC. 4. Section 202 of the Classification Act of 1949, as amended (5 U.S.C. 1082), is further amended by adding the following paragraph:

"(36) civilian members of the faculty of the Coast Guard Academy whose compensation is fixed under section 186 of title 14, United States Code."

With the following committee amendments:

On page 4, line 5, delete "need" and insert in lieu thereof "needs".

On page 6, between lines 7 and 8, delete "'334. Grade on retirement'" and insert in lieu thereof "'§ 334. Grade on retirement'".

On page 6, lines 18, delete "percent" and insert in lieu thereof "per centum".

The committee amendments were agreed to.

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

Mr. GARMATZ. Mr. Speaker, I ask unanimous consent that the Committee on Merchant Marine and Fisheries be discharged from further consideration of the bill (S. 2471) to improve and clarify certain laws of the Coast Guard, which is identical to the House bill just passed, and I ask for its immediate consideration.

The Clerk read the title of the Senate bill.

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

There was no objection.

The Clerk read the bill, as follows:

S. 2471

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That title 14, United States Code, is amended as follows:

(1) Section 4 is amended—

(A) by inserting the word "and" at the end of clause (d); and

(B) by striking out "; and" at the end of clause (e) and inserting a period in place thereof.

(2) Subsection (a) of section 42 is amended by striking out "three thousand five hundred" and inserting "four thousand" in place thereof so that the subsection will read as follows:

"(a) The total number of commissioned officers, excluding commissioned warrant officers, on active duty in the Coast Guard shall not exceed four thousand."

(3) Section 44 is amended by striking out "The position vacated by an officer appointed Commandant shall be filled by promotion according to law."

(4) Subsection (c) of section 46 is amended to read as follows:

"(c) An officer who is retired prior to the expiration of his term, while serving as Commandant, may, in the discretion of the President, be retired with the grade of admiral and retired pay computed at the highest rates of basic pay applicable to him while he served as Commandant."

(5) Subsection (d) of section 46 is repealed.

(6) Subsection (c) of section 47 is amended to read as follows:

"(c) An officer who is retired while serving as Assistant Commandant, or who, after serving at least two and one-half years as Assistant Commandant, is retired after completion of that service while serving in a lower rank or grade, may, in the discretion of the President, be retired with the grade and retired pay of vice admiral."

(7) Subsection (d) of section 47 is amended to read as follows:

"(d) An officer who, after serving less than two and one-half years as Assistant Commandant, is retired after completion of that service while serving in a lower rank or grade, shall be retired in his permanent grade and with the retired pay of that grade."

(8) Section 182 is amended by striking out "three" in the first sentence and inserting "four" in place thereof so that the sentence will read as follows:

"The number of cadets appointed annually to the Academy shall be as determined by the Secretary but the number appointed in any one year shall not exceed four hundred."

(9) Section 186 is amended—

(A) by striking the words "of the teaching staff" and the words "whose compensation shall be fixed in accordance with the Classification Act of 1949, as amended" in the first sentence, by inserting the word "faculty" between "civilian" and "members" in the first sentence, and by inserting a period after the word "require" so that the first sentence will read as follows: "The Secretary may appoint in the Coast Guard such number of civilian faculty members at the Academy as the needs of the Service may require."

(B) by redesigning the amended section as subsection (a).

(C) by adding a new subsection (b) as follows:

"(b) The compensation of persons employed under this section is as prescribed by the Secretary."

(10) Section 190 is amended by inserting the following after the first sentence: "The Secretary may retire any member of the permanent commissioned teaching staff who has completed thirty years' active service."

(11) Subsection (a) of section 211 is amended by striking out "four" in paragraph (4) and inserting "two" in place thereof so that the paragraph will read as follows:

"(4) licensed officers of the United States merchant marine who have served two or more years aboard a vessel of the United States in the capacity of a licensed officer."

(12) Subsection (a) of section 214 is amended by striking out the period at the end of the sentence and adding ", and from licensed officers of the United States merchant marine."

(13) Subsection (b) of section 214 is amended by striking out the period at the end of the sentence and adding ", and from licensed officers of the United States merchant marine."

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"(a) The grade of aviation cadet is established as a special enlisted grade in the Coast Guard. Under such regulations as the Secretary prescribes, male citizens in civil life may be enlisted as, and male enlisted members of the Coast Guard with their consent may be designated as, aviation cadets.

"(b) Except in time of war or national emergency declared by Congress, not less than 20 per centum of the aviation cadets procured in each fiscal year shall be procured from qualified enlisted members of the Coast Guard.

"(c) No person may be enlisted or designated as an aviation cadet unless—

"(1) he agrees in writing that, upon his successful completion of the course of training as an aviation cadet, he will accept a commission as an ensign in the Coast Guard Reserve and will serve on active duty as such for at least three years, unless sooner released; and

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amended as follows:

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SEC. 4. Section 202 of the Classification Act of 1949, as amended (5 U.S.C. 1082), is further amended by adding the following paragraph:

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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. 11781) was laid on the table.

"COLLAPSE OF BUDDHIST MYTH"

Mr. HAYS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks, and to include a newspaper article.

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

There was no objection.

Mr. HAYS. Mr. Speaker, I am putting in the RECORD an article which appeared in the Washington Star yesterday entitled "Collapse of Buddhist Myth."

It tells of 40 newspapermen who were trapped in a Buddhist pagoda and who were enticed there by these phony alleged "monks" who told them there was going to be a press conference there.

Mr. Speaker, this article ought to be must reading for every Member of Congress. It tells how these Buddhist bonzes dragged bodies in from the streets—bodies of people who were shot by their own men. Then they attempted to fake a scene and have the bodies set up in different positions as though they had been shot inside the pagoda so the American newsmen could take pictures and send them back here, which pictures would purport to show the brutality of American troops and the brutality of the South Vietnamese troops.

The writer of this article says that the scales were knocked from the eyes of the newspaper crew in Saigon. I think it is about time the scales were knocked from the eyes of a lot of Americans who talk about these Buddhist bonzes as being members of a religious order. The fact is that they are politically inspired power grabbers and a lot of them are bums and beggars and the sooner we wake up to that fact and know what is really going on out there, the better off we will be.

I think everybody ought to read this article.

The article referred to is as follows:

[From the Washington Star, May 24, 1966]

NEWSMEN ENTICED, TRAPPED—COLLAPSE OF BUDDHIST MYTH

(By Richard Critchfield)

SAIGON.—The collapse of the myth that the Buddhists represented a just but repressed popular cause probably began Sunday night in Da Nang when veteran Associated Press Reporter Robert Poos staggered into the American press camp livid with anger and bleeding from a chest wound.

"The Buddhists trapped us in the pagoda and then opened fire when we tried to get out," Poos shouted with rage.

During the previous hour the scales had fallen from the eyes of some 40 American and foreign newsmen who spent some of the most frightening moments of their lives within Da Nang's besieged Tinh Hoi Pagoda.

In a kind of shock treatment that stripped bare the almost incredible cynicism toward human life of Buddhist monks and rebel political commissars, newsmen were enticed inside for a fictional urgent announcement,

then were told it was too dangerous to leave for the remainder of the night after Buddhist forces provoked a heavy firefight with surrounding paratroopers and tanks.

PLACE OF TERROR

Though the word hostage was never used, there was little mistaking the monks' intentions. In the early darkness Tinh Hoi was a place of unutterable terror. Torches flickered from a horror chamber where 26 corpses lay under Buddhist flags and swarms of flies.

Other dead and dying civilians lay on the dusty exposed courtyard ground in pain and unprotected during bursts of heavy fire. Muffled sobs of nearly 100 high school girls and boys mingled with frenzied pagoda gongs and explosions in the nightmarish cacophony.

In a candlelit cell Tinh Hoi's senior bonze, Thich Minh Chieu, held a press conference.

"I fear," he said, his smooth face impassive and pallid, "the paratroopers will attack us tonight or at dawn. I want the press to be here to see it."

FEAR GRIPS NEWSMEN

By then, in an atmosphere of hysteria and fanaticism, several newsmen voiced fears of ending up as corpses in Tinh Hoi's grisly collection of "martyrs." These fears later proved well grounded when in the predawn hours rebel fanatics, or possibly Viet Cong, set up machine guns on the pagoda terrace and started shooting at any rebel soldiers who tried to surrender.

For almost every newsman there is one particular bit of horror he knows he will never forget. For some it was seeing painfully wounded women lying on stretchers on the ground in a hideously callous display for press photographers. For others it was the corpses, including those of two small children whom the Buddhists claimed the government wouldn't allow them carry out for burial, though we had seen large trucks waving Red Cross flags drive in and out of the pagoda smuggling grenades and ammunition. Perhaps the most cynical and outrageous touch was a wailing baby someone had propped against the body of a dead woman for the photographers' benefit.

Until paratroopers surrounded the pagoda with tanks and armored cars mounted with machineguns just before dusk on Sunday, people had moved freely in and out of secret passageways to the pagoda compound, yet monks had made no attempt to lead the young girls and children to safety. Both Vietnamese and American eyewitnesses near the pagoda claimed many of the dead and dying were victims of rebel snipers' bullets and grenades falling in the street who were dragged into the pagoda by Buddhist Boy Scouts.

Tim Page, one of the photographers wounded by a grenade blast as newsmen attempted to leave, after being pulled into a doorway a few yards down the street from the pagoda gate, kept murmuring through bloodsoaked mosquito net wrapped around his head: "Don't take me back to the pagoda. Don't take me back to the pagoda."

Both Vietnamese and American witnesses earlier had expressed their belief that most of the civilians wounded by rebel grenades or sniper fire had been dragged into the pagoda yard by Buddhist Boy Scouts.

If Premier Nguyen Cao Ky's battalions had indeed launched a bloody all-out assault on the pagoda it would have been an epic news story to reporters who survived to describe or photograph it. But a compulsion to stand up for human decency swept the newsmen there in the darkness of Tinh Hoi, and their fright became mixed with almost uncontrollable anger.

Despite the real risk of being mowed down by the Buddhist rebels, the newsmen turned their backs on the monks and, waving handkerchiefs and undershirts, marched out the pagoda gates with rebel machineguns trained at their backs. After trying to stop the first group with sniper bullets and a grenade and injuring three, rebels let others pass without firing.

Looking back now with relative calm, the truth is the real civil war in Da Nang probably ended as the reporters marched down the dark street away from Tinh Hoi. The rebel leaders and senior bonzes might have defied Ky's troops and triggered a bloody showdown after slipping away themselves at the last moment. But if the pagoda was to be destroyed and scores of women, children, and soldiers massacred, the enormity of such carnage would require the monks being positive in advance that the press would fix the blame on Ky's forces and not themselves.

VIETNAM

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

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. YATES. Mr. Speaker, this morning's newspaper carries a fortuitous and significant combination of reports from two speeches made yesterday.

The first by U.N. Secretary General U Thant delivered to the Amalgamated Clothing Workers of America, stressed the fact that he feared the war in Vietnam was becoming a major threat to world peace. He said:

> Peace can only be restored by a return to the Geneva agreements and that as a preparatory measure, it would be necessary to start scaling down military operations, and to agree to discussions which include the actual combatants.
>
> Perhaps under these conditions—

He said—

> it will still be possible to arrive at an agreement between all powers concerned, and among these the five major powers including the People's Republic of China.

The second newspaper item reported the speech made by Secretary of State Dean Rusk in which he said:

> I remain prepared to go to Geneva immediately whenever there is anybody there with whom to negotiate peace.

Mr. Speaker, there is nothing new in the Secretary's expression of willingness to go to Geneva to discuss peace. What is new—and I hope I am not reading something not intended into the Secretary's language—is his use of the term "anybody." Previously, his language had stressed the term "governments."

As I see it, this is a very important breakthrough, for the term "anybody" would appear to include the so-called Vietcong. This is the first indication I have seen that the Secretary is willing to negotiate directly with this belligerent group—and I, for one, welcome it.

I have believed for some time that the Secretary's refusal to deal with the Vietcong has been a major barrier to efforts to establish peace negotiations. A willingness to confer with the Vietcong does not constitute approval either of them or of their demand that they be recognized as the Government of South Vietnam. It would indicate only that as a combatant the Vietcong is an appropriate party in discussions to end hostilities.

Mr. Speaker, we have offered before to scale down our military operations in the cause of peace. Let us hope that this new concession on our part will help break the impasse that now exists, and permit the Secretary General to initiate a peace conference. I urge the Secretary General to renew his efforts now to bring into being in Vietnam a cease-fire and peace negotiations.

MIDDLE EASTERN WAR COULD MEAN GLOBAL DISASTER

Mr. FARBSTEIN. Mr. Speaker, I ask unanimous consent to address the House for 1 minutes.

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

There was no objection.

Mr. FARBSTEIN. Mr. Speaker, I note in the morning press that Ahmed Shukairy, mouthpiece for the group which calls itself the Palestine Liberation Organization, has been boasting that Arab refugees are being armed and trained by Communist China to wage a war against Israel. I can only interpret this to mean, Mr. Speaker, that the refugees currently sustained and protected by the United Nations, mostly with American funds, are secretly cooperating with the Red Chinese to foment strife in the Middle East. I will ask the State Department to check on the accuracy of Shukairy's claim. If it is true, I shall recommend in the Foreign Affairs Committee and on this floor that the United States suspend immediately all assistance to the Palestine refugees and if unsuccessful, at least to reduce the American share of aid this year. Nothing could be greater folly, it seems to me, than for us to continue to finance an operation which is ostensibly humanitarian but which in reality is opposed, in the most belligerent fashion, to America's peaceful objectives in that area of the world.

Let me also note with some gratification, Mr. Speaker, the decision of our Government to sell tactical jet bombers to Israel. This decision reaffirms our commitment to an arms balance in the Middle East, a balance constantly being upset by purchases by Egypt and other Arab States of modern arms from behind the Iron Curtain. The American commitment, in making the jet bombers available, is an important one.

But I must go on to say, Mr. Speaker, that a peace-loving observer of what is occurring in the Middle East cannot be happy with recent events. The arms race is escalating at a frightful pace, fed on the one hand by the Communist countries, on the other by us. The likelihood of a major conflict seems to grow every day. I do not believe it is in the interest of either the Western bloc or the Communist bloc to trigger war in the Middle East. Both sides stand to be losers. The whole world could easily be engulfed in such strife. I suspect the consequence of a new outbreak of war in the Middle East would make Vietnam look like a Sunday school party. For this reason, I urge our Government to reinitiate efforts—no matter how often

in the past they have failed—to curtail the arms race in the Middle East. If the Communists or the Arabs will not take the initiative, then we must do it. Middle Eastern war could conceivably mean global disaster.

THE RESPONSIBILITY OF THE AMERICAN PRESS FOR ACCURATE REPORTING

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

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Delaware?

There was no objection.

Mr. McDOWELL. Mr. Speaker, on Monday, May 23, there appeared in the Wilmington, Del., Evening Journal, the Delaware State News, and on Tuesday, May 24, in the Washington, D.C., Post, and in other newspapers of the Nation and the world on these days, a UPI radiotelephoto and an AP wirephoto which demands the most serious consideration by the Congress. The caption on the AP wirephoto reads as follows:

Baby Weeps Over Mother: Lying wounded on a stretcher, a Vietnamese mother, who was caught between opposing forces fighting in Da Nang, comforts her crying baby while awaiting further aid yesterday.

The UPI radiotelephoto reads this way:

Innocent Bystanders: Sharing a stretcher with his wounded mother, a bleeding baby boy wails in pain after they were hit yesterday in Da Nang during an exchange of fire at the surrounded Tinh Hoi Pagoda. Rebel holdouts in the pagoda surrendered today to troops loyal to Premier Nguyen Cao Ky.

The origin of these official AP and UPI wirephotos is described in the following manner by a byline story published in the Washington, D.C., Evening Star on Tuesday, May 24, written by Richard Critchfield, Asian correspondent of the Star, and I quote from Mr. Critchfield's dispatch, which is entitled "Newsmen Enticed, Trapped: Collapse of Buddhist Myth," the following revealing statement:

Perhaps the most cynical and outrageous touch was a wailing baby someone had propped against the body of a dead woman for the photographers' benefit.

I submit the full text of the Critchfield dispatch:

[From the Washington (D.C.) Evening Star, May 24, 1966]

NEWSMEN ENTICED, TRAPPED: COLLAPSE OF BUDDHIST MYTH

(By Richard Critchfield)

SAIGON.—The collapse of the myth that the Buddhists represented a just but repressed popular cause probably began Sunday night in Da Nang when veteran Associated Press Reporter Robert Poos staggered into the American press camp livid with anger and bleeding from a chest wound.

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By then, in an atmosphere of hysteria and fanaticism, several newsmen voiced fears of ending up as corpses in Tinh Hoi's grisly collection of "martyrs." These fears later proved well grounded when in the predawn hours rebel fanatics, or possibly Viet Cong, set up machine guns on the pagoda terrace and started shooting at any rebel soldiers who tried to surrender.

For almost every newsman there is one particular bit of horror he knows he will never forget. For some it was seeing painfully wounded women lying on stretchers on the ground in a hideously callous display for press photographers. For others it was the corpses, including those of two small children whom the Buddhists claimed the government wouldn't allow them carry out for burial, though we had seen large trucks waving Red Cross flags drive in and out of the pagoda smuggling grenades and ammunition. Perhaps the most cynical and outrageous touch was a wailing baby someone had propped against the body of a dead woman for the photographers' benefit.

Until paratroopers surrounded the pagoda with tanks and armored cars mounted with machineguns just before dusk on Sunday, people had moved freely in and out of secret passageways to the pagoda compound, yet monks had made no attempt to lead the young girls and children to safety. Both Vietnamese and American eyewitnesses near the pagoda claimed many of the dead and dying were victims of rebel snipers' bullets and grenades falling in the street who were dragged into the pagoda by Buddhist Boy Scouts.

Tim Page, one of the photographers wounded by a grenade blast as newsmen attempted to leave, after being pulled into a doorway a few yards down the street from the pagoda gate, kept murmuring through bloodsoaked mosquito net wrapped around his head: "Dont' take me back to the pagoda. Don't take me back to the pagoda."

Both Vietnamese and American witnesses earlier had expressed their belief that most of the civilians wounded by rebel grenades or sniper fire had been dragged into the pagoda yard by Buddhist Boy Scouts.

If Premier Nguyen Cao Ky's battalions had indeed launched a bloody all-out assault on the pagoda it would have been an epic news story to reporters who survived to describe or photograph it. But a compulsion to stand up for human decency swept the newsmen there in the darkness of Tinh Hoi, and their fright became mixed with almost uncontrollable anger.

Despite the real risk of being mowed down by the Buddhist rebels, the newsmen turned their backs on the monks and, waving handkerchiefs and undershirts, marched out the pagoda gates with rebel machine guns trained at their backs. After trying to stop the first group with sniper bullets and a grenade and injuring three, rebels let others pass without firing.

Looking back now with relative calm, the truth is the real civil war in Da Nang probably ended as the reporters marched down the dark street away from Tinh Hoi. The rebel leaders and senior bonzes might have defied Ky's troops and triggered a bloody showdown after slipping away themselves at the last moment. But if the pagoda was to be destroyed and scores of women, children, and soldiers massacred, the enormity of such carnage would require the monks being positive in advance that the press would fix the blame on Ky's forces and not themselves.

Mr. Speaker, there are glaring discrepancies between the AP and the UPI picture story and its caption on Monday and the Critchfield dispatch the following Tuesday, and I demand an explanation by the responsible news media which have brought these two stories to the attention of millions of American newspaper readers. In the absence of such an explanation, the responsibility and accuracy of the American press in its reporting of the war in South Vietnam is immediately subject to question. Either the photographer and these official pictures of the UPI and AP, major news gathering media around the world, were at fault and are guilty of inaccurate and irresponsible reporting, or the reporter, Critchfield, is equally guilty of these charges. Realizing that the American people, as well as world public opinion is entirely dependent upon the reasonable accuracy of the journalists who originate their stories in South Vietnam, there must be no question of the responsibility for accuracy by the wire services and the reporters, newspaper editors, and publishers of these dispatches.

I therefore call upon these private agencies to accept their public responsibility to clarify the marked variances between the two news stories and pictures I have described, and if they are in the wrong, to admit their error and therefore make such an explanation fully available to the American people. In the absence of any reasonable investigation by the news media responsible for these spectacular stories, I shall call upon proper committees of Congress to make a full investigation of this violation of the responsibility of the press of this country. For, if one single picture or one single major news story can be questioned for accuracy and factual background, then the American public should know this that they may judge their newspapers accordingly. We expect propaganda in the Communist press. Certainly our own free press should not be subject to such a charge.

A GREAT AMERICAN: ANTONIO A. MICOCCI

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

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. FASCELL. Mr. Speaker, I must speak first for my own State of Florida—and, indeed, for my own city of Miami—in mourning the untimely passing of Antonio A. Micocci, staff adviser to the Cuban refugee program in the Department of Health, Education, and Welfare. Tony Micocci moved into the Cuban refugee program in its early days—at a time when all sorts of dire predictions were being made. During those trying times he worked, almost single-handedly in Washington, not only to take care of the physical needs of the refugees from Castroism, but also to look to their future as Americans.

But I speak, too, for all Americans when I pay tribute to this remarkable man. You will recall that, back in February 1961, with Cuban refugees coming into this country at the rate of 1,800 per week, President Kennedy established the Cuban refugee program.

Tony understood that he was working on behalf of a proud people most of whom had never been on relief, but now found themselves stripped of their resources in a strange land. He also understood that the great voluntary agencies of America could help not only with the immediate problems in Florida, but also in finding homes for these brave people throughout the country.

In December of 1961, when doubters were still questioning the program, he told a Senate committee:

> The thing to remember is that it took 18 months to resettle 38,000 Hungarians. We have been resettling in the last 2 months at a rate of better than 525 persons a week. That is a measure of the fine job that the [voluntary] agencies are doing and indicates why we don't think we need to panic yet, and why we can do better * * *. We haven't gone in for any drama with this program, not yet, anyhow. Maybe we will have to come around to it. But in spite of that, the rate of resettlement at the end of September was as high as that of the Hungarian program, and now it has exceeded it.

One reason for the deep understanding and great heart which Tony Micocci brought to the Cuban refugee program was that he knew what it was like to come to a strange land with a great hope in your heart. Born in Rome, he came to the United States with his parents at the age of 5—at a time when some people were deploring the hordes of immigrants coming to this country. He attended public schools in Chester, Pa., and received a bachelor's and master's degree at the University of Pennsylvania. It was while attending the 40th reunion of his class at Penn that he was seized with the heart attack which brought him to his grave.

The years in between had been busy. Following further graduate study at the University of Grenoble, the American Academy in Rome, Columbia and Catholic University, he taught Latin and served as assistant principal in several Philadelphia high schools and at Catholic University. During World War II he was made chairman of the Italian branch of the Allied Publications Board. He briefly headed the Italian section of the Voice of America following the war and came to Washington in 1946 to work for the State Department. The story of his life speaks for his courage, his intelligence, and his great understanding of the American dream. Starting life as an immigrant boy, he has served his country as an educator, a businessman, a prophet, and a dedicated public servant, devoted to the cause of immigrants, refugees, and minority groups.

In a letter to Secretary John W. Gardner, of the Department of Health, Education, and Welfare, dated November 18, 1965, President Johnson wrote:

> As a result of the Cuban refugee program launched in 1961, more than 180,000 refugees have been aided to resettle and integrate in Miami and elsewhere in the United States. This is a good record of which Americans can be proud. I want our new program to be even better.

There could be no greater testimonial to Tony Micocci than for all of us to proceed toward this purpose.

NATIONAL SEA GRANT COLLEGE AND PROGRAM ACT OF 1966

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

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. FASCELL. Mr. Speaker, recently there has been considerable discussion about the close relationships between our Nation's security, welfare, and economic well-being, and a strong national oceanographic program. This lively exchange of ideas, this fruitful discussion of the pros and cons of one approach or another has been conducted on a wide scope in the Congress, throughout industry, and by other areas of our society. The sea-grant college bill which I am introducing today is a very challenging and promising element in this on-going debate. I am pleased to see the amount of interest already shown in the idea behind this bill.

I have followed the oceanographic debate with more than just a passing interest. Early last year I introduced H.R. 5654, the National Oceanographic Act of 1965, to provide for expanded research in the oceans and the Great Lakes, to establish a National Oceanographic Council, and for other purposes. The bill, corresponding at that time to S. 944 sponsored by Senator MAGNUSON and others, has three main legislative purposes. One is to establish clearly defined objectives grouped together in a coherent program. The second is to direct this program toward the practical utilization of the ocean's resources. The third is to provide sustained high-level leadership, guidance, and coordination of this multiagency program. Different versions of S. 944 are now before a conference committee. A compromise bill should be reported out soon.

The sea-grant college bill supplements this legislation by providing the trained manpower required to tackle the practical problems before us in oceanography. It will support educational and research programs in the marine sciences; encourage and develop a viable transfer of information; facilitate use of the submerged lands of the Outer Continental Shelf; and finally encourage and facilitate development of regional centers of excellence in the various fields of marine sciences.

Of course, my district, bordering the Atlantic, will benefit from this legislation. I am proud to say that the well-known oceanographic research center, the Institute of Marine Sciences of the University of Miami, is located in my district. The institute embraces both the marine laboratory, which conducts research in marine science, and the department of marine science, which provides academic instruction. It is this combination of research and education which the sea grant college bill wants to promote and sustain.

The institute's director and staff have talked with me on many of these matters. I have heard about the exciting opportunities and substantial benefits that lie before us. But these opportunities will be realized by scores of institutions affected by this legislation. And on a much larger scale, the benefits will be realized by the whole Nation. For we are an insular country; our Nation is dependent on the use and exploitation of the oceans for its very survival.

In this connection one point seems especially relevant. Adm. Alfred Thayer Mahan in his important book, "The Influence of Seapower on History," said that the ability of a nation to utilize the oceanic element of national power depends to a great extent on the number of people in vicinity of the seacoast who are skilled in ocean technology. We have long been a world seapower. We have enjoyed the security and economic benefits attributable to such supremacy. Yet, today we are faced with both a moribund fishing industry and merchant marine. We have less than a coherent Federal oceanographic program. The continuity of manpower supply is not guaranteed under the present mechanism of support. The application of existing knowledge to pressing problems is inadequate, thereby creating a gap which needs to be bridged.

The sea-grant college bill assures a continuing source of support for education, research, and dissemination of information in the ocean sciences and technology. It will promote the vitality and growth of our oceanic efforts and the strength of our Nation at sea. Continuity of support will also afford a better opportunity to look ahead and to more effectively plan and promote a truly national oceanographic program. We will be more capable of coping with the problems confronting industry, especially fishing and shipping. The emerging ocean engineering industry will be enhanced.

We have already seen what the land-grant colleges, and associated experimental stations and extension services, developed in the 19th century and perfected in the 20th century, have done for the agricultural arts and sciences. They have provided a source of continuing support in education, research, and the

diffusion of knowledge. The problems tackled were practical; the approach deliberate; the success phenomenal.

The sea-grant college bill will do the same thing for the maritime arts and sciences. It will supply the skilled manpower which is an essential element in our Nation's commitment to master the seas.

Mr. Speaker, I strongly urge all my colleagues in this Chamber to support this bill.

MRS. CHARLES S. GUGGENHEIMER

Mr. RYAN. Mr. Speaker, I ask unanimous consent to extend my 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 York?

There was no objection.

Mr. RYAN. Mr. Speaker, New York is a city of high mirth, serious culture, and deep diversity. On Monday, May 23, it lost one of its patron saints when Mrs. Charles S. Guggenheimer died.

"Minnie" Guggenheimer had all these qualities and more. She was an accidental humorist whose occasional malapropism delighted no one more than herself. She was a deliberate humanitarian whose contributions benefited an entire city. She was the woman who presided at the marriage of music and New York every summer at Lewisohn Stadium.

In its obituary on May 24, the New York Times did justice to the rich personality of this great New Yorker. The obituary, a New York Times editorial of May 24, and a New York Post editorial of May 25, follow:

[From the New York (N.Y.) Times, May 24, 1966]

MINNIE GUGGENHEIMER, 83, DIES; FOUNDER OF LEWISOHN CONCERTS

Mrs. Charles S. Guggenheimer died yesterday at her home, 174 East 72d Street, after a long illness. She was 83 years old.

For something over 40 years, Minnie Guggenheimer was a fixture in the musical life of New York. It was not so much because she founded the summer concerts at Lewisohn Stadium in 1918, though nobody would contest their importance. It was also because she ran them with a kind of flair and instinct for showmanship that made her the idol of newspapermen, the joy of stadium-goers, and a scandal to grammarians. She was once described as having the speech habits of Casey Stengel out of Mrs. Malaprop.

Breezy and uninhibited, Mrs. Guggenheimer was always engaged in losing encounters with the English language. From these she emerged as smiling and confident as ever. Her intermission speeches were among the favorite parts of any stadium program. Invariably, she would preface her remarks with "Hello, everybody!", to which anywhere from 2,000 to 15,000 persons would chant back "Hello, Minnie!" On those occasions when she did not make any appearance, an audience would be likely to set up a rhythmic cry of "We Want Minnie!"

GARBLED INTRODUCTIONS

When on stage, Minnie would proceed to describe the program and coming events. Very often she would mispronounce names of composers and musicians. She once announced the appearance of Enzio Pinza Bass instead of Ezio Pinza, bass. The audience responded with a yell of pure rapture, at which Minnie beamed before realizing that something was wrong.

On another occasion a titled guest, about to be introduced to the audience, got lost and started to wander into the wings. "Here Prince! Here, Prince" yelled Minnie, chasing after him. Her stadium speeches also might contain appeals for money, details about her personal life or requests for program suggestions.

Stadium Concerts had its inception during World War I. In 1918, Mrs. Arnold Volpe, the wife of a then prominent conductor, asked Mrs. Guggenheimer if she would join a committee to support good music at Lewisohn Stadium.

Mrs. Guggenheimer approached Adolph Lewisohn, who had donated the new stadium at City College. A two-week season was given, and there has been a season ever since. In 1962, Mrs. Guggenheimer had to withdraw because of illness, and her daughter Sophie, ran the series for two summers. The Metropolitan Opera took over the series in 1965.

BLOOD, SWEAT AND RAIN

During the years Mrs. Guggenheimer was associated with Stadium Concerts, she ran them virtually singlehanded. She raised money for each season, engaged artists, handled negotiations with the unions and worried about the entire operation. She especially worried about the weather. A series of rainy days would have made for a large deficit in a budget that ran to some $300,000.

Once she phoned the Weather Bureau in March to ask for a prediction about the June 22 opening concert. "Lady," the forecaster said, "you want to speak to God."

Mrs. Guggenheimer had a few comments to make about her involvement with the weather. "If I worried too much about it, I'd be three-quarters crazy instead of one-quarter crazy." She would discuss the weather with her audience and take a consensus as to whether a program should be canceled. Weather was a fixation with her, and, in 1962, she described her experiences at the stadium as "44 years of blood, sweat and rain."

Next to weather, Mrs. Guggenheimer's great challenge was the airplane. That was not a problem in the early days of Stadium Concerts. As air travel developed, however, the evening skies grew noiser, all the more because Lewisohn Stadium was under the flight path to La Guardia Airport.

AT WAR WITH AIRPLANES

Mrs. Guggenheimer seemed to think that all airline pilots loved music and would sweep low over the stadium to listen. She bombarded the Civil Aeronautics Board with complaints and had lengthy conferences with Adm. Charles Rosendahl of the National Air Transport Command. Attempts were made to have pilots reroute their paths during stadium hours, although it cannot be said that this was a campaign that Mrs. Guggenheimer won.

A short, stout, grandmotherly type, Mrs. Guggenheimer smoked two packs of cigarettes a day, enjoyed an occasional drink and delighted in absurd little hats. She had interested herself in other musical projects and served on the board of the New York Philharmonic, but all of her major endeavors were directed toward her summer concerts.

She lived, breathed and talked stadium with such intensity and volubility that the impact came through even at second hand. A critic once had a discussion with her on the telephone and finally replaced the receiver with a dazed look.

"Minnie," he said, "is the only person in the world who can throw up her hands over the phone."

Those who thought she was only a figurehead, or those who were misled by her grandmotherly aspects, soon found they were dealing with a shrewd woman, a good organizer and an operator with some very high connections.

POWERS OF PERSUASION

In 1934 Mrs. Guggenheimer persuaded Mayor Fiorello H. La Guardia to take personal charge of a campaign to raise $25,000. A few years later she was successful in getting many business concerns to help finance her seasons. And in an emergency she was always on top of things.

One such emergency occurred in 1942 when the shell of the musicians' stage collapsed when hit by a lightning bolt. Mayor La Guardia, under Mrs. Guggenheimer's urgings, rushed a wrecking crew to clear the debris, and the next night the orchestra gave a concert seated on the field. A new stage was built the following year. The present shell, constructed at a price of $400,000 inaugurated the 1949 season.

Through the years, the Lewisohn Stadium concerts played an important part in the musical life of this city. The events were one of the best buys in town, and the only place during July and August where one could consistently hear symphonic music in New York—at 25 cents for many seats.

PROBLEMS MOUNT

Up to the middle nineteen-forties the greatest artists consistently appeared there. Many young New Yorkers were first exposed to the best music through the good offices of Mrs. Guggenheimer. After the end of World War II, though, Stadium Concerts began fighting a losing battle. People had money and began to drift away, lured by competing summer musical events. Television and the long-playing record also made inroads into attendance.

Many complaints, too, were voiced against the antiquated amplifying system at the stadium. In addition, the area of Lewisohn Stadium, at Amsterdam Avenue and 137th Street, became rundown. It became apparent that the summer concerts no longer filled the need that they once had filled. But the fact remained that for many years the focus of summer music in New York was Lewisohn Stadium, and it remained that way because of the efforts of one dedicated woman.

Mrs. Guggenheimer, born on Oct. 22, 1882, was the daughter of Samuel Schafer, a member of the Schafer Brothers banking concern founded in 1860. She did not receive a musical education, but she played the piano well enough to accompany many of the famous singers who were guests at the Schafer home.

Mrs. Guggenheimer was appointed a Chevalier of the French Legion of Honor in 1951, and received the John H. Finley Award in 1952. She was given many citations for her unflagging efforts to give symphonic concerts to New York during the summer months.

Toward the end of her life, Mrs. Guggenheimer was a frequent guest on the Jack Paar television show, where her uninhibited comments ("I'm a healthy old hog," she said when asked about her health) and her malapropisms thrilled the television audience as much as they had thrilled two generations of stadium-goers.

Leonard Bernstein yesterday paid tribute to Mrs. Guggenheimer: "Minnie—pioneer woman, old-fashioned heroine—has vanished along with the era she glorified. And if this summer the parks of America overflow with music-lovers, it is in no small measure due to Minnie's guiding spirit."

In 1903 she was married to the well-known lawyer Charles S. Guggenheimer. He died in 1953. Surviving are a son, Randolph Guggenheimer, a lawyer; a daughter, Sophie Guggenheimer Untermeyer, who has won several golf titles; two grandchildren and three great-grandchildren.

A funeral service will be conducted at Temple Emanu-El, at 10:30 A.M. Thursday.

[From the New York (N.Y.) Times, May 24, 1966]

"MINNIE" OF THE STADIUM

Mrs. Charles S. Guggenheimer—"Minnie" of Lewisohn Stadium—made an unforgettable impact on everybody, this stout little woman with the perky hats, the shrewd eyes, and the incredible pronunciations of the common and proper nouns of the English language.

She was as much part of Stadium Concerts as the orchestra and soloists, and people would anxiously await the moment she came on stage with her cherry "Hello, everybody!" To which the chant would come back: "Hello, Minnie!" Not until then did one feel that a Stadium concert had properly gotten under way.

In the great days of Stadium Concerts, from 1918 to about 1945, many New Yorkers were first exposed to music through the efforts of Mrs. Guggenheimer. Through those years Lewisohn Stadium played host to some of the world's finest musicians, and in Depression days they could be heard for as little as 25 cents. Mrs. Guggenheimer was a dedicated woman who wrought well, and New York owes her much.

[From the New York (N.Y.) Post, May 25, 1966]

IN MEMORY OF MINNIE GUGGENHEIMER

The summer evening concerts she brought to Lewisohn Stadium were the great love of Minnie Guggenheimer's life; she shared it with multitudes of New Yorkers.

The rains and the planes were her great adversaries; she was never quite able to overcome them, but she never abandoned the battle.

Her death is a large loss. She was a generous, delightful woman with a merry heart and an honest spirit. She will be remembered with affection by thousands who listened with her to a song at twilight.

ANNIVERSARY OF SIGNING OF CHARTER OF AFRICAN UNITY

Mr. O'HARA of Illinois. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. O'HARA of Illinois. Mr. Speaker, today I join my colleagues in saluting the third anniversary of the signing of the Charter of African Unity. Three years ago, at Addis Abada, the leaders of 30 African States, containing nearly a quarter of a billion people, took a giant step forward in the cause of a democratic, progressive, united continent.

On that occasion the leaders of Africa proclaimed their devotion to the cause of economic, political, and social progress for all the people of a great continent. They dedicated themselves to establish a firm foundation for human rights and cooperation of the nations of Africa to building a peaceful world.

One of the joys of my assignment as a delegate to the General Assembly of the United Nations was the opportunity afforded me to associate with the delegates from Africa. Their wisdom and their enthusiasm were an inspiration. Moreover, I have watched with great interest the sophistication with which they have evaluated the efforts by which some nations have attempted to sell their ideologies. The Africans have listened politely, even patiently, but they have reserved the right to draw their own conclusions and make their own judgments.

African unity is young; but I have faith that, like our own country, Africa will progress toward a well earned status of world leadership.

MARY BENSON, SOUTH AFRICAN AUTHORESS

Mr. O'HARA of Illinois. Mr. Speaker, I ask unanimous consent to extend my 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 Illinois?

There was no objection.

Mr. O'HARA of Illinois. Mr. Speaker, by unanimous consent I am extending my remarks to include the statement of Miss Mary Benson, renowned South African authoress, before the Subcommittee on Africa of the Committee on Foreign Affairs. Miss Benson traveled from her native South Africa to London, and from there to Washington, especially to testify at the subcommittee hearings on American relations with South Africa with emphasis on apartheid.

CAREER OF MARY BENSON

Mary Benson was born in December 1919 and educated in Pretoria, South Africa. Her forebears settled South Africa in 1820.

At the age of 18 she studied in Great Britain and visited the United States before becoming a secretary in High Commission Territories office of the British High Commission, South Africa.

In 1941 she served in the South African Women's Army and rose to the rank of captain. She was personal assistant to British generals in the Middle East, Algeria, Italy, Greece, and Vienna.

After the war she joined UNRRA and subsequently became involved in the field of drama, journalism, and human relations.

In 1952 she assisted in founding the Africa Bureau in London and was its secretary until 1957. In 1957, through offices of the Anglican Bishops of South Africa, she became secretary of the Treason Trials Defence Fund in Johannesburg.

She was the first South African to testify before the United Nations Committee on Apartheid in 1963.

She returned to South Africa in 1964 to see her family and friends and to write. In February 1966 she was placed under house arrest and was served stringent banning orders under the Suppression of Communism Act which includes prohibition on writing.

She left South Africa in 1966 with the particular immediate intention of appearing before the Subcommittee on Africa.

She has written a number of widely known books, including: "Tshekedi Khama" which was published in December 1960 and selected by Arthur Koestler among his two best books for the year.

MARY BENSON'S STATEMENT

Mary Benson's statement follows:

Mr. Chairman, I have an extreme sense of urgency in coming to you and your subcommittee. But I feel intensely the difficulty of expressing all I have been a witness to in South Africa in the past 16 months because it is still so close. And I feel an overwhelming sense of responsibility towards those friends, or people whose experience I know something of, who are silenced and cannot speak for themselves because they are in jail, or under severe banning restrictions, or banished, or are denied passports.

Another factor is how strange I feel, partly due to the unexpected and profound psychological effects of house arrest and bannings, and of the risks constantly run in South Africa if one is to be at all true to one's self; but largely I feel strange because living there, for anyone involved in opposing the evils of white supremacy, is like being in the front line of a battle, and when one withdraws, the outside world seems unreal. Even now, in the freedom of Washington, I dream of the Security Police, and of my apprehensions. Yet what I personally experienced is mild compared to what thousands and thousands there are suffering—besides, I knew that so long as I wasn't actually imprisoned, I could, with a British passport, leave the country.

How can I bring it all to life for you? How convey the shattering deterioration between the time I was last there, in 1962, and when I returned in December, 1964? In that time the government had succeeded in blasting a chasm between white and black. There has been a scattering, as after a bombardment. Quite apart from the fact that most of my black friends were in prison or in exile, and their wives restricted, the laws, the physical distances, sheer mistrust, have shrivelled the possibility of contact. And again, as I shall try to show, there was a further deterioration just in the time I was there, between the end of 1964 and April 1965. Of course, investors would see only the expansion in trade, the rise in profits.

I notice your press handout mentions my friendship with Nelson Mandela. (Actually it was not through him, but the Anglican Bishop of Johannesburg, that I became Secretary of the Treason Trials Defence Fund in South Africa in 1957.) When I returned to South Africa in May 1961, Mandela had organised a nationwide stay-at-home, yet one more non-violent protest from Africans. The State retaliated by ruthlessly suppressing the protest with all the forces it could command. I met Mandela underground at the time and he told me, with bitter regret, that after 50 years of disciplined non-violence the Africans had been driven to the conclusion that the increasingly organised violence of the State could only be answered by counter-violence. Thereafter, sabotage broke out, mainly against installations, but resulting in a handful of deaths. The saboteurs hoped thereby to impress on white South Africa and Western investors the gravity of the non-white people's affliction and the urgency of their anger. But as you know, within 3 years they were routed, most of the leaders were imprisoned for life, a number being executed. Meanwhile, young white intellectuals had also turned in despairing frustration to sabotage, one even to a terrorist act, while other Africans resorted to anarchistic rioting and murder in several incidents in the Cape.

(Significantly, in the 1914–18 war, when Afrikaner nationalist extremists rebelled against the government and many scores of people were killed, only one leader was executed and that because he was at the time in the Defence Force and in the rebellion had been responsible for many deaths—he is now an Afrikaner martyr. All the other 281

ringleaders were released within two years. And that very violent revolt was in wartime. But the mercy shown to their people in the past is clearly not a characteristic of the present-day rulers.)

I'm sure Mandela, now with about 1,000[1] other men imprisoned in Robben Island's maximum security jail, would be glad to know I have come before you, but as he is, like almost all non-white political prisoners, graded category D, he can have only one letter, and one half hour visit every six months.

. . .

I wish I could imbue you with a feeling of what it is like in South Africa today. How on the surface there is law and order, stability, as the Government and British and American investors like to point out; how on the surface there is white complacency and black apathy; and we know little of what goes on below except that now and then something breaks surface, as happened last October. There was a trainload of African workers—as always monstrously overpacked for they, not being voters, can be pushed and shoved around like that and the train crashed, killing scores (in all 91); whereupon enraged survivors turned on the first white man they saw, who in fact was coming to their aid, and battered him to death . . . No, for the most part we can only guess what goes on below the surface.

After I had been house arrested and placed under eight pages-worth of bans, I naturally considered the pros and cons of remaining in Johannesburg or leaving. Virtually all friends urged me to go as usefulness there seemed ended. It was a help in making the painful decision to know I might be able to come before your committee. I knew that excellent factual evidence had already been given to you. But also I knew the Government and most white South Africans condemn those who criticise their policies without up-to-date first-hand experience—indeed one of the reasons I returned to South Africa was to get such experience and knowledge. No doubt I got too much of it! Certainly it is an honour, if an exceedingly obnoxious one, to be severely restricted. It means the government dare not charge one with an offence and bring one to court yet it fears one, or one's power as a writer, to such an extent that it arbitrarily imprisons one's talents and one's spirit.

(By the way, I believe—from the timing of the restrictions on me, from the fact that for the first time a phrase was introduced banning the "transmission" of material to anyone, and the fact that letters to me from Washington had been opened—that I was banned mainly because I had been enquiring about sending material to your committee.)

The cost of stability

South Africa then, is a "stable" country, but at what cost. The Afrikaner people, once great and brave fighters for freedom, have not the courage, the generosity, nor the common sense to extend freedom to others. Instead, as a rare and splendid Afrikaner, the Rev. Beyers Naude, has pointed out, there are more and more parallels to Nazi ideology in Afrikaner Nationalism; not only in the methods used to "preserve" the white race and "Christian Western civilization" (sic) but in the fear "freezing South Africans into silence and acquiescence." When you come to think of it, the Afrikaner extremists and the sinister Broederbond who rule South Africa, most of them admirers of Hitler, in all the world find avowed support for their policies only from Portugal, from the Rhodesian rebels, and from a handful of societies like the Ku Klux Klan, the John Birchers and the League of Empire Loyalists. But of course, there is the other kind of support; support that is tangible however much apartheid may be verbally castigated, and despite the denial of arms to the present government; support that comes from many English-speaking white South Africans and from British and American investors, not to mention some Western Governments, including British and American.

You have had first-rate testimonies from several people, you have been told by Mr. Mennen Williams what apartheid does to human beings. Mr. Neilsen, in describing the inhuman, un-Christian policies, spoke of the degradation of the government's methods; and of the moral horror of what is going on. You know from Kenneth Carstens and others of the dreary cruelty of the unlimited arrests under the pass laws. All I can contribute then is a few examples of what has become the South African way of life, as I saw it, in 1965 and 1966. In essence: what is being done to people there, in this, which is their only life on this earth; and we don't know what, if anything, happens to us after death.

In Johannesburg, recently, there were at night regular police raids on domestic servants' quarters. All who were not actually employed at each house were arrested: husbands, boyfriends, wives, children, etc. In one raid for instance, 800 police "netted" 800 men, women and teenagers. The raids were followed by mass trials, not in courts, but in the cells, with four magistrates, in one instance, trying 1,000 people in 3½ hours. A police officer was reported to say: "We have to have these raids. We've caught five or six housebreakers among the petty offenders. . . ."

In 1962, near Cape Town, I visited a young African woman and her four children, who were being forcibly driven 500 miles from her husband and from the pondokkie (in the sandflats "reserved" for non-whites) which she had cherished into a safe neat home. This still goes on—she is but one of thousands; and in April last year in the Black Sash Advice Office[2] near Cape Town, I again listened to pathetic appeals from Africans facing the enforced breakup of their families. All this to satisfy an administrative edict. Indians continue to be torn from homes and businesses in towns they have helped to prosper and are stuck miles outside in undeveloped country. Other edicts, toward the end of the year, killed off District Six, the traditional home of Coloured People in Cape Town; they like Africans will be confined to bleak sandflats. And through the year, the Immorality Act took its toll with reputations, lives destroyed. All these laws and edicts are idiotic.

Idiotic—for South Africa, prosperous, spacious, could easily provide opportunities and security for all its racial groups were it not for the life-denying ideology of its rulers. And food. Yet, when I passed through the Ciskei, one of those African areas where many live on the borderline of starvation, an African clergyman to whom I gave a lift, from being stolidly taciturn, suddenly burst into a passionate description of how children in his village on some days of each week went without food. Government aid is begrudging and offers from voluntary societies are frequently rejected by the authorities who like to pretend there is no starvation.

Perilous, then, is the sickness of South Africa. For the life-denying dogma of white supremacy does not simply breed cruelty, it brings with it intellectual decline and moral decadence, not only in the small Afrikaner tribe which seeks self-preservation through tyranny, but among the English-speaking whites, who are mainly preoccupied with profit and pleasure. What a waste it was when young liberal intellectuals felt constrained to attempt ill-conceived sabotage. In court many of them spoke of the futility of their acts. Again I would stress the waste, the unnecessariness in this rich, wide country which, as Mr. Williams pointed out, could lead Africa in constructive development.

But if present policies are regarded as abominable, think what lies ahead. Mr. Balthazar Vorster, the Minister of Justice, who was detained in the 1939–45 war for his subversive, pro-Hitler activities, has been given and will continue to grasp more and more power. Education of Afrikaner youth, Afrikaner newspapers, the State-dominated broadcasting system, combine to isolate, to indoctrinate.

A number of the elite of Afrikaner youth at the University of Pretoria—among them perhaps future Cabinet Ministers—expressed their contempt for Opposition United Party speakers at the election in March by throwing chairs and violently preventing meetings from taking place. Is it surprising when their leaders regard liberalism and humanism as dirty words? One of the few Afrikaners to maintain the best in their forebears, independent, brave and generous, the Rev. Beyers Naude, set up the Christian Institute—dedicated to a loving God. He is constantly harassed by fellow Afrikaners in authority.

I should mention one seeming aberration on the part of the State that confuses people abroad: the fact that a few fearless people can express perpetual criticism of government policies without being silenced. Well, of course, Alan Paton's passport was withdrawn, as was that of Laurence Gandar, whose editorials in the Rand Daily Mail are a source of inspiration to all independent-minded South Africans, black and white. One factor is that it's convenient for the government to present an apparently free press to the world and besides these men are internationally distinguished which still has meaning for a government that spends a fortune in trying to whitewash its image, as Dr. McKay revealed.

JUSTICE

Inevitably justice was long ago subverted by the spate of unjust laws. While I was there, a number of cases drew fierce comment from the few English language newspapers still putting up a fight. To mention only one case: four young white men were convicted of raping an African woman after three of them had assaulted her escort. Three were sentenced to six strokes of a light cane and the fourth to six strokes with an adult cane, and a year's imprisonment suspended for three years. In an editorial Laurence Gandar remarked: "Just imagine it: a half an hour's sharp pain and a week or so of discomfort for one of the most serious and revolting crimes in the book. From the court proceedings it is quite clear that this was a particularly vicious and brutal episode. The men had been drinking that evening but according to the evidence of a white girl at whose home they had been for a time, they were not very drunk. They had left saying it was a good night to chase "kaffirs" . . . In passing sentence the judge said he could not understand why the men spent their time drinking and visiting shebeens. He recommended that they should make use of their free time by joining a club." As the editor pointed out, had the rapists been black and the raped woman white, they would surely have been sentenced to death.

But the area where justice is most blatantly being subverted by the whole process of the administration of the laws is the Eastern Cape where important American automobile and other factories flourish (see p. 25–26 of Part I of the record of your hearings). It

[1] According to press reports, the Chief Commissioner of Prisons, while in Sweden in 1965, said there were some 8,000 political prisoners in all South African jails.

[2] The white women of the Black Sash unstintingly provide assistance for non-whites endlessly persecuted under the pass and other administrative laws.

was in this area that Africans first felt the glow and excitement of new ideas and of education brought by missionaries from the 1830's on. In those days Africans there even had the vote. Outstanding African intellectuals and leaders emerged—from Professors Jabavu and Z. K. Matthews to Mandela, Sisulu, Tambo, the area has long been the centre of militant African activity; a majority of the 8,500 volunteers who went to jail in the African National Congress's 1952 defiance campaign came from there.

Now the Security Police are intent on purging the area, particularly Port Elizabeth's African townships, of the last drop of political consciousness. But the purge goes further, it is aimed at the very heart of this society, at the qualities of independence, self-respect and mutual trust, without which human beings become corruptible.

During the past 2½ years, about 1,000 men and women have been arrested there, and in innumerable trials most have been charged with membership of the unlawful African National Congress (ANC) or, in fewer cases, to the Pan Africanist Congress (PAC). None of these cases is concerned with acts of violence, which would go before the Supreme Court, but increasingly the State produces evidence of talk of violence.

The local press had barely reported these trials and I was the first overseas correspondent to do so. It is painful to try to tell you about it all—what I witnessed was peculiarly sinister and odious.[3] The accused, usually simple men and women, are held for between 5 to nineteen months, awaiting trial. If they crack under interrogation, which may include assaults and sometimes physical or mental torture, and agree to give the necessary evidence, they become state witnesses. Those who somehow hold out become the accused.

The Johannesburg Star has spoken of "the practice of arresting in haste and collecting evidence at leisure." Frequently the charges relate to actions allegedly committed three or four years ago, making it almost impossible to prove an alibi, yet state witnesses unable to recollect recent events can give precise 'evidence' about 1961 which, however nonsensical, they recite with an air of pride. I found one state witness had already given evidence against sixty people, another learnt his evidence off by heart, one, as Defense Counsel remarked, had the history of a man in the pay of the police. They would vehemently deny torture or pressure of any kind. They had come to court to tell 'the truth' and—in a startingly repetitive manner—they would volunteer: 'I was not forced to make a statement.' Increasingly their corroboration of small details of what happened in 1961 or 1962 stretched one's credulity. It was like hearing parrots come to court. And in several instances, the Defence elicited the fact that State witnesses during a trial had slept—sometimes two or three together at a time—in a room with an African security sergeant, but they insisted nothing concerning the case was ever discussed.

Virtually the trials are held in camera, in villages remote from Port Elizabeth, on the grounds that State witnesses fear intimidation or reprisals, with resulting difficulty in finding defence counsel and in the Press being able to attend, so that a dreadful pall of anonymity settles over them.

But where injustice is most apparent, though blessed by the law, is in the framing of the charges, for these have been broken down under multiple counts: membership of an unlawful organisation, furthering its aims, collecting funds for it, attending meetings, allowing premises to be used for its meetings, distributing leaflets; the maximum sentence on each count being three years; with, in some cases, each meeting, each leaflet, treated as a separate count! The severity of sentences can be imagined: whereas in Johannesburg admitted rank-and file members of the Communist Party—who collected subscriptions, distributed leaflets, painted slogans and attended more than twenty cell meetings—were sentenced to two years, in the Eastern Cape ANC and PAC members have been sentenced to up to ten years for a lesser series of activities.

The charges are framed under the Suppression of Communism Act which, as I'm sure you know, covers any particularly effective and active opponent of the Government and has been used far more widely against African nationalists and white liberals than against the small group of Marxists. As a result newspaper headlines frequently label the cases: "28 Charged Under Red Act"; "Relatives Pack Court To See 200 in 'Red' Cases."

One man, Tommy Charlieman, a trades unionist aged about sixty, after being imprisoned in four different jails for a total of nineteen months, was released in December 1964 without any charge being laid. In January 1965 he wrote to the Minister of Justice claiming damages for loss of health and wages. He was then re-arrested, and charged with ANC membership, and other counts emerging from a meeting in November 1962. He was found guilty and sentenced to eight years. On appeal his sentence was reduced, I believe, by three years.

I attended several days of the trial of Nursing Sister Mpendu, and followed by case subsequently. She, a middle-aged woman, had been trying to get a passport to study pediatrics in Britain when she was arrested in March 1964. She was held, in prison—apart from a brief couple of weeks when bail was allowed—for sixteen months, awaiting trial. When Defence counsel questioned the Security Police sergeant in charge of her case about this period, he replied it was "perhaps not too long". He added: "There were others who were more important, who had waited longer." Yet bail had been withdrawn from her fifteen months before and the State Prosecutor had given as a reason that she was the "most dangerous" of the sixty-one prisoners awaiting trial before the court at the time. Fifteen months in prison, a "most dangerous" woman, and when it came to her trial, she was charged with a different set of facts from those for which she was arrested. The Prosecutor declared her case centered on the "disposal of a motor van". It was alleged that her man had been given the van by the ANC, and, after his arrest, she had taken over its sale. She denied the charges. State witnesses said she told them the sale was to raise money for the ANC, and would be used—according to one or another of them—for ammunition; explosives; fire-arms; petrol bombs; machine-guns; rifles; revolvers. For long days Sister Mpendu was made to sit on a backless bench while the case toiled on. The small court-room under a hairdressing salon, next to a railway siding in a rich orange-growing area, was constantly adjourned because of the din of shunting trains. Eventually the Magistrate, describing her as an evasive, hesitant witness, found her guilty on four counts: ANC membership, raising funds, having an ANC meeting in her house, and stamping a receipt with an ANC sign. Allowing for the eighteen months she had by this time been in custody—he sentenced her to a further two and a half years, in all then four years.

Men already fined or imprisoned for an offense are recharged, years later, for the same offense. Thus the employees of a bus company in Port Elizabeth were fined £7 10s ($22) each in 1961 for having gone on strike, which is illegal for Africans. Three and a half years later a score or more have been rearrested. It was then alleged that the strike had been organized by the African National Congress and, after more than a year awaiting trial in prison, they have now been sentenced to four, or four and a half years' imprisonment.

Some found "not guilty" have been promptly re-arrested. And now a new refinement has been thought up by the State: instead of releasing those who are completing their sentences, it is charging them again with violations of the same law. So far 160 or more have been named for this repeated incarceration. Imagine the feelings of the family of the prisoner—just as they are preparing to welcome him or her back. The first case, Dixon Fuyani, after serving 2 years was sentenced to seven more. The second, Benson Ndimba, after 2½ to 4½ more.

I wish there were time to read you parts of my notes of the evidence and cross-examination in some of these trails. Perhaps I could tell you briefly about one other case I observed, in which a young white woman was found guilty of attending an ANC meeting in 1961. The Court sentenced her to four years' imprisonment, "with a prayer in its heart." On appeal the Supreme Court set aside the conviction. As the Rand Daily Mail commented: ". . . This was a case in which the State relied heavily on the testimony of accomplices—who gave their evidence in the presence of the Security Branch. It was a case in which the defence claimed that one State witness had changed his story after spending an overnight adjournment with a member of the Security Branch; that another had learnt his evidence off by heart; and that yet another had been in the pay of the Security Branch.

"Whatever the truth of these claims may have been, the fact is that the Judge President of the Eastern Cape has now rejected the State evidence of five accomplices and declared that it was quite inconceivable that Miss Neame was ever a member of the ANC—as they had all sworn she was . . ." Incidentally, the Judge did not ask why these state witnesses should choose to lie about a white woman unknown to most of them.

Much as I've taken of your time to tell you about the Eastern Cape trials, I am very aware of how inadequately I've conveyed the reality of what is going on. The hopelessness that often deadens the atmosphere in the courts, the anguish of the families, their struggle against hunger, for even when a welfare committee is allowed to function it can afford less than $7 a month for each family. To provide school fees, clothes and books has been virtually impossible.

"Law and order" has been maintained. The Security Police are in control. And they are there to stay.

Virtually all defence in the hundreds of political trials and in the appeals (a number of which have been at least successful in reducing sentences) has been paid for by the Defence and Aid fund, of which Alan Paton was a leading member. I wish you could have seen the dedicated work of its organizers, battling with selfless courage against all the obstacles the State and Security Police could contrive, in order to see that people had some defence. (The State only provides pro deo defence in capital cases.) Over the years, hundreds of men and women have been saved from imprisonment or have had sentences lessened, through the efforts of D & A. It was absolutely clear that the Security Police were enraged by its activities. Over many months last year Police pressure intensified as one after another of the Fund's workers were banned from its activities and placed under grim personal restrictions. Then, two months ago, the Minister of Justice outlawed the entire Fund. The penalties for furthering its aims are one to twelve years imprisonment as in the ANC and PAC cases.

[3] Perhaps one of the Committee might have time to look at a pamphlet, "The Purge of the Eastern Cape" for which I provided much of the material.

When I came away political accused were having to defend themselves.

As if this were not appalling enough, the Minister of Justice went on to house arrest and ban the attorney handling most of these cases, Miss Ruth Hayman! Miss Hayman, since the 1930's, has provided a model of what a full, creative life can become even in the destructiveness that blights South Africa. Also a leading member of the Liberal Party, in her legal practice she has been quite indomitable, and to her office a constant stream of non-whites and others would come for legal advice, whenever they were threatened with arrest or punishment for one thing or another. Yet apart from the Liberals, the Black Sash and one or two newspapers, hardly a protest was uttered at this banning, that not only could destroy her career, but deprives hundreds of men and women of their legal adviser, for the scope of her work is now heavily confined.

This picture is dark. But I was in a court one day when the Defence brought on a witness, Terrance Makwabe, straight from Robben Island prison, where he was serving a two and a half year sentence. He was a slight, modest-voiced man who looked much younger than his forty-five years. The prosecutor rose to remind him that the effect of his giving evidence might well lay him open to renewed prosecution and a further sentence. He agreed. Why, then asked the prosecutor, was he giving evidence?

"Andi Soykik", Makwabe replied. The interpreter translated: 'He says "I am no longer afraid" '.

It was a marvelous moment.

WHAT BANNING AND HOUSE ARREST MEAN

The weapon of "banning" has been part of the South African way of life since 1953. It is a penalty unique in the history of criminal law, according to Professor Julius Lewin, of the University of Witwatersrand. No charge to answer, no trial, no effective appeal, nor can you protest as it is illegal for anyone to publish your remarks. Suddenly one day police arrive on the doorstep and, in my case, they handed me eight pages of bans which I was supposed to study and absorb while they stood over me. The bans are under the Suppression of Communism Act and have been used to punish and silence Liberals far more than Marxists, and have been used in a deliberate policy of attrition to crush non-white trades unions. There are about 25 different bans with the Minister constantly thinking up new ramifications. For instance in my case he almost doubled the previous number of restrictions on writing so that it became almost impossible to write anything at all, whether for publication or for my own private purposes. Alan Paton expressed his view to me: "This is to my mind unpardonable, not so much because it may take away your living but because it denies you the right to use gifts that are given you—that to me is one of the things that is within the province of God, not of the State."

About 520 people are at present "banned". Almost all are restricted for a five year period in which they cannot ever leave one town, or one African township, or even one small suburb. Among new restrictions are those that forbid people to go into specified buildings. This increasingly deprives people of jobs. An African factory worker, for example, is banned from any factories. Mrs. Helen Joseph, the English-born social worker who was among the accused in the Treason Trial and who has done so much for the banished men and women in South Africa, after being house-arrested and under considerable bans for a number of years, recently had an extension of these bans which prevents her entering a building in which there is a trade union. She works for a medical aid society in the same building as a trade union. At the time when I left I heard that she, a woman in her late fifties, was trying to teach herself touch-typing in the hope of getting a secretarial job. Mr. Congress Mbata, banned just after I was, a research officer for the Institute of Race Relations, under the ban can no longer go into that office. On his behalf, a deputation of distinguished men, including two former judges, tried to see the Minister of Justice, but were curtly rejected. One Coloured writer, among the handful placed under 24 hour-a-day house arrest, is also banned from writing and has to rely upon his wife keeping the family going. Regularly in Government Gazettes there are lists of Africans placed under wide bans for five years.

But as I don't think the pernicious character of bans can be understood without reading them, I am handing in a copy, which I hope can be recorded, of these pages that distort and really unimaginably limit a person's life. I found painful the restriction on having any visitors. And, of course, even partial house arrest at nights, weekends and holidays destroy's one's social life. For the first time in my life, I really felt my spinsterhood! But harshest of all, after the ban on writing, was that on social gathering. Nowadays this is being interpreted in law as a banned person and one other. Tea, lunch, even conversing, are dangerous unless the gathering occurs casually or fortuitously. I sometimes went to town and walked the streets hoping to bump into friends. I wrote to the Magistrate to whom one can apply for exemptions, explaining that as a spinster with few relations, I would like permission to have occasional meals with my sister and brother-in-law. This was refused. On occasions when I made a discreet date with somebody to meet in a coffee bar, I did so with a lawyer's warning ringing in my ears, that it was all right for me to decide to take the calculated risk, but if I were arrested the person I was meeting might be called as a state witness against me; no one wants to be a state witness, and to refuse to be one, could lead to up to a year in prison.

I found the psychological effects disconcertingly deep and immediate. The police had no sooner left than I felt a distinct drop in self-respect at the realization that I was obeying a series of bans from Vorster. I was tempted to disregard them and go on living in the ordinary way. But the thought of the penalty of between one and ten years for breaking most of the bans, and up to three years on breaking the ban on social gathering, deterred me. Then came paranoia; not only from the thought of security police surveillance but almost immediately it was as if one had the plague and, from getting several phone calls a day, I felt excited if three or four people phoned me a week.

All this just arbitrarily slammed on one by the Minister of Justice because he can't find one guilty of any offence, even under the fantastic network of laws he already has at his disposal. About 45 people have been partially house-arrested, and about 12 imprisoned in their own homes under total house arrest. Once a week I had to report to a police station and sign the parole book but some, Helen Joseph for instance, have to report daily to the police station; the penalty to which African men and women, particularly those who have resisted the Government's tyranny in tribal areas, are banished, some for many years on end. A report on thirty or more so condemned only reached the South African public after the New York Times had carried it.

THE SECURITY POLICE AND IMPRISONMENT WITHOUT A TRIAL

Above all, what came as a sickening shock to me on my return was to witness the corruption induced by widespread intimidation, even terrorism would not be too strong a word for it, they do induce terror in their victims, from the Security Police and their increasingly sophisticated interrogators. As a result South Africa is now riddled with informers. Sometimes, as you have been told, strong men have been broken by torture, three were driven to suicide under the 90 days law. That vile law was withdrawn in January 1965, only to be replaced in September by a law precisely twice as terrible, the 180 Days Law. The first man so held attempted to commit suicide. Since then about 40 more men and women have been thus kept in solitary confinement for up to six months, without a charge, while they are interrogated with the object of forcing them to become state witnesses. The Security Police have developed a brilliant aptitude for psychological torture—through non-stop interrogation while the prisoner is held in isolation or through forcing prisoners to stay awake or remain standing for days on end. Most of those who have been released have refused to say anything about their confinement, but one, Mrs. Weinberg, after three months imprisonment, told the court she had made a statement to the police only after relays of security men had questioned her continuously for three days. She was kept awake and standing, she alleged, with the physical effect of alarmingly swollen legs—her ankles hanging over her shoes—and her eyelids swollen till her eyes were like slits. As a result of this and the intense psychological pressure, she had made a statement but this she refused to repeat in court, choosing further imprisonment rather than to become a traitor. Of course, there are those who simply out of self-interest turn traitor and give evidence against their friends.

Inside South Africa noted legal experts have drawn attention to the failure of a number of judges to reject evidence given by such detainees, evidence which should be treated with the greatest suspicion. And a leading Progressive, for failing to do so is up to 10 years imprisonment. Professor Lewin has spoken of the grim uncertainty about the extent of these bans in the lives of every banned person. No lawyer can advise the client with any assurance whether attending this or that type of gathering or entertainment is 'safe'. For instance, in the courts, snooker has proved all right on appeal, but bridge or tennis involving four persons has resulted in a sentence, in the case of bridge, of three months, two being suspended. A 'banned' girl who climbed a mountain with two others and had a picnic on top, was sentenced to two months suspended. A man who sat in the kitchen while a party took place and spoke to one person at a time, coming into the kitchen, was sentenced to a year, suspended. These suspended sentences hang over the person's head. In effect, what it meant, because I found every other day, I was breaking one or other of the bans, was that the police only had to watch consistently for a time to collect some bit of evidence.

Cruelest are the bans and house arrest orders that are immediately served on men and women who had been charged, tried and sentenced to terms of imprisonment, and upon serving those sentences, have returned to their homes and families, only to be put under the severest possible restrictions. 520 people banned, 520 lives broken up, and how many more hundreds or thousands intimidated from action as a result.

Almost the only protests recently have come from a handful of English language newspapers, from Mrs. Helen Suzman, the Progressive MP, from the Black Sash, the Liberals, and one or two others. It was not till the Minister banned a student leader, Ian Robertson, who was to have been the host to Senator KENNEDY in a week or two's time, that protests really became significant. There have been student marches and large protest meetings of citizens. In Jo-

hannesburg a few days ago, more than 1,500 people unanimously resolved to call on the Minister to charge or release those who are banned and restricted without a trial. As Uyskrige, the Afrikaans writer and poet, remarked: "What extraordinary habits we are acquiring. It seems to have become an old South African custom to accuse a man or a woman, for that matter, of something extremely serious, clap him in jail or ban him or silence him by other means, and afford him no trial, give him not the least chance to defend himself."

Far more atrocious are the physical and spiritual deserts and abysmal poverty Mr. Hamilton Russell, has said: "I believe that courts will be conscious of the mountain of authentic evidence from experts that solitary confinement amounts to mental torture which is sometimes more serious than physical torture."

In Britain, three M.P.'s of the different political parties said there was little doubt that numbers of state witnesses have been brain-washed in solitary confinement to give whatever evidence the police required of them. But a handful have superbly held out as Mrs. Weinberg did, preferring to serve terms of imprisonment rather than lose their souls.

In the trial of Abram Fischer, the Afrikaner descended from the President of the Orange River Colony, who became a Communist in the 1930's and who has had a most distinguished legal career in South Africa, a young woman, Mrs. Lesley Schermbrucker, a 180 day detainee, refused to give evidence for the state against Fischer. In an article Nadine Gordimer, the novelist, describes the moment: "She turned to the Magistrate . . . and said, 'I've decided that not at this stage or any other stage will I give evidence. And I'm prepared to face the consequences.'" When warned that she could be sentenced to a year's imprisonment if she maintained her refusal, she again said no. Miss Gordimer writes: "She was sentenced to 300 days and she went down in the well of the Court in the peculiar, awkward silence produced in onlookers by the spectacle of courage."

While on the subject of Fischer, who was sentenced to life imprisonment for conspiring to commit sabotage along with Mandela and others who two years previously were thus sentenced in the Rivonia trial, may I quote from the Manchester Guardian in November 1964, where I said, "Today, when the norm among White South Africans is to be fearful, apathetic and mean, Fischer's country should be proud of the extremism with which this man gives himself. And when Afrikaner Nationalists have become rigid conformists, they should honor this 'son of our soil' (as a Magistrate called him) who has kept the spark of rebellion against repression alive."

From studying the history of South Africa for the books that I have written about the African struggle for freedom there, and from personal experience in the days of the Treason Trials in 1957 when I first got over my bitter prejudice against Communists by knowing some of them as individuals, I have felt with even greater regret the failure of Christians, in particular, to identify ourselves with that struggle. If only, instead of being terrified of being tarred with the same brush as Communists, or instead of competing in a negative manner, we could seek to transform our own too inadequate record. I was glad that a member of the Society Friends made a similar point to you. It is ironic that it is to a handful of white Communists who befriended Africans over decades that we owe to a large extent the refusal of so many African leaders to turn racist.

BANTUSTANS

Protagonists of the South African system may reject the picture I have given as mainly of political 'agitators.' What then of the government's vaunted Bantustan, the Transkei, or of Zululand, to mention only two tribal places, what of the moderate men who lead the oppositions there? The government's favorite weapon against them has been to block passports to such fine men as Knowledge Guzana, leader of the opposition multi-racial party in the Transkei, and Gatsha Buthelezi, a senior Zulu chief, both of whom had been looking forward to taking up State Department invitations to travel in the United States. This is just one more proof of the farce of the government's claim that these areas are heading for freedom and self-government. Incidentally, between May 1964 to April 1965 and possibly for longer all applications from newspapers and journalists to visit Bantu areas in the Transvaal were rejected.

And what more ludicrous a showing up of the government's color policy and the convenience of its prejudice, than the case of the Japanese who have been made honorary whites—because they buy pig iron, while Chinese and Indians and Coloured South Africans continue to be harshly discriminated against.

CREATIVE PEOPLE AND CREATIVE ACTS

But having said all this, having given first-hand impressions of what Mr. Nielsen called "the most flagrant and clearcut case in the world today of oppressed colored people by white people as a matter of official policy," I haven't given you the extra dimension provided by the few who continue to struggle on, not only bravely confronting the evil, but at times even creating. It would be indiscreet to say much more for fear this little also would be destroyed. But I wish I could communicate to you the wonder of knowing these people. Even in the time I was there, the ranks thinned significantly—some were forced into exile because bans prevented their making a living, others were taken into 180 days or were cut off from normal life by bans. While I was amongst those few remaining, there was the constant refreshment of their company, inspiriting and delightful. When one looks around the world—so much of it in a mess—and then thinks of these few of all races and beliefs, one feels inspired to carry on, to believe that perhaps a better future can be won.

I wonder if you realize that some in South Africa feel your country is their greatest hope. Perhaps if you thought of them as constituents you could imagine their anxious expectation? If is not only because the United States is the most powerful country in the world. It is not only that they have given up expecting anything from Britain, with its billion pounds bound up in South Africa. It is that you have a very particular history and that you here are striving—with whatever stumbling and prevarication—to cope with a history of racial oppression and the resulting disasters. Your experience can help them, action on their behalf can help you.

Britain and America are deeply, irrevocably involved in South Africa—through investment and profits gained, some of your firms have their fingers deep in the pie of Eastern Cape industry, and as you know, in the Eastern Cape terrible things are being done. They are involved not only because Dr. Verwoerd vaunts himself as a bulwark of Western Christian civilization and, in the lineup so far has, in fact, been treated as such, but they are also involved through Christian and educational connections.

South Africa is a microcosm of our world: in its races, its religions, its political beliefs, in its perilous division into 'haves' and 'have-nots.' If no constructive way out of the deadly impasse is found and found soon, how can our world hope to survive?

AGREEMENT ON IMPORTATION OF EDUCATIONAL, SCIENTIFIC, AND CULTURAL MATERIALS ("FLORENCE AGREEMENT")

Mr. HORTON. 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 New York?

There was no objection.

Mr. CURTIS. Mr. Speaker, on June 1, 1965, Chairman MILLS introduced H.R. 8664, a bill to implement the so-called Florence agreement. The Florence agreement is an international agreement which provides that signatories remove tariff and other barriers to imported educational, scientific, and cultural materials, such as books and paintings, and also scientific equipment purchased by qualified institutions, if equipment of "equivalent" scientific value is not made in the importing country. A list of 49 nations which have put the agreement in force is attached. The signatory countries include most of the industrial nations of the world with the notable omission of Canada and Japan.

HISTORY

While the Florence agreement is economic in form—technically a tariff and trade matter—it is most essentially an instrument to promote social and cultural understanding among nations. The agreement was conceived by the 1948 General Conference of the United Nations Educational, Scientific, and Cultural Organization — UNESCO — then technically revised by a meeting of the contracting parties of the General Agreement on Tariffs and Trade, and approved unanimously by the UNESCO General Conference in Florence in July 1950. Opened for signature at Lake Success, N.Y., on November 22, 1950, the agreement entered into force on May 21, 1952, with 10 nations having signed and accepted it.

The United States did not sign the Florence agreement until June 24, 1959. The United States hesitated—though it had been a strong force behind this agreement to strike down international "barriers to knowledge"—in part because the Eisenhower administration wished first to assess the effects of the Universal Copyright Convention, signed by the United States in 1954, on foreign trade in U.S.-copyrighted material.

It was feared that this convention, which eliminated the effect of the "local manufacturing clause" of the U.S. copyright law, would result in greater imports of English language publications. The manufacturing clause is essentially a quota on any imported foreign-made English language book if its copyright is claimed here.

It was not possible to test the convention until after the United Kingdom finally ratified it in 1957. Imports did not increase and the administration and the U.S. publishing industry discovered that its fears were groundless, as the

then Assistant Secretary of State for Economic Affairs and the representative of the publishing industry testified before the Senate Foreign Relations Committee in 1960.

Though signed, the agreement's application was, of course, conditional on the advice and consent of the Senate, and implementation by Congress. Senate hearings were held on January 26, 1960, the agreement was reported favorably to the Senate on February 8, and that body gave its advice and consent on February 23, 1960.

Two implementing bills were introduced in the 87th Congress, H.R. 2537 and H.R. 12821, which were drafted in the context of the then unrevised tariff schedules. The present bill, H.R. 8664, is drafted to fit the new TSUS. Action on these bills has been delayed partly because the responsible agencies were unable to agree and act on translating the general terms of the agreement into U.S. tariff legislation.

It should be noted that even though the United States has been tardy in implementing a pact which it sponsored, U.S. duties on the items covered by the agreement have been quite low.

STRONG SUPPORT FOR THE AGREEMENT

During the 1960 Senate Foreign Relations Committee hearings no person submitted testimony against the agreement. All groups represented, by witnesses or statements, were unanimous in favor of the agreement. Among those groups were the American Book Publishers Council, Association of American Colleges, American Textbook Publishers Institute, American Library Association, American Council of Learned Societies, and American Council on Education.

The witness for the American Book Publishing Council said in response to Chairman FULBRIGHT's question whether there was any opposition from publishers that:

> There is not—I think I can safely say that the publishing industry is 100 percent behind this and has felt for several years that this would be a very good thing to do in this country.

Later the witness said:

> We have wanted this for a long time. And we thoroughly believe in the book industry, Mr. Chairman, that not only ideas but technology and trade follows the book abroad. So we want to sell all the books abroad that we can.

Support for the Florence agreement was expressed by CBS President Frank Stanton in December 1965 at the White House Conference on International Cooperation Panel on cultural and intellectual exchange:

> Export taxes, import tariffs, and surcharges have no place on materials whose major content and purpose are cultural and intellectual. As revenue measures they are picayune, and as protective devices they are self-defeating, harassing the very activities they theoretically protect. Again, as in copyright, we lag behind by not implementing the Florence Agreement that takes a considerable step forward in this area.

President Johnson has also endorsed the Florence agreement as an objective.

Scientific instrument makers, not represented among the above witnesses, have withheld their comments until the implementing legislation has been formulated. The Board of Directors of the U.S. Chamber of Commerce voted in February this year to support implementation of the agreement.

HOW THE TARIFF SCHEDULES AND U.S. EXPORT-IMPORT TRADE WILL BE AFFECTED

In drafting H.R. 8664 an effort was made to simplify the existing TSUS while carrying out the meaning of the agreement, but without incorporating some of its provisions which have previously had no place in the U.S. schedules. There would be no reason to incorporate into U.S. schedules some of the exceptions to duty-free entry allowed by the agreement, which have no economic validity in the U.S. context.

Many of the items for which the agreement contemplates duty-free treatment are already free of U.S. duty. Such items are, for example, newspapers, all periodicals relating to current literature, most travel posters and travel literature, all manuscripts and most geographical, hydrographical or astronomical maps and charts, antiques made before 1830, handmade prints—etchings, engravings, and lithographs—sculpture, statuary and paintings, and articles for the blind.

For this reason the trade effect of the agreement will probably not be great, except in a few categories. One category in which large import trade exists at present is books—TSUS items 270.45 and 270.50. Under item 270.45, books of foreign authorship providing a duty of 3 percent ad valorum, imports worth $29 million occurred in 1964. Under item 270.50, books of U.S. authorship providing a duty of 7 percent ad valorum, imports worth $5.5 million occurred in 1964. These duties would be eliminated by H.R. 8664. Other items substantially affected would be antiques and scientific instruments which will be discussed below.

In its report to the Ways and Means Committee on H.R. 8664 the Tariff Commission will fully explore the effects of the bill on the TSUS by item, a task too lengthy for this paper.

PROVISIONS OF THE FLORENCE AGREEMENT AND H.R. 8664

Following is a brief summary of the agreement's provisions, with reference to the implementing bill, H.R. 8664, which is attached, as is a copy of the full text of the agreement and its annexes.

ITEMS COVERED BY AGREEMENT

Covered by the agreement are: printed books, publications, and documents—annex A; works of art and collectors' pieces of an educational, scientific or cultural character—annex B; visual and auditory materials of an educational, scientific, or cultural character—annex C; scientific instruments or apparatus—annex D; and articles for the blind—annex E.

FREEDOM FROM DUTIES AND EXCHANGE AND LICENSING REGULATIONS

Items listed in the above annexes shall be accorded duty-free treatment and exemption from exchange and licensing regulations under certain conditions specified by the agreement and the proposed implementing legislation in cases where the United States does not already allow duty-free entry. Other charges on imports would also be waived under the agreement except, first, charges such as sales taxes, provided these charges do not exceed those applied to similar domestic products; and second, fees such as handling charges but not in excess of the cost of the services rendered. No such charges and fees are applied in the United States.

Contracting parties also agree, insofar as possible, to grant import licenses and foreign exchange for importation of materials covered by the agreement. This provision was specially important in the context of the economic conditions of the 1950's. Today it is applicable mostly to developing countries. The agreement requires signatories to grant unconditionally licenses and/or foreign exchange for articles listed in article II, section 1 of the agreement.

Article IV is a catch-all provision urging signatories to remove other types of restrictions. Its main provision—paragraph a—is that signatories will "continue their common efforts to promote by every means the free circulation of educational, scientific, or cultural materials, and abolish or reduce any restrictions to that free circulation which are not referred to in this agreement."

ANNEX A—BOOKS, PUBLICATIONS AND DOCUMENTS

Annex A contains a list of the publications to receive duty-free treatment, as well as items to which the agreement does not apply. Books are excepted from duty with no qualifications as to their educational, scientific or cultural character, including books printed abroad by authors in the importing countries. Also duty free are printed music, maps and tourist posters and literature.

The items excepted from Annex A which will remain dutiable are, in part, stationery, books, and documents published for a private commercial enterprise when they are for essentially advertising purposes, and newspapers and periodicals in which the advertising matter is in excess of 70 percent by space.

An example of how the bill interprets the agreement is provided by this last provision regarding the free importation of newspapers depending on advertising content. The United States allows newspapers duty-free entry, without qualification. To put into U.S. law this concept would be a step backward, away from existing sound U.S. practice.

Regarding books, section 3(a)(1)(i) of the bill provides duty-free entry for TSUS items 270.15 to 270.40, inclusive. These are four items, two of which are already duty-free. The bill would, therefore, only eliminate duties on two items—270.35 and 270.40; prayer books—2 percent ad valorem; and picture books for children not over 6 years of age—7.5 percent ad valorem.

Duties of 7 percent and 3 percent on foreign-printed books and pamphlets are removed by section 3(a)(1)(ii) of the bill, except the bill applies these duties to foreign printed catalogs of U.S. products by making a new article description for item 270.45. This provision might, for example, discourage a large U.S. mail

order house from having its catalogs printed abroad.

The provision of the bill relating to periodicals, section 3(b), effectively removes a duty of $0.04 a pound on certain fashion periodicals. All other periodicals are now duty-free.

ANNEX B—WORKS OF ART AND COLLECTORS' PIECES

The agreement covers paintings and reproductions of paintings when made by hand, also handmade prints, sculpture, and antiques which are defined by the agreement as being over 100 years old.

An important provision of Annex B is duty-free treatment for collectors' pieces and objects of art consigned to public galleries, museums and other public institutions, when approved by the competent authorities of the importing country and when the articles are not intended for resale—article III. Several items in the TSUS—862.10 and 862.20, 864.05–864.70—now provide for articles brought into the United States not for sale as samples, advertisements, use in constructing public monuments, or for museum exhibition. These would seem to comply with the Florence agreement's requirements, but the administration has chosen to broaden the article description for item 864.70 by including as duty-free "educational" and "literary" articles for exhibit, and deleting the requirement that such articles be brought in for exhibit by scientists, lecturers, and other such persons.

The agreement contemplates duty-free treatment for antiques if over 100 years old and ethnographic objects if 50 years old prior to their date of entry—section 4(b) of the bill. Present U.S. practice is to treat as duty free antique objects entering before 1830. This date has logic because it is the approximate date when articles began to be made by industrial methods rather than by hand.

The 100-year moving provision for antiques would, it is claimed, be very difficult to administer by Customs, though the Customs Bureau has reportedly advised that it can administer the provision, if Congress makes the decision that it should.

The trade effect of this provision might give pause. In 1964, $35 million and in 1965, $43.3 million of antiques entered the United States duty free—item 766.25. U.S. exports in these categories were only $16.3 million in 1964 and $23 million in 1965. These exports are in major part works of art, including paintings. Works of art are not included in the above import figure, however. U.S. imports of works of art were valued at about $100 million in 1965—TSUS items 765.05–765.30—all duty free except item 765.07, unoriginal art objects, at a duty of 8 percent.

One way to avoid some administrative problems might be to apply the 100-year moving definition in jumps of 10 years. For example, if the bill is enacted the year of definition could initially be set at 1860. In 1976, the definition year would automatically jump to 1870, and so forth. Such a provision might be acceptable in terms of the agreement on the grounds that the United States imports more antiques than any other nation, and that administering the 100-year moving definition is very difficult. Of course, it would be possible to implement the agreement with a U.S. reservation on its provision for antiques. This would not be the ideal course, however.

ANNEX C—VISUAL AND AUDITORY MATERIALS

This annex covers films, film strips, microfilms, slides, sound recordings, patterns, models and wall charts, of educational and scientific nature, when they are destined for an approved institution or organization. Such treatment can be extended at the discretion of the importing country to approved broadcasting organizations. The bill goes beyond the agreement in including videotapes in the category of duty-free items in annex C, in the belief that such material would have been included in the agreement if known at the time—section 10(b)(5)(6).

ANNEX D—SCIENTIFIC INSTRUMENTS OR APPARATUS

The agreement grants exemption to scientific apparatus intended exclusively for educational purposes, or for pure research, when consigned to approved institutions and used under the control of those institutions, and when instruments of "equivalent scientific value" are not manufactured in the importing country.

In spite of this last seemingly limiting clause, the witness for the American Association of Physics Teachers at the 1960 Senate hearings testified that much foreign scientific equipment is unique, not available in the United States, and of very great potential value to American instruction in the sciences.

At the moment—

He testified that—

the tariff laws insulate the U.S. educational system from the equivalent influence of good ideas in the equipment field.

This provision of the agreement would be implemented by section 6 of the bill, which establishes a procedure for determining duty free imports. The applicable TSUS item is 851.60. This is a provision of special meaning to Congress, which is increasingly called on to pass private bills allowing duty-free importation of certain instruments by qualified institutions.

Determining equivalency of foreign with U.S.-made instruments is perhaps the major problem in implementing this provision. This procedure established by the bill would in brief require the following 5 steps:

First. Institution must make application to Treasury describing article it desires to import and state that it is not made in the United States.

Second. Treasury sends copies to Secretaries of Health, Education, and Welfare, and Commerce.

Third. Secretary of Commerce publishes invitation to comment on proposal in Federal Register.

Fourth. After receiving comments the Commerce Secretary determines whether the equivalent article is made in United States and finding is published in Federal Register with statement of reasons at latest 90 days after Secretary of Treasury makes request.

Fifth. Institution must place its order for the equipment within 60 days lowing publication of favorable findings by Secretary of Commerce.

No materials or supplies, or maintenance equipment for qualified institutions is entitled to duty-free treatment under section 6 of the bill.

The trade effect of the provision is very difficult to estimate.

It should be noted that in 1957 the Ways and Means Committee did not report to the House H.R. 9349, a bill to except from duty scientific equipment for educational purposes, because the scope of the exception was too broadly defined.

The Florence agreement definition as implemented by the bill is more precise than in the former bill, and the procedures established by the bill have the major advantage of allowing domestic instrument makers to contest a decision to allow duty-free entry for any given instrument.

ANNEX E—ARTICLES FOR THE BLIND

Duty-free treatment of books and other articles intended for the blind is contemplated by Annex E under conditions prohibiting resale. Purchase of foreign in preference to like domestic scientific apparatus for the blind is also enjoined. The United States already allows all items for the blind to enter duty-free.

SPECIAL PROBLEMS OF IMPLEMENTATION

The Florence agreement provides that a signatory need only extend the provisions of the agreement to other signatories. However, it is said that in practice many signatories extend the provisions of the agreement to all nations without exception, and H.R. 8664 would also do so. This poses the problem of allowing duty-free imports on publications, scientific and cultural objects from the Soviet Union and other Communist nations. But many such imports that might be harmful are prohibited from entry by section 305(a) of the Tariff Act of 1930, which provides that books and other types of printed matter, including drawings, containing "any matter advocating or urging treason or insurrection against the United States," and so forth, is prohibited from entry.

Another problem is knowing whether, in fact, the other signatories are implementing the agreement fully. Whether or not the agreement is a truly reciprocal one, other signatories should be expected to give equivalent treatment to U.S. cultural materials. UNESCO has no provision for annual review of the implementation of the agreement by its signatories. One safeguard would be to amend the Trade Expansion Act's annual reporting requirements to include review of the Florence agreement's operation.

TARIFF ADJUSTMENT AND ADJUSTMENT ASSISTANCE

A protocol was appended to the Florence agreement in 1950 at the request of the United States that would allow it to invoke the following provision, "if as a result of the obligation incurred by

a contracting state under this agreement, any product covered by this agreement is being imported into the territory of a contracting state in such relatively increased quantities and under such conditions as to cause or threaten serious threat to the domestic industry in that territory producing like or directly competitive products," and so forth, such country can revoke its obligation.

Thus the provisions of section 11 of H.R. 8664, providing for tariff adjustment and other adjustment assistance, are legal in the context of the agreement, and can be applied. These provisions are consistent with those provided in the Trade Expansion Act.

It is not expected that the implementation of the agreement will have a meaningful trade effect. U.S. experience with the Copyright Convention showed that the U.S. very strong export position in the publication field remained unchanged. Other reasons for this expectation are that: First, duties in all categories to be eliminated are very low; and second, many of the items affected by the agreement and the bill are already duty-free.

The argument can be made that, if the United States is truly dedicated to the principles on which the Florence agreement is based, that is, the elimination of economic barriers to knowledge and understanding, there should be no provision for "escape" action. It also could be argued that, in the real world, were the U.S. publishing industry suddenly to suffer a reverse and imports begin to "flood" in, an adjustment mechanism would be appropriate. But, it is countered, can a "flood" of culture be harmful? This is a question that might be further discussed.

SUMMARY

Implementation of the Florence agreement, signed by the United States in 1959 and consented to by the Senate in 1960, is overdue. The Ways and Means Committee should hold public hearings on the implementing bill, H.R. 8664, as soon as possible this session.

The implementation of the agreement should not be difficult, or cause economic injury. It would show the willingness of the United States to support the goals it professes. It would have the major advantage of simplifying procedures for importing certain scientific instruments. And it would promote exchange of knowledge among nations, thereby increasing understanding and furthering world peace through international cultural and intellectual commerce.

The signatories and parties to the Florence agreement follow:

SIGNATORIES AND PARTIES TO THE FLORENCE AGREEMENT

DATE OF SIGNATURES

United States, June 24, 1959.
Belgium, Nov. 22, 1950.
Bolivia, Nov. 22, 1950.
China, Nov. 22, 1950.
Colombia, Nov. 22, 1950.
Dominican Republic, Nov. 22, 1950.
Ecuador, Nov. 22, 1950.
Egypt, Nov. 22, 1950.
El Salvador, Dec. 4, 1950.
Greece, Nov. 22, 1950.
Guatemala, Nov. 22, 1950.
Haiti, Nov. 22, 1950.
Israel, Nov. 22, 1950.
Luxembourg, Nov. 22, 1950.
Netherlands, Nov. 22, 1950.
Philippines, Nov. 22, 1950.
Switzerland, Nov. 22, 1950.[1]
Thailand, Nov. 22, 1950.
United Kingdom, Nov. 22, 1950.
Iran, Feb. 9, 1951.
New Zealand, March 16, 1951.
Pakistan, May 9, 1951.
France, May 14, 1951.[2]
Afghanistan, Oct. 8, 1951.
Sweden, Nov. 20, 1951.[3]
Honduras, April 13, 1954.
Uruguay, April 27, 1964.
Peru, July 8, 1964.

DATE OF RATIFICATIONS DEPOSITED

Belgium, October 31, 1957.
Egypt, February 8, 1952.
El Salvador, June 24, 1953.
Greece, December 12, 1955.
Guatemala, July 8, 1960.
Haiti, May 14, 1954.
Israel, March 27, 1952.
Luxembourg, October 31, 1957.
Netherlands, October 31, 1957.
Philippines, August 30, 1952.
Switzerland, April 7, 1953.[1]
Thailand, June 18, 1951.
United Kingdom, March 11, 1954.
New Zealand, June 29, 1962.
Pakistan, January 17, 1952.
France, October 14, 1957.
Afghanistan, March 19, 1958.
Sweden, May 21, 1952.

ACCEPTANCE, DATES OF DEPOS.

Yugoslavia—April 26, 1951.
Cambodia—November 5, 1951.
Ceylon—January 8, 1952.
Laos—February 28, 1952.
Monaco—March 18, 1952.
Vietnam—June 1, 1952.
Cuba—August 27, 1952.
Spain—July 7, 1955.
Finland—April 30, 1956.
Germany, Fed. Rep.—August 9, 1957.
Ghana—April 7, 1958.
Austria—June 12, 1958.
Jordan—December 31, 1958.
Norway—April 2, 1959.
Malaya, Fed. of—August 31, 1957.
Demark—April 4, 1960.
Nigeria—June 26, 1961.
Sierra Leona—March 13, 1962.
Congo (Leopoldville)—May 3, 1962.
Madagascar—May 23, 1962.
Gabon—September 4, 1962.
Tanganyika—March 26, 1963.
Italy—November 26, 1962.
Cyprus—May 16, 1963.
Ivory Coast—July 19, 1963.
Nicaragua—December 17, 1963.
Cameroon—May 15, 1964.
Rwanda—December 1, 1964.
Uganda—April 15, 1965.
Malawi—August 17, 1965.
Upper Volta—Sept. 14, 1965.

[1] With reservation
[2] Will be extended to Tunisia
[3] Subject to approval

COMMUNITY SERVICES ACT OF 1966

Mr. HORTON. Mr. Speaker, I ask unanimous consent that the gentleman from Massachusetts [Mr. MORSE] 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 York?

There was no objection.

Mr. MORSE. Mr. Speaker, I am today introducing legislation entitled "The Community Services Act of 1966." The purpose of the measure is to encourage the development of coordinated across-the-board programs of community service.

In recent years, we have enacted a number of new social and health assistance laws. The programs they authorized are proceeding at varying rates and with varying degrees of success in different parts of the country. In many cases the services they provide overlap. In others similar programs of assistance are located in scattered places which impose severe inconveniences for the people who are supposed to benefit from them.

The purpose of this legislation is to stimulate the excellent efforts already underway in some communities to consolidate all of these programs in comprehensive community centers which would draw on the talents and experience not only of the Government people responsible for Federal and State programs but of the dedicated volunteers of the private agencies as well.

Mr. Speaker, I think that this is a useful and constructive initiative. Tribute for the design and drafting of this legislation must go to the distinguished Lieutenant Governor of Massachusetts Elliott Richardson, who as a former official of the Department of Health, Education, and Welfare is intimately familiar with the problems and possibilities of Federal-State-local private cooperation in providing needed community services. Under unanimous consent I include a summary and explanation of the bill in the RECORD at this point:

SUMMARY AND EXPLANATION OF THE COMMUNITY SERVICES ACT OF 1966

THE PROBLEM

Our society is today girding itself for an unprecedented attack on age-old causes of suffering and deprivation. We are beginning to forge a whole new arsenal of weapons for the conquest of educational, emotional, economic and physical handicaps. And in the process we are discovering that the most serious barriers to the effective use of these weapons are barriers of communication, of jurisdictional jealousy and of structural rigidity.

The needs of people are seldom adequately met by any single one of the narrow categorical programs through which help has traditionally been channeled. The existing sources of help, moreover, are too numerous, too scattered, and too much isolated from each other. Their administration tends to be both cumbersome and impersonal. The result is greatly to impair the effectiveness as well as the efficiency with which we are able to bring to bear on human needs our available resources of funds and manpower.

In an effort to overcome these deficiencies, many of our established agencies are experimenting with community-based programs offering a broad spectrum of services. Community-centered mental health programs, neighborhood service centers for the poor and the aged, community service centers for welfare recipients, and networks of community health services are all at various stages of delevopment or consideration.

But these developments are only a partial answer. Each is evolving independently of the rest, yet all are converging on the same client population. The inevitable result will be overlap, discontinuity, confusion, and—in consequence—disappointment of the very expectations to which they gave rise. Instead of community mental health centers, community welfare centers,

and community public health centers competing side by side for scarce dollars and scarcer personnel, we need comprehensive centers, coordinated programs, and a planning process capable of focusing on the total needs of the individual and the family.

PURPOSE OF THE ACT

The development of better community services must be accompanied by a concerted effort to stimulate better coordination and communication among them. This is a task primarily for state and local agencies, public and voluntary, working together. But there is also an urgent need for national leadership. Having contributed to creating the problem, the Federal Government should now assist in solving it by encouraging means of welding categorical programs into a more unified whole.

The Community Services Act of 1966 is designed to stimulate progress in this direction. It would do so by providing Federal support to the States for planning and operating comprehensive community service programs and centers, drawing on citizen participation and enlisting the cooperation of voluntary agencies. Such programs and centers, launched on an experimental basis in many kinds of communities and in a variety of governmental settings, could, while providing better services to people, build bridges between the "helping professions" and reducing the fragmentation of our total response to human needs.

DEFINITIONS

Basic to the Community Services Act are several key definitions:

"Community Service Center"—a facility or adjacent or neighboring facilities in which are brought together community services to people living within a community service area.

"Community Services"—public welfare services, public health services, mental health services, vocational rehabilitation services, and other related social services.

"Community Service Area"—a geographical area within which, in the light of such factors as population distribution, governmental boundaries, transportation accessibility, and incidence of health, welfare, and social service needs, community services can be efficiently provided and administered.

"State Coordinating Council"— a body created for the purpose of the joint planning and coordinated administration of community services which is representative of private agencies providing such services and of each of the state agencies responsible for such services and which is supported by a staff adequate to assure that it can efficiently fulfill its planning and coordinating function.

"Community Service Programs"—means activities essential to the coordinated planning, administration, and provision of community services within a community service area making such services elements of a comprehensive and integrated whole.

"Eligible Program Costs"—means (A) overhead and administrative costs, including rental costs, which are necessary for a community service program and (B) costs of services, such as referral, counseling, and diagnostic services which serve the general purposes of this Act and which were not previously provided within the community service area.

PLANNING GRANTS

Title I of the Act authorizes appropriations of $2,750,000 to enable grants of up to $50,000 to be made to the States to assist in planning for the development of community service programs and centers.

The grants are to be made upon the application of and directly to the State Coordinating Councils which are to be established to administer the program.

PROGRAM GRANTS

Title II of the Act authorizes appropriations of $40,000,000 for fiscal 1967, $60,000,000 for fiscal 1968, and $80,000,000 for fiscal 1969 to be allotted to the States on the basis of population, extent of need for community service programs and financial need of the State. Grants will be made to meet 75% of the administrative and overhead costs of community service programs and 75% of new services such as joint diagnostic and referral services which stem from the development of a program and were not previously available within the community service area.

Each participating State would develop a state plan setting forth the development of a statewide system of community service programs based upon a survey of needs and resources and including a schedule for implementation.

Grants for programs to the State Coordinating Council would be made upon certification by the Council that the program meets the standards set by the Secretary of Health, Education, and Welfare and the approved state plan. Certification will assure that programs will be administered and services rendered as elements of a comprehensive and integrated whole. Provision must be made for interagency cooperative and contractual arrangements toward this end.

CONSTRUCTION GRANTS

Under Title III of the Act appropriations of $50,000,000 for fiscal 1967, $75,000,000 for fiscal 1968, and $100,000,000 for fiscal 1969 are authorized to assist in the cost of construction of community service centers. A construction project would be eligible for such support only if consistent with a state plan approved under Title II.

The Federal share for construction of community service centers would range from one-third to two-thirds of the cost, the proportion to be determined by the State Coordinating Council. This would provide the State with considerable flexibility in the allocation of its State allotment to assure the most effective distribution of the available resources.

Regulations issued by the Secretary of Health, Education, and Welfare would prescribe the specific kinds of services required to be provided by a community service center.

OTHER PROVISIONS

Other provisions of Titles II and III are similar to those contained in other comparable Federal grant-in-aid programs such as the Community Mental Health Centers Act of 1963 and the Mental Retardation Facilities and Community Mental Health Centers Construction Act Amendments of 1965.

Title IV contains the definitions set forth above together with other general provisions governing the administration of both grant titles.

ADDRESS BY HON. WAYNE L. HAYS

Mr. HORTON. Mr. Speaker, I ask unanimous consent that the gentleman from Massachusetts [Mr. MORSE] 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 York?

There was no objection.

Mr. MORSE. Mr. Speaker, early this month it was my privilege to serve as a U.S. congressional observer at the Consultative Assembly of the Council of Europe. The chairman of the delegation was the distinguished gentleman from Ohio [Mr. HAYS].

Mr. HAYS address to the Assembly was hard-hitting and to the point. It was warmly received by the great majority of the delegates from the other nations represented. While I do not agree with his remarks in every particular, I think that it was necessary and valuable that these remarks were made. So that all of my colleagues may have the opportunity to read Mr. HAYS' address, I include the full text in the RECORD:

SPEECH OF THE HONORABLE WAYNE L. HAYS, CHAIRMAN OF THE U.S. DELEGATION, BEFORE THE CONSULTATIVE ASSEMBLY OF THE COUNCIL OF EUROPE, STRASBOURG, FRANCE, MAY 4, 1966

Mr. President, distinguished members of the Consultative Assembly, it is with a sense of deep appreciation that I accepted the invitation to be with you again and to have the privilege of addressing you today. I have found it a stimulating and worthwhile experience to visit this lovely and historic city and to attend your meetings. The level of debate has been highly informative. I hope I can also add that the frank exchange of views has been mutually productive of an increase in understanding—I feel that it certainly has in my own case.

I would not want to begin my remarks today without expressing to your distinguished former President, the Honorable Pierre Pflimlin, my sentiments of highest esteem and regard. Being a parliamentarian myself, I have especially appreciated the skill and the statesmanship which President Pflimlin has consistently displayed in discharging his responsibilities as the presiding officer of this Assembly. In completing his third term as President of this august body, he adds another laurel to the wreath he has won in his long and dedicated career of public service. His outstanding efforts for the promotion of peace and the betterment of mankind have earned the admiration and gratitude of public-spirited citizens throughout the free world.

Your new President, Sir Geoffrey de Freitas, is a man well-known to the United States. He is associated with many American Congressmen and the NATO Parliamentarians' organization, and I am sure he will carry on in the highest tradition set by his predecessor.

The Consultative Assembly has provided a most useful forum for much spirited debate and the free exchange of views. Such forthright discussions among men of good will are conducive to stronger, rather than weaker, ties of friendship. We of the West have all been brought together by historic ties of friendship as well as of our common goals and aspirations for the establishment and maintenance of world security. It is only natural that in the approaches to our objectives, we will from time to time have vigorous differences of opinion. This is a healthy political state of affairs. As you all know, outspoken expression of differences of opinion is a very strong political characteristic of my own country. Recently, some might feel, and perhaps with more than a little justification, that in the United States this may have gone somewhat beyond a robust state of health. The fact remains, however, that our policies and objectives are overwhelmingly supported by the majority of our government and our people, regardless of political party.

When I have had the privilege of speaking to you previously, you have very kindly made me feel free to indulge in the same outspoken frankness that I would use when addressing my colleagues at home in the House of Representatives. Just as at home, I have appreciated, even when I could not fully agree with them, some of the sharp rebuttals evoked by my own remarks.

Because of our common interests and our close bonds of mutual esteem and friendship, I hope I may again be permitted to speak

very candidly on some of those matters which are of grave concern to all of us.

Undoubtedly, and there are polls to prove this, the most popular international organization to which the United States belongs is the North Atlantic Treaty Organization, because this is the only organization, except for the OECD, where the United States has a common meeting ground with the nations of Western Europe. And, because it was the first such organization, it occupies a unique place in the sentiments and affections of the American people. Because of this, I want to speak very forthrightly today about the recent problems in this organization.

One of the most influential newspapers in America is the "Washington Post." Certainly, since it is the morning paper in the Nation's capital, it is the one most read by Congressmen and government officials. Only this week the lead editorial was "The Need for Unity" and I quote:

"In his testimony before the Jackson Committee, Dean Acheson, the former Secretary of State, has stated the essentials of Western defense with his customary courage and conciseness.

"He has pointed out again, as he pointed out years ago when NATO was formed, that the first principle to which we must adhere is 'allied unity of purpose.' More importantly, he has declared again that 'the need for a strong Western coalition has not diminished.' And these are the two essential elements in the predicament of the West that France, at this juncture, seems to reject altogether.

"While stressing the importance of leaving a 'vacant chair' to which France may some day return, the former Secretary of State rightly describes the French position as deriving from a reversion to nationalism. And he rightly recalls that France was once eager to have NATO commands and the United States headquarters for U.S. forces in Europe in France. Now, as he points out: 'No landlord serving notice of termination of a lease upon an undesirable tenant could have been more brusque,' in demanding that these forces depart within a year.

"The French suggestion of a continued 'alliance' without integration is rightly dismissed by the former Secretary as inadequate and insufficient. The difference between a lose alliance bound together by vague treaty commitments and a coalition contributing to an integrated military force is the difference between the tragic failure of the treaty system of 1914 and the successful European integrated defense of the last 20 years.

"Secretary Acheson has made it clear once more that the United States is firmly committed to European unity—to the creation of an European confederation whose economic, political and military strength will permit it to bargain as an equal with the United States in conducting NATO's affairs. He rightly warns that 'a Europe of small medium-sized nationalities, divided by jealousies and selfish rivalries, can never play a part worthy of Europe's potentials.'

"It is to be hoped that France may yet be persuaded to return to the support of institutions so largely inspired by French statesmen, so greatly deriving from French experience and intuition and so generously furthered by French policy in the past."

Now we have just been told by the French Foreign Minister in a recent interview: "American friendship is an ancient and precious value to which we are all attached in France and which we do not wish to see disappear or even diminish." It is further suggested that America is or should be grateful to have such an "independent" ally. When this interview was printed in America, the American press recalled an old American adage which says: "With friends like this, who needs enemies?"

Applied to this situation, my friends, these are strong words, but it is not we who are brutal but the situation. This is not a quarrel between the United States and France—it is a rough situation brought about by the actions of the French Government that have set France against all of her neighbors and allies. What is at stake in this confrontation is not the reform of the Alliance or its form, but its very existence; indeed, whether the Atlantic nations will push ahead with the system of cooperation that has developed over the post-war period or turn back to the disastrous patterns of the 19th century. The question, therefore, is where the West will go and how it should get there. Shall we go forward together trying to find agreements among honest and honorable differences, but under the umbrella of a common determination, or shall we descend into disparity, factionalism and balkanization? This city of Strasbourg in which I have the honor to address you know well the possible consequences of such a development.

The French Government has not merely assaulted the United States or merely France's Atlantic ties; it has mounted a general assault against the integration of Europe as well. The same principle of collective action in Europe has been under French attack whether it is the organization of Europe or the Atlantic Alliance. The members of this Alliance have all agreed on a system of collective action in order to prevent aggression. The foundation of NATO is a recognition on the part of the Allies that each has a long-range interest in remaining and acting together. It is totally contradictory to this principle that one member should act unilaterally, without consultation and demand complete freedom from any and all obligations to the Alliance in order to act solely in its own national interest. As a distinguished former French diplomat has remarked, "The very nature of the alliance is based on the assumption that we do have long-range common interests." To deny common interests and then say that we ought to be grateful to have such an independent ally is to indulge in mockery.

A great Frenchman, the late Robert Schuman, whose thoughts and deeds are so well remembered in this city, said that "political frontiers have emerged from a respectable, historic and ethnic evolution, from a long effort at national unification; one should not even dream of erasing them. In other periods they were changed by violent conquests or by fruitful marriages. Today, it is sufficient to devaluate them." No one questions the essential matter of national sovereignty, and we in the Congress of the United States are always alert in this matter. But if national sovereignty is to be employed to call into question the sanctity of international agreements, than the very fabric of international order is destroyed.

It has been claimed that NATO has been used—or will be used in the future—to force France to act against its will or against its national interest. Where is the evidence that this has ever happened or that it could happen? And in the only case presented, that of the use of French air fields in the humanitarian rescue operation in the Congo, the facts do not square with the assertion. It has been said that the United States did this without consulting France. Permit me to say categorically that this assertion is false. The French Government was consulted and gave its consent.

What other charges have been leveled against NATO? The French Government has spoken of the need for NATO reform and has justified its drastic actions, which began on March 7, by saying that this was the only way in which it could be brought about. Yet it is an indisputable fact that, despite repeated invitations to do so, the French Government has never made any official proposal whatsoever revealing its views about NATO reform. An informal French suggestion was made in 1958 proposing a directory of three countries. President Eisenhower felt that we could not accept such a proposal, one aspect of which would have been to establish a French veto over American nuclear weapons, not only in Europe but world-wide. Quite apart from this, there was no evidence that Western Europe was, or is today, prepared to have France as its self-appointed spokesman. Today the Alliance has been told by pre-emptive, totally unilateral action that the French Government has come to the conclusion that no reforms of NATO are possible and that it must therefore act unilaterally. The least that one could expect of an ally is that he at least give his views and grant others an opportunity to discuss them before taking unilateral steps of this magnitude.

The basic foreign policy position of the United States is clear and has been consistent. We place the defense of Europe on a basis of absolute priority with the defense of the United States. This has been stated unequivocally by President Johnson on May 14, 1965, as it has been by his predecessors. This does not mean that we are not or cannot be mindful of dangers lurking elsewhere in the world, but we are deeply aware of the fact that a shift in the position of Europe could permanently upset the world-wide balance of power. Therefore, in our own interest as well as in the interest of Europe, Europe remains our first line of defense. The tangible evidence of this commitment is the 7th Army and the fact that we have not reduced our combat forces in Europe despite the heavy demands of the conflict in Southeast Asia.

Our broad support of NATO has never led us to the rigid view that every letter of the arrangements within NATO is sacrosanct and must not be touched. We are quite aware of the fact that times change and that a Europe which is renascent and proud would want and should have a greater share in both the burden and responsibilities of the alliance. We have said innumerable times that we are open at any time to discuss any and all proposals, and we continue to welcome them. But the word to be underlined is discuss. We would welcome any serious endeavor to reform the alliance; but, as I have said before and as it has been stated by Americans and Europeans, the alliance is based upon the principle of collective action. In fact, I hope that one result of what amounts to French withdrawal from NATO is that the fourteen will seize this opportunity to see what can be done to broaden and strengthen the alliance.

A realistic contemplation of the European political scene reveals that there are many problems still with us. Europe is still divided between East and West and at the heart is the arbitrary division of Germany. Yet Europe and the West have managed to remain free and make great economic and political progress because of our unity. This unity, as must be obvious, has not prevented certain structural changes in Eastern Europe and, in fact, has tended to encourage a relaxation of the atmosphere there somewhat. To the extent that the West has influenced these developments, it has done so by its strength and unity. It would be folly to give up this unity at the time when its value has been so abundantly proven. Communism respects only strength while it prays on the weak and uses them where it can.

On Monday of this week, writing in the "New York Herald Tribune" the noted American columnist Roscoe Drummond wrote on the subject of "Who Needs NATO?". I quote in part from the article:

"Events are beginning to unravel the only argument which gives any point at all to President de Gaulle's plan to dissolve NATO.

"The only partly plausible thesis which causes some to think that NATO can go is that the Soviet Union has become so peace-minded that NATO is no longer needed.

"Why, they ask, have all the bother of an organized peace force in Western Europe if all danger of force or threat of force has been dissolved?

"This is why De Gaulle thinks he can safely say to the United States and hopes the other NATO nations will also say the same: 'Yankee, Go Home.'

"But, fortunately, the Russians are doing just enough and saying just enough to show how empty and wishful this cozy contention is."

Mr. Drummond further in his article points out the Russians seem to want a conference on the future of Europe with anybody and everybody including the nations of Eastern Europe and excluding guess who—the United States. Mr. Drummond concludes his article with the following two paragraphs:

"Is Moscow really a friend of the nations of Western Europe? I suspect today's European leaders have not forgotten that Moscow was ready to sacrifice Western Europe to Hitler until Hitler turned on Russia itself.

"Gromyko has just shown that the NATO fire department cannot be safely disbanded."

In this situation the hope of any one country to attempt to act as a broker between East and West would be a fatal miscalculation. Such a country, far from being an arbiter, would, because of lack of authority, inevitably find itself unable to influence Soviet decisions but subject to use by the East as a means of contributing to the disunity of the West. It should be noted that the United States, despite its great power, has never been willing to set itself up as the negotiator for the Atlantic nations with the USSR. Our consistent policy has been to insist that the alliance, as a collective entity, must be prepared to seek accommodations with the East.

Let me say positively and forcefully in this connection that the United States will never make or be a party to a deal with Russia at the expense of Germany. We stand for reunification but not at any price. We reject categorically any arrangement which will benefit us or others and at the same time damage or destroy the freedom of the Federal Republic of Germany or its chances for reunification.

The United States remains convinced that the Atlantic Alliance and its organization, without which NATO is drained of content, offers the best means for Europe to provide for its own defense and for the United States to participate in that defense. We cannot believe, to paraphrase our Secretary of State, that 450 million people of fourteen nations can be thwarted in their determination to preserve and extend their carefully constructed relationships.

To this task we have dedicated ourselves as long as our contribution to the common defense is needed and wanted. We are in Europe by invitation only. We are not trying to "Americanize" Europe or to press it into an American mold. True, we are too big, too powerful to go unnoticed. But our resources have been applied to these objectives through multilateral alliances in which our voice, powerful as it may be, is only one. We have no goals in Europe which were not offered by Europe herself.

In conclusion, I feel that I owe you, as fellow Parliamentarians, a frank word of caution—even of warning. As a member of the United States Congress, as one deeply committed to Europe, I am nonetheless keenly aware of the fact that we legislators are servants of our constituents. If we lose touch with them or move in directions contrary to their deeply felt views, the constituency will either impose its will or replace us. There is danger in the present situation. The United States is deeply involved in South East Asia, not in an effort to establish an imperial regime or for national economic benefit, but in an effort to preserve freedom and contribute to world order. If, at the same time, the fourteen NATO nations should fail in their efforts to adjust effectively to the actions that have been taken by France against NATO and, more specifically, against the United States, then it cannot be assumed that this will go unnoticed in the United States. In that unhappy event, there is always the possibility that the American people may come to the conclusion that it is not merely France, but that Europe as a whole is resentful of our presence and regards United States forces in Europe and United States presence in the alliance as unwanted interlopers rather than as allies and collaborators. If this should come to pass, then irresistible pressure might mount within the United States for American withdrawal from Europe.

The foregoing point needs to be made, not because I think this is what the future holds, but so that there will be no complacence either in Europe or the United States. The North Atlantic relationship, this phenomenal post-war development of cooperation, is now facing its most severe test. The manner in which it has met this test over the last two months reflects credit on each of the fourteen. I have not the slightest doubt that the fourteen, in the difficult days and months to come, will face with energy and imagination both the problems and the opportunities that lie ahead. Do not be confused by the occasional American voices that call into question the importance of Europe or the institutions that we have developed together. There remains in the United States the most widespread and deep support for the Atlantic partnership. A continuing effort on the part of the Western European nations to work together on collective enterprises and to carry on cooperative and collective efforts across the Atlantic with the United States will always be met more than halfway by America.

H.R. 11600 TO ASSIST STATES

Mr. HORTON. Mr. Speaker, I ask unanimous consent that the gentleman from Kansas [Mr. ELLSWORTH] 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 York?

There was no objection.

Mr. ELLSWORTH. Mr. Speaker, our State and local governments are spending over $70 billion per year, and it is estimated this will increase to over $100 billion by 1970. My home State of Kansas has increased its expenditures from $91.8 million in 1946 to $429.8 million in 1964. State and local outlays for education alone increased from $2 billion a year at the end of World War II to over $24 billion in 1964.

But, State and local governments are reaching the end of the rope on taxes. They are still unable to meet their revenue needs and it is doubtful that they can continue to raise sales, payroll, service and real estate taxes at anywhere near the rate they have been increasing them over the last decade. So we have a problem, a crucially important problem, and now is the time to look at it in the light of needs that will exist in 1969, 1970, and later. We must find a form of stronger support for the States: support that strengthens their finances and also strengthens their independence. Those levels of government closest to the people are most responsive to their wishes and best equipped to most efficiently administer programs for the health, education, and welfare of our people. In order to strengthen these governments to enable them to meet their increasing and heavy responsibilities, the trend toward fiscal and power centralization must be restrained.

Last year, I introduced a bill in Congress which would strengthen the control of State and local governments and at the same time would provide them with more resources to meet their needs. My bill, H.R. 11600, calls for distributing to the States an amount equal to 1 percent of the aggregate Federal taxable income reported on individual income tax returns each calendar year. The money returned to the States would be qualified only by the condition that it be used in programs of health, education, or welfare. In further explanation, I include here an excerpt from the Republican section of the 1966 Joint Economic Committee Report:

FEDERAL GRANT PROGRAMS

There are presently over a hundred different specific Federal grant programs, each with many conditions attached. Aside from increasing the complexity of State and local budgetary problems, this situation unavoidably leads to overlapping and waste, confusion of objectives, and inefficient administration at the Federal level. While we do not suggest a reduction in the present size of the Federal grant-in-aid program, we do oppose increased complexity, regulation, and awkwardness.

Among many proposals to help solve the State-local financial dilemma, three stand out as being particularly worthy of consideration. These are the revenue-sharing plan introduced by Senator JAVITS in the Senate (S. 2619) and by Representative ELLSWORTH in the House (H.R. 11600), the revenue-sharing proposal for education made by Senator MILLER, and the income-tax-credit approach.

Under the Javits and Ellsworth plan, a trust fund would be established into which the Federal Government would deposit 1 percent of aggregate taxable income each year. Payments from the trust fund to the States would be made in the following manner. The most substantial portion of the trust fund would be distributed to each State on a population basis with each State's allotment being adjusted according to its revenue effort relative to the average effort of all the States. The remaining portion of the fund would be distributed to the lowest quarter of the State in per capita income, each State's allotment determined on the basis of population. The only restriction placed on the State allotment is that it must be spent on programs in the fields of health, education, and welfare and not on programs already liberally provided for by the Federal Government, such as highway construction and disaster relief, or on general administrative expenses or debt service. Provision is made for local government aid by requiring the States to contribute to its local governments no less a percentage of its own revenues than the average over the previous 5 years.

Under the proposal made by Senator MILLER, the Federal Government would allocate a percentage of the total Federal revenue collections to the various States "for education purposes." This would provide assistance to the States coping with the increasing costs of education, while avoiding Federal bureaucracy and controls in this area.

In terms of dollars and cents, the States would be eligible for approximately $2.5 billion from the fund during the first year. My home State of Kansas

would receive $25.4 million during that first year.

This type of legislation has been sponsored by distinguished Members of both the Senate and the House of Representatives. Nineteen House Members have introduced bills which are similar to my proposal. Five Senators and six Representatives have introduced legislation identical to my bill. These sponsors include Senator JACOB K. JAVITS, Republican, of New York; Senator VANCE HARTKE, Democrat, of Indiana; Senator KARL E. MUNDT, Republican, of South Dakota; Senator HUGH SCOTT, Republican, of Pennsylvania; Senator PETER H. DOMINICK, Republican, of Colorado; Hon. OGDEN R. REID, Republican, of New York; Hon. SEYMOUR HALPERN, Republican, of New York; Hon. F. BRADFORD MORSE, Republican, of Massachusetts; Hon. JOSEPH M. MCDADE, Republican, of Pennsylvania; Hon. FLORENCE P. DWYER, Republican, of New Jersey; Hon. HAROLD D. DONOHUE, Democrat, of Massachusetts.

The bill has support in Congress and I have been in touch with interested persons all over the United States in order to have the benefit of their views, comments and analysis of the proposal. I would like to bring some of these comments to the attention of my colleagues:

UNIVERSITY OF MINNESOTA,
DEPARTMENT OF ECONOMICS,
Minneapolis, Minn., December 20, 1965.

Messrs. ROBERT F. ELLSWORTH and OGDEN R. REID,
Members of Congress,
Congress of the United States,
House of Representatives,
Washington, D.C.

DEAR MESSRS. ELLSWORTH AND REID: Thank you very much for your letter of December 14 enclosing the copy of your bill (H.R. 11600) and the material relating to Senator JAVITS' proposal in the Senate.

Even though any "fiscal dividends" for 1966 will be eaten up (and then some) by the rising costs of war in Vietnam, it is none too soon to get a thorough airing of the ways in which we can carve up the Federal revenue pie once the demands of Vietnam let up.

Not long ago, I prepared a summary of the references relating to the revenue-sharing plan, and I enclose a couple of copies for your use. Also enclosed are copies of my Frazar Wilde Lecture, "Fiscal Policy and Fiscal Federalism Today." As I write further pieces on this subject, I'll send along copies for your information.

Sincerely,

WALTER W. HELLER.

THE STATE OF KANSAS,
OFFICE OF THE GOVERNOR,
Topeka, December 29, 1965.

Hon. ROBERT F. ELLSWORTH,
Member of Congress,
House Office Building,
Washington, D.C.

DEAR BOB: I have your letter of December 14 and the enclosed bill that has been introduced by yourself and OGDEN REID and perhaps other members of the House. This question of sharing state revenues collected by the federal government has been discussed in considerable detail at both the National Governors' Conference and the Midwest Governors' Conference. Further, I have a personal interest in this matter inasmuch as I am serving on a committee of the National Governors' Conference on federal and state relations. In turn I was asked to serve on a subcommittee dealing with this specific question of additional state revenues for the respective states.

I am enclosing a copy of some policy positions that we reached at the last meeting of this subcommittee. These views largely express my own position on this question. Certainly categorically I do favor a return of revenues collected by the federal government in the states in order that the state can continue to sustain the functions that have historically been carried out by it. The greatest objection governors generally have to federal grants is to the restrictions attached to them. An example is the latest federal aid to education bill which specifically requires that this money be expended in addition to present state programs and not to offset any costs of local programs.

There is another delicate issue to which no proponent of tax-sharing has made a firm reply. I submitted this question at the Governors' Conference in Minneapolis and it was pushed aside in embarrassment by most of those addressing themselves to this question. The Heller proposal came at a time when surpluses were expected in the federal budget. Since those surpluses have not yet occurred and it is doubtful if they ever will, would the states anticipate sharing revenue even though there was deficit spending which increases the national debt at the federal level. I would appreciate your views on this question.

Hazel and I send our best wishes to you and Vivian for a happy new year.

Yours very truly,

WM. H. AVERY,
Governor.

THE COUNCIL OF STATE GOVERNMENTS,
Chicago, Ill., December 21, 1965.

Hon. ROBERT F. ELLSWORTH,
Member of Congress,
U.S. House of Representatives,
Washington, D.C.

DEAR MR. ELLSWORTH: Cordial thanks for advising me that the proposed Federal Tax-Sharing Act has been introduced in the House. We are naturally pleased to note congressional concern for additional state and local revenue needs.

You will wish to know that the Council of State Governments is working closely with a special committee of the National Governors' Conference which is studying total state and local revenue needs, and this committee is considering the Federal-State Tax-Sharing Plan as proposed in H.R. 11600, along with alternative proposals for meeting the increasing state and local revenue needs.

Again, our sincere thanks for keeping us advised with respect to the congressional interest in this important field.

Sincerely,

CHARLES A. BYRLEY,
Director, Midwestern Office.

BOARD OF COUNTY COMMISSIONERS,
Kansas City, Kans., January 12, 1966.

Hon. ROBERT F. ELLSWORTH,
Member of Congress,
House of Representatives,
Washington, D.C.

DEAR CONGRESSMAN ELLSWORTH: Thank you very much for sending me a copy of your bill. I have not completed my study of its provisions, but I believe that any measure which will lighten the burden of the local taxpayer should receive the wholehearted support of everyone. Whatever you can do to improve our local tax situation will be highly appreciated.

Sincerely,

CORDELL D. MEEKS,
Chairman, Board of
County Commissioners.

NATIONAL EDUCATION ASSOCIATION,
Washington, D.C., January 4, 1966.

Hon. ROBERT F. ELLSWORTH,
Washington, D.C.

DEAR CONGRESSMAN ELLSWORTH: Thank you very much for the copy of H.R. 11600 and the copy of the statement made by Senator JAVITS when he introduced the proposal in the Senate.

I feel this legislative proposal has considerable merit, and should receive consideration by the Congress and by all those interested in the financing of public education.

I will share this communication with Dr. J. L. McCaskill, Executive Secretary to the N.E.A. Legislative Commission.

Sincerely,

STANLEY J. MCFARLAND,
Assistant Director,
Division of Federal Relations.

TAX FOUNDATION, INC.,
New York, N.Y., December 21, 1965.

Hon. OGDEN R. REID,
Hon. ROBERT F. ELLSWORTH,
U.S. House of Representatives,
Washington, D.C.

DEAR SIRS: Thank you for sending me a copy of your bill proposing a system for Federal tax-sharing with the states, and the reprint from the CONGRESSIONAL RECORD pertaining to it. I have been interested in this proposal for some time, as well as in some of the alternatives, and I am glad to see that it has now been introduced so that its merits can be subject to debate in the Congress.

We will follow the discussion of your proposal, along with others which may be submitted, with considerable interest. If we publish additional relevant material, we will certainly see that you receive copies.

Very truly yours,

ELSIE M. WATTERS,
Director, State-Local Research.

YALE UNIVERSITY,
New Haven, Conn., January 17, 1966.

Representative ROBERT F. ELLSWORTH,
Congress of the United States,
Washington, D.C.

DEAR BOB: . . . I find your proposal attractive and hope that it will prosper.

Sincerely yours,

HENRY.

CITY OF LAWRENCE, KANS.,
January 3, 1966.

Hon. ROBERT F. ELLSWORTH,
Washington, D.C.

DEAR BOB: I appreciate your forwarding H.R. 11600 for comment and criticism. Your recognition of and obvious intention to seek solution to the complex problem of financing the services of local government is certainly far-sighted and praiseworthy . . . I will look forward to following the progress of the Bill during the next session.

Very truly yours,

RAY S. WELLS,
City Manager.

THE CHRISTIAN SCIENCE MONITOR,
AFRICA HOUSE,
London, December 20, 1965.

ROBERT F. ELLSWORTH,
Member of Congress,
House of Representatives,
Washington, D.C., U.S.A.

DEAR CONGRESSMAN ELLSWORTH: Thanks very much for your letter of December 14 regarding legislation calling for distribution to the States of some share of the federal income tax intake. Surely this would be tremendously helpful to the States. The big problem, I suppose, would be to persuade the Federal Government to surrender even one percent of this revenue.

It was very good to hear from you.

Yours sincerely,

WILLIAM H. STRINGER,
Chief of London Bureau.

THE CITY OF OVERLAND PARK,
Kansas, January 12, 1966.

Hon. ROBERT F. ELLSWORTH,
Member of Congress,
House of Representatives,
Washington, D.C.

DEAR BOB: Thank you for your letter of December 14th enclosing a copy of your bill concerning a refund to the states of certain

Federal monies. I have read the bill and it seems to be a satisfactory and logical basis on which to pro-rate the funds returned * * *.

I personally think that your idea of revenue sharing is a good one, and even if the City could not qualify in one year for the funds, I think the idea of returning some of the tax money is fine, and is subject to considerable development.

I appreciate your taking the time to keep the City informed on this and other matters, and want you to know that we are mindful of your efforts.

Sincerely yours,

CITY OF OVERLAND PARK,
DONALD E. PIPES,
City Manager.

AMERICAN BANKERS ASSOCIATION,
New York, N.Y., May 6, 1966.

Hon. OGDEN R. REID,
Hon. ROBERT F. ELLSWORTH,
U.S. House of Representatives
Washington, D.C.

GENTLEMEN: As I mentioned in my letter of January 24, 1966 concerning H.R. 11600, The American Bankers Association has been seriously considering a policy study in the area of state and local government expenditures and the problems of financing them.

Since January the A.B.A. staff has devoted considerable time in putting together a study on intergovernmental relations that was presented to the A.B.A. Economic Policy Committee at its spring meeting on April 21. Mr. Joseph A. Pechman, co-author of the Heller-Pechman plan, was the guest speaker and presented to the Committee a picture of the problems confronting state and local governments in their quest for sources of funds to finance their ever increasing needs. He also set forth the essential characteristics of the revenue sharing plan which would be based on the municipalities' needs for public service and on their fiscal capacities.

Pechman's presentation was followed by a general discussion, with the consensus of the Committee being that a further study be made concentrating on various financing means available to state and local governments with one obvious alternative being the Heller-Pechman plan.

In view of the above it has been decided to go ahead with an additional study that the A.B.A. staff will develop in the months ahead. I will keep you informed as to the progress of our deliberations and the nature of our conclusions as we arrive at them.

Sincerely yours,

CHARLES E. WALKER.

THE UNIVERSITY OF IOWA,
Iowa City, Iowa, December 20, 1965.

Hon. ROBERT F. ELLSWORTH,
Member of Congress,
Third District, Kansas,
House of Representaives,
Washington, D.C.

DEAR CONGRESSMAN ELLSWORTH: Thank you for your letter of December 14 and for the copy of the bill for sharing federal tax receipts with the states. I am in general strongly in favor of the policy embodied in your bill. If I can be of any service in helping to gain acceptance for the idea, I should be pleased to be called upon.

Yours sincerely,

HOWARD R. BOWEN.

THE BOARD OF
COUNTY COMMISSIONERS,
JOHNSON COUNTY, KANSAS,
December 23, 1965.

Hon. ROBERT F. ELLSWORTH,
Member of Congress,
Washington, D.C.

DEAR BOB: Thank you very much for sending me a copy of H.R. 11600.

My only comment is "Amen".

Sincerely,

C. M. STANDIFORD.

An article written by Mr. William Chapman which appeared in the March 13, 1966, edition of the Washington Post points out the support of the National Governors' Conference for this type of proposal.

[From the Washington (D.C.) Post, Mar. 13, 1966]

GOVERNORS FIND L.B.J. COOL TO HELLER PLAN

(By William Chapman)

President Johnson firmly but gently rebuffed State governors yesterday when they again sought White House support for a revenue-sharing plan free of Federal control.

The Executive Committee of the National Governors' Conference told the President its members are strongly in favor of the so-called Heller plan or some similar formula to give States more revenue.

Instead, Mr. Johnson said that, while he was not absolutely rejecting the Heller plan, he favored helping States through traditional Federal programs in the fields of health, education and welfare.

The question of Federal assistance for financially pressed states was brought up at an amicable morning meeting between Mr. Johnson and the Governors' Conference Executive Committee, headed by Gov. John H. Reed of Maine.

Later, the President met with the chief executives of states that participate in the Appalachia program and then lunched with all 41 Governors who had come to the White House for a day-long meeting at his request.

All of the sessions reportedly were harmonious, even the one at which Mr. Johnson doused the Heller plan with more cold water. "We feel the prospects were never better for Federal-State relationship," Reed told the President in front of reporters. "We are very grateful to you."

The revenue-sharing plan favored by the Governors was drafted by Walter Heller, former chairman of the Council of Economic Advisers, and was still under White House consideration a year ago, officials said then. It proposed an annual distribution of surplus Federal tax receipts to the 50 states with virtually no U.S. Government strings attached.

Its proponents called it fairer than increased State taxes because U.S. taxes are more equitably levied and collected. Opponents claim the States would either waste the money or use it at lower standards than Federal officials usually impose.

The Johnson Administration never has explained publicly its position on the Heller plan. Some critics have charged it was buried because Mr. Johnson was piqued at premature disclosure in a newspaper. White House aides have said the premature "leak" itself killed the Heller plan by exposing it to public opposition too soon.

Gov. Reed told the President that all the Governors favor the Heller plan or some similar distribution formula, a White House source said later. Reed said they conceded that the times are not propitious because of war expenses in Vietnam.

Mr. Johnson replied that his Administration, instead of pushing the Heller plan, was putting increasing amounts of money into the States through existing grant-in-aid programs.

"I told the Governors that we were redistributing Federal revenues, we were increasing our distribution to the States," Mr. Johnson said later at a news conference in his office, citing figures to make his point.

The Governors also wanted Mr. Johnson to explain his concept of "creative Federalism," a phrase that he used in his State of the Union message without elaboration. Mr. Johnson said there is need to redefine the relations between the Federal Government and other institutions. He said he will appoint a special commission, consisting of scholars, public administrators and politicians, to make a two- or three-year study of these relations.

Mr. Johnson drew unanimous praise from the Appalachia state governors although his 1967 budget proposes a slight cut in appropriations for that depressed region.

Gov. William W. Scranton of Pennsylvania told the President that "though our particular budget is forced to take a cut because of the problems in Vietnam, we understood this and were able to arrange it within ourselves . . ."

Governors from seven other states echoed Scranton's declaration of pleasure with the Appalachia program.

The Republican coordinating committee's task force on the functions of Federal, State and local governments has expressed great interest in, and support for, this type of bill. At this point, I wish to bring to the attention of my colleagues their recent report entitled, "Financing the Future of Federalism: The Case for Revenue Sharing":

FINANCING THE FUTURE OF FEDERALISM: THE CASE FOR REVENUE SHARING

(Adopted by the Republican Coordinating Committee, March 28, 1966; presented by the Task Force on the Functions of Federal, State, and Local Governments)

REPUBLICAN COORDINATING COMMITTEE

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Members of the Republican Coordinating Committee's Task Force on the Functions of Federal, State and Local Government: Robert Taft, Jr., Chairman, Member of Congress from Ohio, 1963–65; KARL MUNDT, United States Senator from South Dakota; Mrs. Consuelo Northrop Bailey, Secretary of the Republican National Committee; Henry Bellmon, Governor of the State of Oklahoma; George C. S. Benson, President, Claremont Men's College; Neal Blaisdell, Mayor of the City of Honolulu; Joseph L. Budd, Republican National Committeeman for Wyoming; HOWARD H. CALLAWAY, Member of Congress from Georgia; FRANK CARLSON,

United States Senator from Kansas; Roger Cloud, Auditor of the State of Ohio; William Cowger, Mayor of the City of Louisville, 1962–65; Walter DeVries, Executive Assistant to the Governor of the State of Michigan; Daniel J. Evans, Governor of the State of Washington; Denison Kitchel, Attorney, Phoenix, Arizona; Warren P. Knowles, Governor of the State of Wisconsin; Mrs. Jewel S. LaFontant; Attorney, Chicago, Illinois; Edwin L. Mechem, United States Senator from New Mexico, 1962–65; Edwin G. Michaelian, County Executive, Westchester County New York; Winthrop Rockefeller, Republican National Committeeman for Arkansas; Craig Truax, Chairman of the Republican State Committee of Pennsylvania; Charles E. Wittenmeyer, Republican National Committeeman for Iowa; Robert J. Huckshorn, Secretary to the Task Force.

FINANCING THE FUTURE OF FEDERALISM: THE CASE FOR REVENUE SHARING

(NOTE.—This paper incorporates material previously published in a Statement entitled "Grants in Aid to State and Local Governments," adopted by the Republican Coordinating Committee on December 13, 1965. The present document owes a considerable debt to a research paper, "Fiscal Poverty Amid Federal Plenty," prepared by Dr. James M. Buchanan of the University of Virginia at the request of Mr. Winthrop Rockefeller, a member of the Task Force. Copies of Dr. Buchanan's paper are available upon request from the Research Division, Republican National Committee, 1625 Eye Street, Northwest, Washington, D.C. 20006.)

A major element of American history has been the nature of the federal partnership between the national government on the one hand, and the States which form it on the other. Today, as for the past third-century, the problem of American federalism has been one of ever-increasing centralization of power and responsibility at the national level, a growing State dependence on largesse from Washington, and a weakening of the abilities of States to meet their responsibilities.

Many factors have combined to bring this situation about. But none of these has more impact than the imbalance in revenue sources available to the several levels of government. As a practical matter, the national government has pre-empted the graduated income tax as a major revenue source.

For the most part, State and local governments have been left to rely on three major sources for the bulk of the revenues they need to operate. These three sources—property taxes, sales taxes, and income taxes of flat or only mildly progressive rates—have tended only slightly to keep pace with inflated prices, and the mushrooming demands for governmental services. In an era of economic growth conditions, revenue and credit sources available to State and local governments have not increased at rates at all commensurate with demands and prices.

By comparison, the highly progressive income tax on which our national government relies for the bulk of its revenue is a powerful source of revenue in a growing economy. Without tax increases and despite tax reductions, the amount of funds available to the national government has grown steadily year by year. Currently, the built-in increase in revenue amounts to some $6 billions annually.

Thus, the financial plight of governments in America today is one of fiscal abundance at the national level, but fiscal poverty at State and local levels. This has had an inevitable impact on governmental and political leaders. At the State and local level, the pinch caused by insufficient funds has created a reluctance to embark upon new programs demanded by an increasing metropolitan population. At the national level, the predicament is reversed. The ready availability of funds leads to approval of new programs and commitments without sufficient examination of the desirability of national governmental action.

Four paths of action are open to the national government to utilize the ever-increasing flood of revenues produced by the national income taxes: (1) Expansion of direct spending; (2) Tax reduction; (3) Retirement of the national debt; and (4) Expansion of indirect spending via programs of grants in aid. The last of these has increasingly been utilized to absorb the new revenues.

The growth of grants in aid

In 1934, eighteen grant in aid programs existed to disburse national government funds for specific purposes to State and local governments. Thirty years later, that number had risen to 68 programs to State and local governments, plus an additional 60 programs for disbursement of funds to individuals and institutions. Adding in additional programs which have been authorized since 1964, there are today some 140 grant in aid programs of the national government.

The growth in the amount of money involved is staggering. Grants in 1934 totalled $126 million. By 1964, this had risen to $10,060 million—80 times the 1934 total. Expenditures per program increased from $7 million in 1934 to $148 million in 1964.

The most conservative of projections to 1984 is alarming. Based on increases in the 1934–64 period, the total of grants in aid to State and local governments projects to $52 billion, an increase of 556 percent over 1964.

Typical of the grant approach has been a steady increase in controls and restrictions tied to the money. This has produced at one end an increase in the national bureaucracy, and at the other a further demeaning of State and local governments and their officials.

The Republican Party has always advocated the strengthening of our State and local governments. But clearly, these governments will be able to meet less and less of their responsibilities if additional sources of revenues are not found. Reliance on specific grant in aid programs controlled from Washington is not the answer. At the worst, the States will continue to sink into a morass of financial inadequacy and eventual bankruptcy. At best, they will become mere administrative appendages of the national government.

Shared revenues: A proposal

The solution to the problem of States slowly strangling for lack of funds amid the fiscal abundance of the national government must be one which emphasize the independence of the States and not a system which ties them further to Washington.

We therefore propose a system to share the personal and corporate income taxes collected by the national government with the States. Under this plan, one-half of each State's share would be computed on the basis of returning income tax collections to the State in which they originated. The other half of each State's share would be computed in a way which will provide some measure of fiscal equalization.

We recognize that some States are wealthy, while others are in serious need. Equalization cannot altogether alleviate fiscal inequities among the States but no plan of revenue sharing is feasible unless some degree of equalization is included. The equalizing formula should be simple and could be based upon population and per capita income levels.

Equalization grants should be made only to the States which themselves contribute a fair proportion of their per capita incomes to the costs of their own State and local services. This fair proportion should be defined in the statute. Grants to any State should be reduced proportionately if the State and its local units do not apply an adequate amount of State and local tax revenue.

We also believe that the provisions of Title VI of the Civil Rights Act of 1964 prohibiting racial discrimination in Federally financed programs should apply to this revenue sharing system.

In accordance with this two-part plan, we urge that two percent of personal and corporate income tax collections be returned to the States in the first year of implementation. (If this program were to take effect in fiscal year (FY) 1967, the total amount involved would total less than $2 million.)

Thereafter, the percentage of collections returned should increase two percentage points every two years. If FY 1967 can be the first year of implementation at a two percent rate, the proportion shared would rise to four percent in fiscal 1969, six percent in FY 1971, eight percent in FY 1973, and ten percent in FY 1975.

At current tax rates, income tax collections over the course of the next ten years are expected to increase some $50 billions. This proposal for shared revenue would earmark $11.5 billion of the $50 billion for the States. The remainder, $38.5 billion, is clearly sufficient to allow for some reduction in the national debt, periodic tax reductions, reasonable expansions of programs of direct national government spending, and some degree of specific grant in aid programs.

Once instituted, however, it is imperative that a sharing of revenues continue. Future budgets of the national government should provide for the proportion of revenues to be redistributed, regardless of whether or not budgetary surpluses exist. To place the States in a position where they would not know from year to year whether they will receive their share of tax collections would place them in an agonizing plight, and create a crisis in State and local finance for more chaotic than anything we have seen to date.

A system of functional grants

In addition to sharing revenues with the States, we urge the institution of a system of *functional grants* to the States with a minimum of supervisory controls. Thus, the national government would make grants to the States in broad, functional areas (such as mental health, education, water pollution control, highways, etc.), without pinpointing the precise programs through which these funds would be spent. This would have the virtue of providing financial assistance to the States to solve problems of national importance while allowing the States to use the funds to solve these problems in their own way. Obviously, a condition must be met that the State governments not decrease their preexisting expenditures in the problem area.

Decreasing centralized control

These proposals have two objectives:

First, to provide for the States and their localities a steady source of funds with which to meet public demands for governmental services, and one which will grow more or less proportionately to increases in the gross national product.

Second, to free the States and local governments from the maze of regulations, paperwork, red tape, and restrictions which hamper them in their efforts to serve their citizens.

One of the strengths of the American system has been diversity. Different States try different approaches to problems, and all benefit by the experiment. Likewise, different areas have different problems which must be met in different ways.

If this strength of diversity is to be maintained and increased, the controls and restrictions placed by the national government on the States' utilization of shared revenues and functional grants must be at a minimum. Pre-auditing should be avoided; so

should schemes which require advance approval of State and local plans or programs from Washington. The States must be free to plan and act with a minimum of pressures from the national government, regardless of whether they arise from those who act in the name of fiscal responsibility or those who seek the expansion of the influence of the central government. Procedural qualifications should, however, include such obvious basics as prohibition on the use of funds to deprive citizens of Constitutional rights.

Comparison with other proposals

The idea of revenue sharing outlined here is not a novel one. Numerous plans to share in some manner the revenues of the national government with State and local governments have been advanced by many people, including Republican Members of Congress and Republican Governors. In particular, the Heller-Pecham scheme has received much public attention. That plan recommended that one percent of the *base* for the national income tax be returned to the States through bloc grants, using population only as a mild factor of equalization. While this plan would return more money initially, it lacks provision for increasing the amount over a period of time. Such a provision, together with stronger equalization factors, is essential in any plan to redistribute tax revenues.

Specific grant in aid programs

The specific grant in aid is an approach with limited utility. In some areas, such as the development of the Interstate Highway System, it has been a marvelous tool in a national-State partnership. But in many other problem areas, it has created a maze of bureaucracy and confusion which has produced almost as many problems as the program was designed to solve.

Too often, States have programmed activities for which national grants in aid are available, without due regard to whether such programs are as essential as some others for which national grant money is not available but for which there is a greater need within the State. Thus grant programs have frequently had the effect of skewing State plans and budgets toward problem areas which are considered important in Washington, but not necessarily within the States. Moreover, Federal matching-fund requirements have frequently dictated types of approaches to problem areas and have hogtied State budgeting.

Assuring State participation in policy formation

All grants, whether functional or specific, should be subject to two important conditions which have been frequently recommended by studies on intergovernmental relations.

First, no new grant programs should be passed until the opinions of the governors of the States about the desirability of the proposed grant have been presented to Congress. There may be a few occasions in which a grant for a function of urgent national importance should be carried through even though the State governors are not in agreement. But it is very wrong to do what we are doing—building up an entire system of national fiscal controls on State and local governments without adequate consultation with State and local authorities.

Second, there also should be provisions for careful review of grants by Congress and the Administration every five years. A number of grants which were started as "stimulating grants" have been on the statute books, in some cases for almost half a century, without careful consideration of the desirability of the national government's remaining in the field concerned.

The proposals we have made here—for a broad-based sharing of national revenues with the States, for a system of functional grants, and for a reformulation of the use of specific grants—all are designed to foster a rebirth in the ability of the States to handle their own problems. The Republican Party has always had faith in State and local government as the best tool to solve many of our pressing governmental problems.

But expressions merely of faith are no longer sufficient. We believe that the States must help themselves, that they must develop a greater will to meet contemporary problems. The proposals we have advanced will give them the tools to do the job. But it is up to our States—those who united to form our Union and those who later joined them—to bring about their own maturity and to achieve their own destiny. In so doing, our nation will have attained the peak of its own high purpose.

Mr. Speaker, the need for new revenue sources for States and localities is reaching the point of crisis. It is good that various solutions are being discussed and it is time for the Congress to act so that the fiscal demands of the future will not overwhelm our State and local governments.

THE ADMINISTRATION'S "MANAGED NEWS" POLICY

Mr. HORTON. Mr. Speaker, I ask unanimous consent that the gentleman from Alabama [Mr. DICKINSON] 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 York?

There was no objection.

Mr. DICKINSON. Mr. Speaker, Henry Cabot Lodge has been in public life so long that he is scarcely a secret weapon. There are no Buddhist priests known to be in Washington who might burn themselves before the White House. If the Reverend Bill Moyers was introducing a new dance to replace the frug and the watusi, it is scarcely a national security problem.

Yet, a White House dinner party for about 190 persons honoring the Ambassador to Vietnam, Mr. Lodge, was subjected to military censorship and, contrary to usual custom, the guest list has yet to see the light of day.

The story behind it is one of the funniest that has hit Washington for a long time. With society editors exercising enforced self-censorship, the incident would be entirely hilarious if it did not have serious implications as to the extent of the administration's "managed news" policy.

On May 10, my colleague and friend, the gentleman from Iowa, Representative H. R. GROSS, stood up on the House floor and, speaking of a benefit dance for the John F. Kennedy Foundation for the Performing Arts, remarked:

Last weekend, the Smithsonian Institution—the new building on which the taxpayers have spent millions of dollars—was converted into a place of exhibitionist dancing with $75 to $100 charged for admission tickets.

I could not believe my eyes last Sunday when I picked up the newspapers and saw pictures of the Reverend Moyers, White House Press Secretary, gyrating halfway down on his knees, doing the watusi or the frug, or whatever you please to call it.

Then there was a picture of the wife of a State Department official who was sent home to put on some clothing. She apparently appeared half naked; at least that is the story in the newspapers.

You all know the commotion which followed. But apparently few, if any, realized into what terror these remarks threw ruling circles.

It came out when Washington Evening Star society writer, Isabelle Shelton reported Thursday, May 19, that there had been a huge "private" White House dinner party the previous Monday for Ambassador Lodge and that there was "an attempt to bottle up the whole thing and pretend it was not happening."

Now, since big White House diplomatic dinners are put on at taxpayers' expense, guest lists customarily have been made available for those interested. But even subsequent attempts to get a guest list for the Lodge dinner were unavailing. In fact, society reporters seemed frightened they would lose their White House party privileges if they even talked about the affair. Betty Beale, top Washington social columnist, wrote in the Washington Star of Sunday, May 22, that when a man, who said he was telephoning from the Senate Office Building, called up to ask names of those who had attended the Lodge dinner, "he hung up without getting the information desired."

The Rose Garden curtain has fallen. Henceforth, it will be as hard to follow the Moyers' dusk-to-dawn antics as it is to learn what the policies and facts are with respect to the Vietnam war.

"STRATEGY STRINGS" ASSAILED IN FOOD-FOR-FREEDOM PROGRAM

Mr. HORTON. Mr. Speaker, I ask unanimous consent that the gentleman from Indiana [Mr. HARVEY] 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 York?

There was no objection.

Mr. HARVEY of Indiana. Mr. Speaker, I ask unanimous consent to include this article from the Christian Science Monitor of May 25, 1966, in the body of the RECORD.

I do not agree with the conclusions arrived at by Mr. Willis, but do expect to include the subsequent article on this subject.

"STRATEGY STRINGS" ASSAILED IN FOOD-FOR-FREEDOM' PROGRAM

First of two interviews giving both State Department and congressional sides of a rising Washington fight over a key arm of American foreign policy—the Food for Peace program.

(By David K. Willis, Staff correspondent of The Christian Science Monitor)

WASHINGTON.—Richard W. Reuter, the man who runs the $1.6 billion-a-year American Food for Peace program, strode across the room, sat down, and took aim at the House of Representatives.

"It would seem," he said in an interview, "that political strings are to be attached to concessional sales of American food to hungry nations abroad. They will make the program inflexible. They will reduce its influence. They will tarnish the American image."

Mr. Reuter, a brisk special assistant to Secretary of State Dean Rusk, was making his first public criticism of changes the House Agriculture Committee made last week in the President's Food for Freedom bill.

He and Mr. Rusk are particularly concerned by the committee's action in forbidding food sales or grants to nations who sell or ship to North Vietnam or to Cuba.

This is an extension of the current law, which bans sales only to nations whose ships carry trade to Cuba. The Agriculture Department and the Agency for International Development are equally opposed to change.

"India sold $600,000 worth of jute to Havana between April and December, 1965," Mr. Reuter said sternly. "That's two-tenths of 1 percent of its total jute shipments.

"Cuba uses the jute to make sugar bags. Now, the House committee language makes no distinction between strategic or nonstrategic goods, or humanitarian cargoes. So if this becomes law, India will have to stop selling the jute or lose American food aid."

NATIONS AFFECTED BY CHANGE

He implied that India must have the food, so it will drop its jute exports. This is the kind of invasion of another nation's affairs that the State Department badly wants to avoid.

Other nations immediately affected by the House action would be Pakistan, Yugoslavia, Poland, Morocco, and six in Latin America.

Responsible for the new language is Rep. PAUL FINDLEY (R) of Illinois, who wins considerable support in Congress by insisting that no aid be given to anyone helping Hanoi fight Americans in South Vietnam.

Beginning what is intended to be a sustained campaign to have the House language changed, Mr. Reuter told this newspaper:

"Political strings like this are self-defeating. Why, the United States itself does not meet the criteria—we have been sending medical supplies to Cuba ourselves!

"If this kind of restriction had been in effect over the last 10 years, about half the value of the program would have been lost."

(So far, Food for Peace has provided some $14.6 billion worth of food abroad, in grants and local currency sales.)

Now in top gear, Mr. Reuter continued:

"Look at the position this put us in. The emphasis in the President's bill is on self-help. We are saying to needy nations: 'If you help yourselves, so that in time you can produce your own food, then it is worthwhile for us to meet your short-term needs now.'"

HOUSE MOOD ASSESSED

"Moreover," he said, "we are trying to convince European nations to help us to do it.

"Now, all of a sudden, we are saying that we will fight the war on hunger—but on carefully chosen ground. Political strings can only detract from our motives.

"We are not trying to help Hanoi or Havana—far from it. We just believe that our foreign-policy hands should not be tied in this way."

Judging by the House mood at the moment, there appears little likelihood that the full House will amend the committee language on the floor.

Two weeks ago, the full House endorsed the same language in the agriculture appropriations bill.

Nor is the State Department happy about what might happen in the Senate. "We just don't know," said an official with a shrug of the shoulders. The administration has some friends in the Senate. It now is busy checking each member of the Senate Agriculture Committee to ascertain support.

There are signs that the language may be amended in the Senate, and go to conference. But Mr. Reuter isn't waiting. He has decided to move onto the attack now.

"You know," he said with a grin, "the bill is a good one, really, even as amended by the House committee. For the first time, food is given the same value as steel and tractors in foreign aid. Credit terms are to be the same as regular aid. The committee wanted to reduce the repayment period from 40 years to 20 years, but this was eventually reversed by a vote of 19–15.

"Before now, Food for Peace was just surplus food. Not too much attention was paid to it. Now farmers are being given more acreage to grow the types of food needed in the hungry areas."

PLANTING LEVER USED

(Farmers were told recently they could plant an extra 15 million acres of wheat this year. As part of its new campaign, the administration is hinting that the increase might have to be rescinded if the House language isn't amended.)

The bill leaves intact the President's request for $3.3 billion a year for the new Food for Freedom program, but cuts the authorized term from five to three years.

It also establishes a farmer-to-farmer program by which the Agriculture Department would use American know-how to solve farm problems abroad.

Mr. Reuter is worried about other committee changes. Among them: that countries receiving Food for Peace—or, to give its new title, Food for Freedom—aid must identify it as coming from the United States when it is sold.

He waved a hand at the unusual curtains in his office—made from the sacks used to transport wheat abroad, with the red and white government markings clearly visible.

"That's how we show where the food comes from when it enters the other nations," he said. "I have the curtains up there for effect. But now we are told that when a man overseas comes to buy a loaf of bread, the words 'United States' must be on that bread.

"But only the government of the man's country gets the food on concessional terms. The man himself pays the same price in the shop that he always did. So what do we gain by putting 'from the generous United States' on the loaf?

"We don't gain—we lose."

The bill will go to the House floor in early June. Then, and only then, will the Senate Agriculture Committee take it up.

State Department officials, from Dean Rusk down, are working hard to turn what is to them a most unfavorable tide of events.

THE PLIGHT OF THE FARMER

Mr. HORTON. Mr. Speaker, I ask unanimous consent that the gentleman from Mississippi [Mr. WALKER] 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 York?

There was no objection.

Mr. WALKER of Mississippi. Mr. Speaker, we have heard much recently about the plight of the farmer: the high rate of farmers who are abandoning their farms for other methods of earning a livelihood, the high cost of production of the farmer, and the high cost of food.

Now, this body is considering legislation that will add greatly to these existing problems.

My first contention is that when the farmer is forced to pay a minimum wage to his field hands, in many cases, it will put them completely out of business and in other cases, it will force him to lay off the necessary number of hands to allow him to operate without having to comply with the law. A high pay scale to farmworkers is of no value at all to those who are out of work because the farmer cannot afford to pay them.

Many of my colleagues say this will not happen. I say if this measure passes, the farmer will have only two alternatives—either he will be put out of business, or he will continue to operate at the cost of further inflationary food prices.

I think it is high time that all branches of this Government realized the importance of the farmer to the American economy. It is as simple as this: he feeds us. And, in the face of a worldwide food shortage, he is presented the problem of possibly having to feed the rest of the world.

In recent years farm income has risen only 6 percent compared to a jump of more than 50 percent in the cost of living.

I think that this body should show the farmer through its refusal to extend minimum wage coverage to him that we are in complete sympathy with the problems confronting him.

Already our economy is in a state of inflation. The President has asked businesses to proceed cautiously with capital investments. He has asked the housewife not to purchase items that are priced too high. Now he is asking this Congress to pass legislation which will do exactly what he is supposedly trying to prevent.

He is asking the Congress to extend this coverage to the small businessman who already is in trouble financially. To force a small business to incur the added expenses that this bill proposes, would be doing nothing but adding to the present rate of unemployment and increasing the mortality rate of small business.

This Nation was once called a nation where anyone with ingenuity and the desire to work hard could be successful.

This is not altogether the case today—and the added burden of having to comply with this legislation would make it nearly impossible for the small businessman to survive.

To place this burden upon the farmer and the small businessman would prove unfair to the employer, a threat to the security of the employee, and a grave danger to our economy.

RADIO BROADCASTING

Mr. HORTON. Mr. Speaker, I ask unanimous consent that the gentleman from Mississippi [Mr. WALKER] 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 York?

There was no objection.

Mr. WALKER of Mississippi. Mr. Speaker, 45 years ago, on September 15, 1921, the Department of Commerce issued its first regular broadcasting license. Forty years ago the first 24-station radio network was started. In the years since, the growth of radio has been spectacular.

By its silver anniversary in 1946, radio had achieved amazing success. There were some 1,150 radio stations and 57.8 million radio sets. Radio's record of service during World War II had been

exemplary. For the first time American civilians were promptly and fully apprised of war developments around the world. Radio was the entertainment medium of the Nation—with daytime soap operas, comedy and variety shows, and dramatic programs. Ma Perkins, Edward R. Murrow, Arthur Godfrey, Bob Hope, and "Twenty Questions" were in almost every American living room—on radio. The sound of radio was the sound of entertainment.

With the birth of radio's younger brother, television, radio seemed outdated. Television soon preempted radio's role, as families gathered around TV screens for the evening's entertainment.

Yet, radio refused to die. Rather, after a few years, it adapted itself to a new role. It took on a new sound. Today radio's sound is not that of the dramatic or variety program. It is that of music, news, or the talk show. Unlike television which seeks the largest possible audience, radio stations tend to specialize. There is the popular music station, the talk station, the country and western station, the religious station, the classical music station. Radio is not geared to the national, but to the local audience. It furnished a local forum, provides local news, carries local advertising, promotes local civic drives, and caters to local needs.

Radio accompanies the listener as he drives to work or on vacation. It is carried from room to room, to the beach, on the street. It is turned on all day, not just in the evening hours. And, it can either demand full attention, as in news broadcasts, or furnish background sound, the sound of music.

Radio is still growing. Radio is found in 93 percent of all homes in the United States. Whereas on January 1, 1946, there were 7.5 million automobile radios in use, last January 1 there were 60 million. The total number of radio sets in use has increased during the same period from 57.8 to 242 million. The clock radio did not have appreciable use until the 1950's. The transitor radio is a recent development—and dramatically demonstrated its worth in last fall's east coast power blackout.

The number of radio stations has also grown. Whereas there were about 1,000 AM stations on the air in 1946, in 1965 there were 4,000. And during this period FM radio has come into its own, with more than 1,400 FM stations on the air.

Radio is very much a vital force in the United States—issuing storm warnings, keeping the public informed of the latest news developments. It is used not only for commercial broadcasting, but also by police departments, firefighters, public utilities, and transportation companies. It is used for essential personal and business communications through the Citizens Radio Service. It is a hobby for more than 260,000 radio hams, who through their own Amateur Radio Public Service Corps and through the Government-sponsored Military Affiliate Radio System and the Radio Amateur Civil Emergency Service meet countless emergency situations and provide a reservoir of trained personnel for military and civil defense communications.

Radio is indeed a most important sound in 1966. My congratulations to the radio industry which has so well met our Nation's changing needs.

CONGRESSIONAL REFORM—LIVE BROADCAST OF NEW YORK SENATE SHOWS WAY FOR U.S. CONGRESSIONAL "LOOK AND LISTEN" BILL

Mr. HORTON. Mr. Speaker, I ask unanimous consent that the gentleman from New Hampshire [Mr. CLEVELAND] may extend his remarks at this point in the RECORD and include extraneous matter.

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

There was no objection.

Mr. CLEVELAND. Mr. Speaker, last month, the State Senate of New York permitted a live broadcast of one of its sessions. This is a great step forward and should be emulated by the Congress. I have introduced legislation to provide for the live broadcasting of both House sessions and House committee hearings—House Resolution 650 and House Resolution 660. These would put into effect what I call the public's right to look and listen to their Government in operation. I believe these measures would help restore the prestige of Congress.

This principle has won the endorsement of the broadcasting industry and numerous newspapers. Among them is the New York Times, which, in an editorial dated April 21, commented in a most constructive way upon the action of the State senate in New York. I hope to see this procedure adopted in the House of Representatives and the Senate as well. The Times is to be praised for its support of this important principle and I include the editorial referred to at this point in the RECORD:

LAWMAKING BY TV

For the first time in the history of the State Senate its proceedings will be televised live next week when it debates reform of New York's antiquated divorce law. We hope the telecast will prove the precursor of many future efforts to give New Yorkers as intimate a view of the lawmaking process as they would get it they had seats in the State Capitol at Albany.

The value of such telecasts has been demonstrated by the enthusiastic interest stirred by the recent hearings of the Senate Foreign Relations Committee on Vietnam and by many key debates in the United Nations. The breakthrough at Albany brings into sharp question the wisdom of the City Council's refusal to permit TV coverage of the public hearings it is now holdings on Mayor Lindsay's tax program. Certainly, no civic issue more directly affects the welfare of millions in the metropolitan district.

The immediacy of television makes it an ideal instrument for giving the citizen a sense of participation in governmental affairs. There is, of course, the risk that legislators will succumb to the temptation to "ham it up" for the unseen audience. And there are the mechanical difficulties of keeping cameras, wires and other equipment from making a shambles of chambers designed before the electronic era. But none of these obstacles should outweigh the gains to the democratic process that could flow from wider use of TV to link citizen and lawmaker.

SEIZURE OF TUNA BOATS

Mr. HORTON. Mr. Speaker, I ask unanimous consent that the gentleman from California [Mr. BOB WILSON] 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 York?

There was no objection.

Mr. BOB WILSON. Mr. Speaker, four more U.S. tuna boats have been seized by the Peruvian Government for fishing in an area that they claim to be territorial waters. The boats were approximately 19 miles offshore in what is universally recognized as international waters. The boats have been taken into the Peruvian port of Talara under armed guard.

During the first 5 months of this year, a total of eight American ships have been seized and we have obviously come to the time when the White House and the State Department can no longer ignore their responsibility to the American fishing industry. Peru claims its territorial limit extends 200 miles from shore. Yet, as illustrated in the May 22 San Diego Union, Russian fishing vessels are competing with California sport fishermen in an area not more than 3 miles from our coast. I agree with this Union editorial that:

The resolution of the Russian fishing problem will be difficult because the U.S. recognizes a three-mile territorial limit. Much, however, can be done to stop the harassment of U.S. fishermen off Western Latin American coasts.

The first action, of course, must be serious and intensive conferences between U.S. and Latin American nations to reach an amicable solution if possible.

The United States would have considerable economic levers to use at such a conference, including the millions we spend in aid to the nations harassing our tuna fleet. Some of the military ships used in the harassment were given to the countries by the U.S.

Additionally, the U.S. could review its substantial importation of fish from Latin America, particularly Peru. In the case of Panama, that Nation's desire for a sea-level canal could be a talking point. A final argument, if reason cannot prevail, would be a U.S. promise to give its fishermen legal protection in international waters.

Financially, and in principle, the harassment of U.S. fishermen has reached a proportion where it can no longer be tolerated and the matter must be resolved as soon as possible.

OPERATION HIGHLINE

Mr. HORTON. Mr. Speaker, I ask unanimous consent that the gentleman from California [Mr. BOB WILSON] 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 York?

There was no objection.

Mr. BOB WILSON. Mr. Speaker, today as never before in our history, we have large numbers of officers retiring from the armed services who must continue as civilians to pursue some gainful occupation to properly support their families.

Because of the dedication with which these gentlemen have carried out the

long years of service to their country, they have had small opportunity to study and know the civilian society. Consequently, our country has a continuing pool of excellent, mature management-type labor lacking in knowledge as to how to make itself available to the business and industrial world.

Recognizing this problem, the Navy League of the United States a few years ago instituted a volunteer activity entitled "Operation Highline." Since a highline is a device used in the Navy between the masts of ships for the transfer of personnel, this is a very apt description of this laudable undertaking of assisting retiring officers to transfer from the military to the civilian society.

Reacting typically for the populace of the 36th District of California, the San Diego chapter of the Navy League is operating the largest and most successful of the Highline activities. It works on the basis that the most direct route to assisting these deserving retirees to make the transition to a completely new society is to assist them in preparing themselves to find employment. And, while they are not an employment agency, their efforts in the San Diego operation alone during 1965 successfully assisted over 500 retirees.

The majority of retiring officers in the San Diego area are from the Navy, of course, but many Army and Air Force officers are listed among those helped.

The actions of the Navy League as a whole and the San Diego chapter particularly are commendable. I am sure that my constituents working in this volunteer activity would welcome inquiries from other parts of the United States that may wish advice on this subject. A successful undertaking such as this where appropriate not only helps the individuals concerned but is also of great value to the business community concerned.

FIRST WORLD FESTIVAL OF NEGRO ARTS

Mr. HORTON. Mr. Speaker, I ask unanimous consent that the gentlewoman from Ohio [Mrs. BOLTON] may extend her 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 York?

There was no objection.

Mrs. BOLTON. Mr. Speaker, one of the most exciting pageants of our times took place last month in Dakar, Senegal. Work and leisure activities centered around a great international convention: the First World Festival of Negro Arts, which ran from April 1 through April 24. Although I was not able to attend it myself, I have heard splendid reports. It has been suggested that the intermingling of Negroes from around the world has broadened the experience of all who attended. Perhaps the impact was greatest on those who came from relatively remote locations and whose horizons have suddenly expanded from village limits to the edge of outer space. Surely they will never be the same again.

WHAT IT WAS LIKE

Originator of the vision that brought about this impressive gathering was the Poet-Philosopher President of Senegal, Leopold S. Senghor. The festival, sponsored by UNESCO and the Society of African Culture, brought together Negro artists from some 44 countries throughout the world, to get acquainted, converse, and perform.

Reports from Dakar indicate that a very wide variety of both fine and performing arts had a place. The main centers for performances were the lovely national theater, a large and small stadium, and a downtown cathedral.

Among the many international artists who participated in the festival, some American artists shone.

Duke Ellington dazzled his audiences with brilliant performances in Friendship Stadium outside the city and the Daniel Sorrano theater in Dakar. Marion Williams and her singers held the attention of large audiences with gospels and spirituals, a type of music with special appeal in Africa. An Easter sunrise service by the De Paur Chorus received wide acclaim, and the Chorus amazed its listeners by singing not only in English and French but also in several African languages. The last 2 days of the festival featured Alvin Ailey and his American Dance Theater, which drew great praise. Solo performances by pianist Armenta Adams and soprano Martina Arroya demonstrated that American musical talent was not confined to modern and popular music.

There was an exhibition of various types of traditional African art, much of which had been taken from Africa to the far corners of the earth, in Museum Dominique, contributed on loan by the world's great museums and private collections. An exhibition of contemporary art was placed in the Grand Hall of the Palace of Justice, which has a spacious open court in the center. Transporting these collections was a major undertaking.

Prizes were awarded in all categories—for the best novel, drama, essay, scientific, and historical work, for the best portrait collection, illustrated books, various forms of dance, music, films, and so on. There were far more than I can name. I have been told of very interesting hemp sculpture and plastic art, of breathtaking, vigorous acrobatic dance routines, of striking drama. The competition was wholesome and stimulating.

Approximately 10,000 spectators were treated to the bustle and variety of art, dance and music, drama and literature. Emperor Haile Selassie made a state visit to Senegal during this time and loaned prized paintings from the Ethiopian Palace collection. The American Society of African Culture arranged for a chartered flight for 180 visitors for 10 days. Included in the group were many school teachers on spring vacation, museum curators, and collectors. In addition to exhibitions and performances, Senegal provided sightseeing tours and excursions which were educational as well as entertaining. Dr. Zelma George, prominent lecturer and sociologist from Cleveland, wrote back from Dakar:

> This is a very rich experience. The First World Festival of Negro Arts is eminently successful.

One of the highlights of the festival was the colloquium during its first week. Thirty Negro scholars met to discuss aspects of Negro culture which are distinctive and should be preserved from the destruction and neglect that often accompany industrialization and urbanization. The discussion raised the question of what it means to be a Negro. Some scholars, including President Senghor, expressed the view that there is something inherently different from other peoples in the Negro personality. Others felt that this difference, called "negritude" by President Senghor, and "soul" by American poet Langston Hughes, is essentially not biological but environmental. The debate led to a fuller recognition of the African heritage and stirred up reflection over the present and future role of Negroes in the worldwide context. Although the festival came to a close a month ago, the exploration of these issues continues.

In addition to Mr. Hughes, American intellectuals participating in the colloquium included painter Hale Woodruff, anthropologist St. Clair Drake, and historian John A. Davis. President Senghor surprised Mr. Hughes by reciting from memory some of his verses and quoting from them in a speech to Emperor Haile Selassie.

PRIVATE U.S. SUPPORT

As the Nation second only to Nigeria in size of Negro population, the United States was invited to take appropriate part in the festival. On the request of President Senghor, Mrs. Virginia Inness-Brown, a New York patron of the arts and former cultural adviser to the Department of State, formed the U.S. Committee for the First World Festival of Negro Arts, Inc. She and Dr. John A. Davis, president of the American Society of African Culture, jointly chaired the U.S. Committee.

While most other nations relied on governmental machinery to arrange participation in the festival, the United States counted on this private, voluntary association. As Chairman of the U.S. Committee, Mrs. Inness-Brown coordinated American representation at the festival, a task that demanded three trips to Africa and countless consultations with the Department of State and the U.S. Information Agency. The Committee assured a significant share of the burden of financing, and Mrs. Inness-Brown almost singlehandedly raised nearly $100,000 in contributions from American foundations and private donors. With this money, the U.S. Committee sent to the festival an American collection of traditional African art, the Alvin Ailey dance group, several outstanding American films, and many books and records for entry in prize competitions.

The Department of State cooperated closely with the Committee and, as part of the educational and cultural exchange

program, agreed to send Duke Ellington, the Leonard De Paur chorus, and Marion Williams' singers to the festival. In addition, the U.S. Information Agency arranged an exhibit of contemporary art by American Negro painters, and a photo display depicting American life.

APPRECIATION TO THE U.S. COMMITTEE

It is fitting that a word of special recognition of the U.S. Committee for the Dakar Festival be included. Mrs. Virginia Inness-Brown, Chairman of the U.S. Committee, Dr. John A. Davis, Co-chairman; and other Committee members, as well as the numerous supporting donors and foundations, have rendered our Nation a great service.

Mrs. Inness-Brown devoted 2 years of her time and her great personal talent to insuring the success of the American artistic community and promoted friendly ties between the United States and Africa. For their part in this effort Mrs. Inness-Brown, Dr. Davis, and other Committee members richly deserve our thanks.

RUDE AWAKENING

Mr. HORTON. 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 New York?

There was no objection.

Mr. ASHBROOK. Mr. Speaker, on May 18 I inserted in the CONGRESSIONAL RECORD an article entitled "The Crisis in British Medicine," which describes the present plight of British doctors after almost 18 years of socialized medicine in Great Britian. According to the author, Joan Hobson, despair is widespread among British doctors because of the excessive demands placed upon them. Although medical coverage under the British system is more extensive than under the present setup in the United States, the chances for the expansion of government-sponsored medical care are by no means remote if the case of New York State is any indication.

On April 30 the New York State Legislature passed a sweeping new medical aid bill which made eligible for free glasses, dental care, doctor's treatment, and hospitalization a family of four with a net income of $6,000. The New York bill takes advantage of a little noted section of the Federal Medicare Act, title 19. Under that section, persons of any age who earn enough to take care of all but medical needs, may receive aid through a State-administered program. To date seven States and Puerto Rico have already gotten tentative approval for such programs, while New York and Connecticut have applied. In the case of New York State, bringing its present medical aid program under title 19 will increase Federal aid from $79 million to $217 million a year.

If the allocation of funds were the only prerequisite for comprehensive medical care, the present mushrooming programs of Government-sponsored medicare programs would be much easier to defend. However, when one considers the part played by the doctor and the limitations of his service in terms of time and physical capacities, it is urgently necessary that the case of the overburdening of British doctors be given serious consideration.

Barron's, the national business and financial weekly, in its May 23 edition, supplies food for thought on this issue. That the issue of Government-sponsored medical care is more complex that the mere allocation of funds is certainly a matter for further study. To add additional background information to this subject, I include the article, "Rude Awakening—Medicare Is Bumping Against the Limits of U.S. Resources," in the RECORD at this point:

RUDE AWAKENING—MEDICARE IS BUMPING AGAINST THE LIMITS OF U.S. RESOURCES

Among the many admirers of Sen. ROBERT F. KENNEDY, we never expect to stand up and be counted. On the contrary, we share the view of John O'Hara, who, in his witty new book, "My Turn," bitingly wrote of a chance encounter with the junior Senator from New York: "I thought then, as I do now, that there is something pathetic about a man who turns on the charm when he has none." Charm (or the lack thereof) aside, the Senator has taken positions on major issues of the day which invariably seem to find us in opposition. However, despite precedent and against all odds, Senator KENNEDY said something the other day which we are pleased to quote. At the Judy Holliday memorial dinner in NYC last week, RFK warned of a looming "crisis" in the nation's capacity to care for the sick. "What is the value of offering medical treatment to our aged," he eloquently asked, "if there are no doctors available to administer it? What is the value of offering nursing-home care to our old people if there are no nursing homes to which they can go?"

The speaker, of course, was seeking to whip up sentiment for a far-reaching new program of federal aid to U.S. health and welfare. What he succeeded in doing, perhaps unwittingly, is to expose as a fraud all the costly measures of this kind which he and other like-minded legislators lately have written into law. On the eve of Medicare, which is scheduled to go operative on July 1, the nation is growing aware that in the government's prescription at least two vital ingredients, training and talent, somehow seem to be missing. As New York City realized with a jolt last week, when it came perilously close to shutting down the municipal hospitals, doctors and nurses are even scarcer than money. Thanks to the Social Security System, demand for medical and hospital services six weeks hence will get a powerful shot-in-the-arm. Unfortunately, however, supply will be painfully slow to respond.

For what might be called the welfare syndrome, government itself is largely to blame. The proliferation of federally financed research projects, for example, has succeeded in drawing away too much of the available talent from the sickroom. The advent of Medicare, which threatens to bring sweeping and not necessarily beneficial change to the practice of medicine, will do nothing to attract young blood. Like most professional—and productive—people in a so-called welfare state, finally, doctors and nurses find themselves chafing under the mounting demands imposed by the powers-that-be on their time and talent. Even the richest country in the world cannot forever afford to exploit its limited human resources. Atlas has not yet shrugged: to judge by what's happening at home and abroad, however, he's grown dangerously weary.

Until recently, nobody in authority seemed to know or care. Congress last year passed Medicare—labelled by President Johnson "a milestone in the social history of the U.S."—under which the federal government soon will pay for 60 days of hospital care per year for people over 65; in January, Uncle Sam also will underwrite the cost of up to 20 days annually in an extended care facility or nursing home (and all but $5 daily for another 80 days). Moreover, under a little-known provision of the law, New York State, among others, has launched an ambitious program of subsidized medical assistance to the needy of all ages. The President even has begun to plead the cause of Denticare, which would give free dental treatment to pre-school children. Now, however, the imminence of Medicare suddenly has caused a rash of official concern over the nation's capacity to do the job. We have noted the strictures of Sen. KENNEDY. More significant, by Executive Order the President early this month established a National Advisory Committee on Health Manpower. "The U.S.," warned the White House, "is facing a critical shortage of manpower in carrying out its commitment to improve health care for our citizens."

Thus Washington belatedly has recognized what long has been a chronic complaint. More than three years ago this magazine underscored the growing shortage of doctors. Since then, symptoms of the deep-seated malaise have multiplied. In 1964 American doctors took up barely 21,000 of 38,000 AMA-approved residencies available at U.S. hospitals; the rest either were offered to foreign physicians or went unfilled. Similarly, during the past 15 years, the ratio of dentists to the population as a whole has declined from 54 per hundred-thousand to 45. The number of registered nurses in New York municipal hospitals has dropped sharply, from a peak of 5,400 just before World War II to an estimated 3,500 today, with no early change in sight. On this score, Gotham narrowly averted disaster last week by bowing to the demands of its nurses, who threatened to resign en masse in protest against substandard salaries and working conditions.

Citing New York's nurses, who "are paid less than garbage collectors," Sen. ROBERT F. KENNEDY proposes to set things to rights through still another federal program, a $2 billion, 10-year effort to encourage the construction of new medical facilities and to spur training. Nine out of 10 dollars would go toward bricks and mortar. At a time when some hospitals are closing off wings for lack of nurses, the Senator's prescription has scant hope of bringing fast relief. Indeed, if the past be any guide, it runs a genuine risk of making matters worse. Over the years the federal government has succeeded magnificently in aggravating the shortage of medical personnel. Thanks to the National Institutes of Health, over 10% of the nation's newly licensed physicians, instead of launching a practice, each year go into research, the value of which qualified observers increasingly tend to question. Under the aggressive leadership of Dr. James Goddard, the Food and Drug Administration, by offering exemption from the draft through the Public Health Service, lately has had no trouble dragooning eligible doctors into its ranks. "It's like sending a bunch of Boy Scouts to do a Marine's job," protested one pharmaceutical executive. It's also a foolproof way of depleting the nation's limited resources of medical talent.

Such attrition may be weighed and measured. In other more subtle ways the welfare state, in the realm of health, has done incalculable harm. For example, by pitting itself against idle machines and idle men, the New Economics has succeeded in creating a climate of super-full employment,

in which poorly compensated jobs like ambulance driver, hospital attendant or nurse, which call for extraordinary dedication, simply go begging. By pursuing inflationary policies, the federal government inevitably has dimmed the luster of careers in civil-service or fixed-income posts. Finally, through the graduated income tax and similar inequities, it has progressively undercut professional incentive. In Socialist Britain, to judge by the mounting "brain drain," the debilitating process has passed the point of no return. In the Great Society, unless there is a striking change of heart and mind, the prognosis is equally grim.

On this score the current stirrings among those in authority, though belated and uncertain, hold out a faint ray of hope. Perhaps it finally has dawned on Washington that federal aid, abroad or at home, is not necessarily the cure for all the ills that afflict mankind. Perhaps a few officials have come to suspect that even the wealthiest of nations can reach the limits of its potential. In some realms of life, money is simply no substitute for experience and talent. People, not programs, are what count.

SECONDARY MARKET OPERATIONS OF FNMA

Mr. HORTON. Mr. Speaker, I ask unanimous consent that the gentleman from New Jersey [Mr. WIDNALL] 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 York?

There was no objection.

Mr. WIDNALL. Mr. Speaker, I have today introduced a bill, H.R. 15288, which would authorize the Secretary of Treasury to subscribe to an additional $110 million of preferred stock of the Federal National Mortgage Association for use in its secondary market operations. Under the secondary market operations of FNMA the Association provides a secondary market for FHA and VA home mortgages. The objective of the operation is to supplement rather than supplant private home mortgage lending.

Under the Federal National Mortgage Association Charter Act the Association may borrow up to 10 times the amount of its capital and surplus to obtain funds for home mortgage purchases. Therefore, under the bill I have proposed, an additional $1.1 billion of borrowing authority would be made available to FNMA. This added to the preferred stock subscription will provide additional mortgage purchase authority in the amount of $1.2 billion.

At the current rate of FNMA mortgage purchases, its unused authorization would be exhausted in a matter of 4 or 5 months. The additional mortgage purchase authorization which would be provided by my bill should extend this period to over a year allowing the Congress ample time to later review conditions in the mortgage market to see what, if anything, further should be done. Additional authorization for FNMA mortgage purchase at this time should minimize the risk of "a run on the bank" such as might easily occur if imminent exhaustion of FNMA mortgage purchase authority was in prospect.

FNMA in itself cannot be expected to assume the full burden of providing funds for Government assisted housing, but it has proven to be a very valuable instrumentality in supplementing home mortgage funds in a period of a tight mortgage market such as exists at the present time.

Other suggestions have been made to increase FNMA's borrowing authority by increasing the 10 to 1 ratio of borrowed to capital funds to a ratio of 15 or 20 to 1. In the opinion of many this raises serious doubts as to legality inasmuch as FNMA presently has outstanding over $3 billion of debt issued under charter provisions providing the debt shall not exceed 10 times capital funds.

In 1957 on two occasions, FNMA's borrowing authority was expanded by increasing the amount of authorized preferred stock that could be purchased by the Secretary of Treasury, in the first instance by $50 million, and in the second instance by $65 million. There was no adverse reaction in the ability of FNMA to borrow funds in the private market. It would seem the better part of wisdom to follow this time proven procedure and again authorize an increase of preferred stock to be purchased by the Secretary of Treasury rather than experiment with the legally doubtful expedient of changing the ratio of authorized borrowed funds, to capital funds.

PUBLIC MISINFORMATION

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Arizona [Mr. RHODES], is recognized for 30 minutes.

Mr. RHODES of Arizona. Mr. Speaker, the House Republican policy committee adopted the following 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., Calif.) 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 ha 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. Speaker, certainly these are troubled times. And much of our present difficulty stems from the fact that the Johnson-Humphrey administration has entangled this Nation in a web of half-truths, distortions, and contradictions. The speakers that follow me will cite example after example wherein the administration's policy has appeared to be to confuse rather than enlighten, to hide rather than disclose. Hopefully, the freedom of information legislation will prove to be at least a start in the direction of truthfulness and full disclosure.

Mr. GERALD R. FORD. Mr. Speaker, half-joking remarks sometimes reveal hard truths.

At one of his rare White House press conferences last February, President Johnson was asked by a reporter "to clear up some confusion."

I always want to do that—

Mr. Johnson interjected.

The first 2 years I was here I did that every time I met with the press. They were always confused and I found out that after I was through explaining it, I was confused.

At the radio-TV correspondents' dinner early this year, the White House Press Secretary—senior grade—Bill Moyers, got laughs by quipping:

The crisis of credibility has gotten so out of hand that we don't believe our own leaks.

And last weekend at a University of Wisconsin symposium, White House Press Secretary—junior grade—Bob Fleming said he is opposed to outright lies but argued that "hiding the full truth is sometimes in the interest of national policy." Newsweek's White House reporter, Charles Roberts, who has covered four Presidents, said:

Mr. Johnson is the most frustrating President of modern times to get straight substantial answers from. He has lowered a curtain of ice between himself and the working press.

While I sympathize over Mr. Johnson's confusion, Mr. Moyer's incredulity and the White House press corps' icy curtain, this crisis of credibility is no longer funny. It is an international danger and a national disgrace.

U.N. Ambassador Arthur Goldberg, a former Supreme Court Justice and a lifelong lawyer, well knows that when you impeach the credibility of a witness, his case is lost. So it is not surprising that Ambassador Goldberg warned last December 19 on network television that:

The credibility of our Government has been assailed. We have a great problem here maintaining our credibility with our own people.

Unfortunately, the Johnson-Humphrey administration has paid little heed to this sober warning. The crisis of credibility has grown steadily worse. The gap has become a canyon. Mismanagement in our national affairs is being alibied by even more shocking mismanagement of the facts. Hiding behind half-truths, statistical smokescreens, cries of "Baloney" and stubborn silence has become a habit in the highest levels of the executive branch. A pattern of indigent denial, grudging admission and hasty coverup is followed whenever criticism or questions arise.

I submit that the crisis of credibility which plagues the Johnson-Humphrey administration is due to an apparent fear of the facts and of taking the American people into its confidence. This bill is a step, but only a step, in the direction of free and full disclosure of the public business of government. Why is the White House so afraid of it?

Here I rely on the comprehensive annual report of the Freedom of Information Committee of Sigma Delta Chi, the national professional journalism society and one of the chief backers of this bill. It reported:

The Johnson Administration blocked passage of a Federal public records bill in 1965, and seems to be opposed to any legislation in this field that will limit executive branch secrecy .... Administration representatives demanded that the language of the House bill be changed to give the President and the Cabinet officers legal authority to "executive privilege" when no such legal authority has existed. . . . (They) informed members of the Moss subcommittee that no public records bill could be passed and signed unless it included the changes President Johnson demanded.

I hope the Democratic majority in the House will bring this bill up promptly and pass it. It has already passed the Senate. I challenge President Johnson not to sign it.

This law will not solve the problem of deliberate deception by officials. This will remain the job of probing reporters and questioning Congressmen. Nor will it change the circumstances under which Assistant Secretary of Defense Arthur Sylvester asserted the Government's "right to lie to save itself" in dire emergency. It will, however, address itself to the continuous challenge which Mr. Sylvester spoke of in a less well-remembered portion of that same 1962 speech:

When the Administration is on the defensive, under our political system I would always be suspicious of what it said.

The Johnson-Humphrey administration is today on the defensive on almost every foreign and domestic front. The crisis of public confidence extends into every American home, factory, farm, and office. Public misinformation is evident in official statements on the Vietnam war, the Pentagon's overall defense posture, foreign policy, inflation, taxation, the soaring cost of living, farm programs, employment, poverty, wages, and dozens of other instances. My colleagues will discuss only a few of them.

Mr. ARENDS. Mr. Speaker, on April 25, 1966, the Hébert subcommittee of the House Armed Services Committee issued a detailed report charging that Secretary of Defense McNamara had overruled his top military advisers on the role of future manned bombers for the Strategic Air Command. It alleged, and quoted testimony to show that McNamara had misled the subcommittee with regard to the views of the Air Force Secretary and the Joint Chiefs of Staff on this vital decision by frequent use of the word "we" and by other statements to the subcommittee. It branded some of the Pentagon testimony "a truly masterly demonstration of language to conceal fact and, possibly, thought."

Secretary McNamara immediately declared that the report, which was agreed to by all but one member of the bipartisan subcommittee, shockingly distorted the true picture. He summoned some of his subordinates to a news conference to lend credence to his denial.

Representative HÉBERT on May 12 declassified some of the secret testimony on his own authority and renewed his charge that McNamara sought to conceal the true views of his military advisers on the need for a $6 billion advanced manned bomber program. That afternoon the Defense Secretary retreated to the excuse that a badly drafted memorandum from his office caused the contradiction and explained at great length a new management system he had imposed upon the service chiefs. He conceded the record shows complete confusion.

Representative HÉBERT said he interpreted McNamara's backdown as evidence of "an open mind" on the future of manned bombers and excused McNamara's "earlier excesses of language." But, he added, "Let's not let past weaknesses of syntax further cloud the facts."

Mr. LAIRD. Mr. Speaker, Secretary McNamara's best known prediction on Vietnam was his statement of October 2, 1963, reporting his judgment that the major part of the U.S. military task can be completed by the end of 1965, although there may be a continuing requirement for a limited number of U.S. training personnel. This is not, however, his only contribution to the credibility gap.

On November 21, 1963, Secretary McNamara said:

We are equally encouraged by the prospects for progress in the war against the Vietcong.

As he spoke the Vietcong were rapidly gobbling up great areas of South Vietnam. This he admitted two months later when he said:

The Vietcong moved in . . . and had many successes during the period of November and December.

On January 27, 1964, he told the Nation that the successor to the Diem government "has considerably more popular support than its predecessor." Two days later that government was overthrown.

On April 24, 1964, Secretary McNamara expressed the expectation of "dramatic progress" in Vietnam by July or August, and on July 15, he reported an improvement in the morale of the Vietnamese. On August 7, however, General Khanh found it necessary to declare a state of emergency throughout Vietnam. Widespread student rioting followed, and Khanh was forced to resign on August 25.

On May 9, 1965, Secretary McNamara appraised the mililtary situation in Vietnam by saying "in the last 8 weeks there has been an improvement." Yet, on October 13, 1965, he said that the Vietcong in May and June came close to cutting South Vietnam in half and destroying the regular South Vietnamese military forces.

In that period of time (May–June, 1965)—

He declared, the Vietcong—

substantially increased their control of the geography of the country.

On November 29, 1965, Secretary McNamara said "we have stopped losing the war." Yet, during the period when, according to the Secretary, we were losing the war, he made statements acclaiming "progress" and exuding optimism on no less than 14 separate occasions.

This list of inaccurate prophecies and faulty assessments is far from complete, but it is enough to show why the public is skeptical about administration statements on Vietnam.

Mr. GOODELL. Mr. Speaker, another blatant instance of public misinformation came to light concerning the functioning of a war on poverty program.

Appearing before the Poverty Subcommittee of the House Committee on Education and Labor on March 8, 1966, Director Sargent Shriver of the Office of Economic Opportunity testified that "Since last summer fewer than 50 ineligibles have been discovered in the Neighborhood Youth Corps."

The next day, I questioned Secretary of Labor W. Willard Wirtz on this point. The hearings read:

Q. "The question is, how many have been dropped (from the Neighborhood Youth Corps) because of your insistence on the poverty standard?"

A. "And the answer is 5,000, plus or minus, a fairly small plus or minus."

Mr. BOB WILSON. Mr. Speaker, while truth seems to be somewhat strained and often in the Johnson-Humphrey administration the worst examples of shocking misinformation are apt to occur in a political campaign season. Let us go back to the last off year congressional election—that of 1962.

At that time, Mr. McGeorge Bundy, Special Assistant to the President for National Security, stated on "Issues and Answers" on the ABC network on October 14, 1962—1 week before the Cuban missile crisis became public knowledge:

I know there is no present evidence and I think there is no present likelihood that Cubans and the Cuban government and the Soviet Government would in combination attempt to install a major offensive capability. So far everything that has been delivered in Cuba falls within the categories of aid which the Soviet Union has provided, for example, to neutral states like Egypt or Indonesia.

Let us look now at the interim report of the Senate Preparedness Subcommittee, following the 1962 elections and the Cuban missile crisis, signed by four Democrats and three Republicans:

After September some reports of missiles being introduced into Cuba were suggestive enough of strategic or offensive weapons to arouse the suspicion of intelligence analysts. This resulted in the conclusion apparently reached near the end of September, 1962, that there was a suspect medium range missile site in Pinar del Rio Province. As a result photographic coverage of the suspect area was proposed and on October 14 a Strategic Air Command U–2 reconnaissance aircraft overflew the area and emerged with hard photographic evidence of the San Cristobal medium range ballistic missile complex.

On the domestic side, the issue of employment is always paramount. Six days before the November 1962 election, Secretary of Labor W. Willard Wirtz announced that unemployment had reached a 3-year low in October and had declined by 2 million since the Kennedy administration took office.

After the election, Wirtz admitted to Chicago Daily News Reporter James McCartney that his announcement contained "invalid" comparisons because the statistics were not seasonally adjusted. It turned out, after the ballots were counted, that there always are more people employed in October than there are in January. The decrease was actually 784,000 instead of 2 million.

These, Mr. Speaker, are just two illustrations which point up the crisis of credibility we face.

Mr. CRAMER. Mr. Speaker, last week the Republican policy committee called attention to the serious credibility problem that surrounds the present Democratic administration. Time after time, the American public has been told less than the truth. It is unfortunate but true that much of the confusion over the Dominican crisis stems from the fact that there have been conflicts and contradictions in the administration's story. For example:

President Johnson stated May 1, 1965, following criticism of his failure to consult with the Organization of American States prior to ordering U.S. forces into the Dominican Republic:

In this situation hesitation and vacillation could mean death for many of our people. I thought that we could not and *we did not hesitate*. Our forces, American forces, were ordered in *immediately* to protect American lives.

There may be those in our own country who say that such action was good but we should have waited, or we should have delayed, or we should have consulted further, or we should have called a meeting. * * * The matter was before the OAS peace committee on Tuesday, at our suggestion. It was before the full Council on Wednesday, and when I made my announcement to the American people that evening, I announced then I was notifying the Council.

Six weeks later, following other criticism of his quick Dominican intervention, President Johnson told his June 17 news conference the decision to land U.S. troops "was a decision we considered from Saturday until Wednesday evening."

Question. Was it "immediately" or after 5 days' deliberation?

On April 28, 1965, President Johnson announced that he had ordered U.S. troops into the Dominican Republic "in order to give protection to hundreds of Americans who are still in the Dominican Republic and to escort them safely back to this country."

Two days later, on April 30, President Johnson began to shift his story. "There are significant signs that people trained outside the Dominican Republic are seeking to gain control over the rebel movement," he said.

On May 2, the President stated:

The revolutionary movement took a tragic turn. Communist leaders, many of them trained in Cuba, seeing a chance to increase disorder, to gain a foothold, joined the revolution. They took increasing control.

After hearing secret testimony by administration officials before the Senate Foreign Relations Committee, Senator FULBRIGHT concluded:

U.S. policy was marred by a *lack of candor and by misinformation.*

It was officially asserted, for example, by the President in a press conference on June 17, . . . that "some 1500 innocent people were murdered and shot, and their heads cut off." There is no evidence to support this statement.

The Democratic Senator concluded:

The United States did not intervene primarily to save American lives; it intervened to prevent what it conceived to be a Communist takeover.

Under the circumstances, it is becoming increasingly difficult for the American people to sort fact from fiction. A forthright statement is certainly needed. It may even be that now that the situation has become almost hopelessly tangled, the Democratic administration may have to resort to the truth. What a refreshing and needed change this would be.

Mr. POFF. Mr. Speaker, the crisis of confidence has spread to the economic sector. Anyone who has followed the stock averages over the past few weeks will recognize this.

Like most crises, this is the result of a long series of statements and actions that have had a cumulative effect on people's thinking. Space permits recital of only a few outstanding instances of deception and news management in the Johnson-Humphrey administration's policy on wage-price gidelines.

President Johnson, speaking to business leaders on April 28, 1964, described the wage-price guideposts as sensible and fair. He declared:

They are in the public interest, and while I cannot—and will not—force anyone to follow them, I can call them to your attention and ask for your cooperation.

The pledge was quickly forgotten after the election when the White House bludgeoned selected industries into rescinding price increases by threatening to dump Government stockpiles on the market.

On October 29, 1965, three major aluminum producers—Olin Mathieson Chemical Corp., Reynolds Metals Co., and Kaiser Aluminum & Chemical Corp. announced a price rise of one-half cent a pound of for primary aluminum—an increase of 2 percent. The aluminum companies declared that the new ingot price would still be a full cent below that prevailing in 1961.

The next day the President was reported as "sputtering mad" and the Secretaries of Defense, Treasury, and Commerce held a conference to discuss the possibilities of disposing of surplus stock of aluminum.

The administration vigorously insisted that the sales from the Government aluminum stockpile were completely unrelated to its pressure to hold the line on aluminum prices.

On November 5, Alcoa, the largest producer in the Nation, joined the price increase. On the following day the Chairman of the Council of Economic Advisers denounced the price increase as inflationary. Secretary McNamara at the same time announced that the Government would sell 200,000 tons of aluminum from the Government stockpile.

On November 8, an Alcoa executive defended the price increase and said it would not be rescinded. The next day President Johnson announced that 100,000 tons of aluminum would be sold at once and an additional 200,000 tons would be sold at a later date.

On November 10, after a series of meetings between Alcoa's president and Secretary McNamara, Alcoa announced that it was rescinding its price increase.

When the aluminum companies agreed to refrain from increasing prices, the threatened sales from the stockpiles were

withdrawn. This led the New York Times' James Reston to comment that "the number of people who believe in this extraordinary coincidence could be gathered together comfortably in any Washington telephone booth."

On the last day of 1965, the Bethlehem Steel Corp., the Nation's second largest steel producer, announced a price increase of $5 a ton on the price of structural steel. The reaction of the administration was swift. President Johnson declared the increase unwarranted and called attention to the sacrifices of our men in Vietnam. His chief economic adviser, Gardner Ackley, flatly declared the increase "inflationary." He, too, called attention to the men fighting in Vietnam. Two days later, unidentified administration officials indicated that the Government would use its buying power to prevent any increase in steel prices. When Bethlehem was joined by Inland Steel and Colorado Fuel & Iron in the price increase, the Department of Defense, the Department of Commerce, and the General Services Administration issued orders that all structural steel purchased by Federal Government contractors was to be bought at the lowest possible price.

United States Steel announced on January 5 that it would raise prices on structural steel by an average of $2.75 a ton, but it would reduce prices on cold rolled sheets on the west coast by $9 a ton. Later that same day, Bethlehem and Inland indicated they would fall in line with the new price levels.

As the administration told it, the whole settlement with United States Steel came as a sort of pleasant surprise to the President over the news tickers. Even after the settlement was reached, White House Press Secretary Moyers told reporters he did not know "with whom any of the steel company officials might have met." He said he did "know there were no meetings at the White House and no meetings involving White House officials."

James Reston reported in the New York Times that:

> What is generally believed is that the Administration put severe pressure on the steel companies not to go along with Bethlehem's $5-a-ton price increase; that at least one member of the Cabinet discussed what would be acceptable to the Administration, and that all this was done with the knowledge of the President. It is known that Roger Blough, the president of U.S. Steel, was (in Washington) talking to a member of the Cabinet—apparently Secretary of Defense McNamara.

Mr. SMITH of California. Mr. Speaker, in hearings on the 1964 cotton bill, the Department of Commerce asserted that it would result in substantial consumer savings. The House Agriculture Committee summed up the case in its report:

> Thus the savings to consumers at $500 million or more . . . would more than double the extra costs to the taxpayers in operating this new program.

However, in hearings May 26, 1965, Under Secretary of Agriculture Murphy testified that "price reductions for textiles to consumers are still around the corner."

They are still around the corner.

The producer has fared no better than the consumer of cotton, it seems.

Under Secretary Murphy foresaw "a substantial increase in the total net income of cotton producers" when promoting the bill in 1964. But last year the Republicans on the committee pointed out cotton growers have felt an 8-percent drop—some $238 million—in the farm value of cotton and cottonseed.

Secretary of Agriculture Freeman frequently states, as he did in Kansas City on April 13, 1965:

> It is both unfair and unsound to deny the farmer an opportunity to get a fair return in the marketplace as do other segments of our economy.

But the Johnson-Humphrey administration has used surplus sales to depress farm income just as it has dumped surpluses of metals to coerce the industrial segment of our economy.

One week before his Kansas City farm speech, Secretary Freeman testified to the House Agriculture Committee that his department deliberately forced down feed grain prices by Commodity Credit Corporation sales in the 1961–62 period. And only last March 10, on network television—Today Show—Ray Scherer asked Gardner Ackley, chief economic adviser to President Johnson, what the Government could do about rising food prices. Ackley answered:

> I've got a wife who goes to the grocery store, too, and reports this. I think everyone tends to exaggerate the extent of increase in food prices . . . . There aren't a great many things we can do but we're trying to do every one of them that is available. For example, I mentioned the fact that increase in supplies of pork depend on the difference between the price of hogs and the price of corn, and *we're trying to hold down the price of corn.* The government's acquired large stocks of corn in its past price support operation, and now we're releasing them into the market.

Mrs. BOLTON. Mr. Speaker, on May 7, 1965, President Johnson said:

> For months now we have waited for a sign, a signal, even a whisper, but our offer of unconditional discussions has fallen on unreceptive ears. Not a sound has been heard. Not a signal has been sighted.

Again on July 13, 1965, the President declared:

> I must say that candor compels me to tell you that there has not been the slightest indication that the other side is interested in negotiation or in unconditional discussions althougn the U.S. has made some dozen separate attempts to bring them about.

But on November 15, 1965, the respected reporter Eric Sevareid in a Look magazine article recalled an interview with the late Adlai Stevenson on August 12, 2 days before his death in London. Ambassador Stevenson told Sevareid, he said, that an offer from the Hanoi government to meet with U.S. representatives in Rangoon to discuss a means of ending the Vietnam war was relayed to him by U.N. Secretary General U Thant in late 1964, but that someone in Washington insisted it be postponed until after the 1964 presidential election. After the election, Sevareid wrote, Mr. Thant renewed the private peace feeler from Hanoi and this time it was Defense Secretary McNamara who reportedly vetoed it.

The State Department confirmed the Look report in substance, and so did U Thant. The only explanation for the flat conflict with President Johnson's earlier statements that not a sign, sound, signal, slightest indication, or "even a whisper" of such an event had reached the U.S. Government was that "we did not believe at any time" that North Vietnam was serious.

Would it not have been far better, had we been told the truth at the outset?

Mr. BOW. Mr. Speaker, perhaps the biggest and certainly most expensive example of the Johnson-Humphrey administration's penchant for misinformation is the President's 1967 budget. As ranking Republican on the House Appropriations Committee, I have described the 1967 budget as one based upon gimmickry and legerdemain.

In all my years here, I have never seen a budget based on more tenuous revenue assumptions nor on more iffy expenditure reductions. Without the gimmicks and legerdemain that run throughout the document, the President's budget would be unbalanced by several billion dollars more than the estimated deficit of $1.8 billion. To keep the deficit small, the administration has turned to revenue gimmicks which include: first, a one-shot $3.6 billion acceleration in personal and corporation income tax payments; second, a $1.2 billion restoration of expired excises on automobiles and telephone service; third, a $1.5 billion funny money profit which will come from minting coins with inexpensive metals; and fourth, a $100 million acceleration of OASDI taxpayments by the self-employed.

The iffy expenditure reductions, which are contingent upon approval by Congress of cutbacks in public-favored programs and enactment of legislation to implement abnormal reduction proposals, include: first, cutbacks in popular programs such as special milk, school lunch, impact school aid, land-grant college aid, and agricultural conservation and research; second, creation of revolving funds for the Rural Electrification Administration and the Department of the Interior; third, assessment of meat and poultry inspection fees and the imposition of other user charges; and fourth, the sale of $4.2 billion of Federal loan asset participation certificates.

Defense needs have been understated in the budget and supplemental requests for defense almost certainly will be forthcoming later in the year. By no stretch of the imagination can the administration expect that Congress will approve all of these proposals. The budget results for 1967 will differ materially from estimates in the January budget, and I think the administration knew they would when the budget was submitted to Congress.

Mr. LIPSCOMB. Mr. Speaker, we all recognize that sensitive military information must be kept top secret, secret, or confidential, and this means that there are legitimate areas where the American people's right to know must

be outweighed by the potential value of the information to their enemies.

However, there have been far too many occasions when this classification process has been applied in a rather curious and, to me, illogical way. It is difficult to discern, sometimes, whether the Department of Defense is primarily interested in keeping information from the enemy or in keeping it from the American people.

For example in our hearings on the fiscal 1967 defense appropriations which were, of course, in executive session, I questioned Secretary McNamara about his decision to do away with the airborne alert of our Strategic Air Command bombers, which has been in operation for many years and unquestionably has enabled millions of Americans to sleep better at night. The figure which the Secretary had cut out of next year's budget submission for the airborne alert, and later discussion of it, were classified by the security people at the Pentagon.

It seemed to me that this was quite a step to take in secrecy, stopping the airborne alert which had been a major feature of our national defense posture almost from the outset of the nuclear age. They were just going to quietly drop it and the American people would never know the difference, presumably.

When I questioned Maj. Gen. Duward L. Crow, Comptroller of the Air Force, about this classification, he stated that maintenance of an airborne alert "is something that would be of value to the other side if they knew we were going off of an airborne alert. I assume through their intelligence channels they certainly know we have had one, but I would not want to give them the comfort to know we are coming off it." The following colloquy ensued:

Mr. LIPSCOMB. If that is the case, why should it not be maintained? If it is going to give our enemy comfort by taking it off.

General CROW. It would give him benefit to know what our posture is. I think that is the classification aspect of it.

Mr. LIPSCOMB. We want to keep them thinking we have an airborne alert?

General CROW. I would think in terms of their not knowing our posture, that would be of advantage to us; yes, sir.

Mr. LIPSCOMB. It appears to me then if just the mere knowledge we do not have it would reduce our posture, it would be significant we keep the airborne alert.

General CROW. As we pointed out this morning, we recommended we keep it. The decision to go off the airborne alert was not an Air Force decision.

When the transcript of the appropriations subcommittee hearings was "sanitized" by the Pentagon, Secretary McNamara's justification of his reasons for overruling the Air Force and deciding to drop the airborne alert were left in the public record. But all of my questions about the original classification of the subject, and the answers, were heavily censored. I protested and succeeded in having the entire exchange cleared for public information.

In fairness, I want to point out that General Crow was neither responsible for the decision to drop the airborne alert nor for the Pentagon's classification policies.

Another example of the Department of Defense's curious classification policy in respect to information given committees of the Congress recently was brought to light by a Democratic member of the House Armed Services Committee, according to United Press International.

UPI reported on May 5, 1966, that Representative OTIS PIKE, Democrat, of New York, had called a news conference to charge that the Department of Defense had "surreptitiously" reduced the total of Vietcong wounded claimed since 1961 in the Vietnam war. The enemy casualty claim was cut by about half, he asserted.

Representative PIKE said the figure of 365,000 wounded was replaced with one of 182,000 in figures given the House Armed Services Committee at a secret briefing. He said the lower figure was "slipped in" because, apparently, the old one was growing so large as to be unrealistic. The estimate of Vietcong dead, however, was left unchanged at about 100,000 for the 5-year period.

The Democratic Congressman said the Pentagon's only explanation was that it had devised a new system for estimating enemy casualties. He declared that the American people, armed with accurate facts, are capable of mature judgment. He said:

I think infinitely more would be gained by a straightforward presentation of the facts. I do not believe that news of American defeats and American difficulties should be withheld from (the American people).

Mr. Speaker, I agree with my Democratic colleague.

Mr. HALL. Mr. Speaker, on the birthday anniversary of George Washington, the President who could not tell a lie, Representative MELVIN LAIRD, Republican of Wisconsin, put into the CONGRESSIONAL RECORD a detailed and highly disturbing report by the distinguished military analyst of the New York Times, Hanson W. Baldwin. Mr. Baldwin cited chapter and verse on alleged shortages in trained military manpower, equipment, clothing, ammunition, and ordnance items, and concluded that "all available U.S. forces are spread dangerously thin in Vietnam and elsewhere." He also noted:

The commitment of more than 200,000 men to Vietnam, supported by strong air and naval forces, and the maintenance of two divisions in Korea, more than five in Europe and of smaller units elsewhere, including the Dominican Republic, have *reduced the forces in the United States to a training establishment.*

A recently retired officer . . . said that "whatever the course of action (in Vietnam)—continued, escalated or modified downward—we are in *a situation of perilous insufficiency*" without much capability of "a graduated response to any serious challenge."

Many of the officers in the services have long felt that many of Secretary McNamara's cost-effectiveness formulas were *too rigidly applied and did not allow a sufficient cushion of supplies and equipment for emergencies.* Some of the centralized control procedures instituted in the Defense Department have proved to be *too inflexible or too slow* in response to the needs of the services. For some years, *even before Vietnam* became acute, the services were tending to live off inventories, particularly in spare parts and ammunition, and full *replacements were not provided.*

As the Vietnamese War became larger and larger, the services were required until last year (the year following the 1964 Presidential elections) to fit the extraordinary expenses of the war into their regular budgets. The war was unfunded until last spring.

Thus the policy now in effect, of gradually building up the strength of the regular forces by increased draft calls and voluntary enlistments, has resulted in very considerable reduction in overall experiences levels and in constant squeezes, as one officer put it, in "robbing Peter to pay Paul."

Shortages of winter and summer uniforms, overcoats, raincoats, fatigues, jungle boots, underwear, socks, and other items are widely reported * * * Some National Guard recruits have been temporarily drilling in civilian clothes * * * Many different items of ground, air and naval ordnance are in short supply * * * In Vietnam there has been no ammunition rationing as such, but many different items, including 5.56 millimeter ammunition for the M–16 rifle, 2.75-inch rockets, illuminating shells and 750-pound bombs have been issued on an "as available" basis, which means these items are not always available without limitation * * * Spare parts of every type of aircraft, helicopters, communication and electronic equipment, engineering equipment and motor transport are in short supply *everywhere* * * * Many other items that are in short supply include generators of all types, batteries, tires for jeeps, trucks and aircraft, engineering and material handling equipment such as fork lifts and, in Vietnam, barbed wire, sandbags and other field fortification material.

The scarcities or actual or potential shortages in trained manpower and equipment have caused considerable concern to the services, not only because of the increasing requirements of Vietnam and continued commitments elsewhere in the world, but because of the restrictive effect of these factors upon U.S. capability to meet other emergencies that might arise.

Equally grave concern was felt by many knowledgeable Members of Congress. On March 11, 1966, three Republican members of the Defense Appropriations Subcommittee of the House—Representatives GLENARD P. LIPSCOMB, Republican, of California; MELVIN R. LAIRD, Republican, of Wisconsin; and WILLIAM E. MINSHALL, Republican, of Ohio, said in their additional views to the $13 billion supplemental Defense appropriation for fiscal 1966:

The heavy drain of the war in Vietnam has brought on serious problems in personnel, equipment, repair parts and other materials. As a result, our capability to meet worldwide commitments other than Vietnam * * * has suffered.

The Republican Members pointed out that the same warning, expressed in the subcommittee's report on the regular 1966 defense appropriation bill nearly a year earlier, was not adequately observed by the Department of Defense. They also noted:

Witnesses before this committee have, in effect, been directed to withhold their own views from the committee unless pressed, and if pressed, are directed in effect to argue against their own position if it is contrary to established Defense Department policy.

The financing of the war by supplemental (appropriation requests) demonstrates a growing lack of planning which could, if not altered, produce *serious risks* for the future

security of the United States and indeed of the free world.

A week earlier, Defense Secretary McNamara's famed icy calm evaporated into steam when questioned about these management deficiencies. He blew his top at a West German reporter, who inquired at a March 2 press conference whether U.S. forces in Europe were being weakened by the demands of the Vietnam war.

I am sick and tired of hearing the implication that we've drawn down the readiness of forces in Europe.

McNamara shouted. Later he reportedly apologized to the foreign correspondent, but not to Clark Mollenhoff of the Cowles Publications, whom he had heatedly ordered to shut up or leave the room.

Yet, on April 7, it was officially announced that 15,000 highly trained Army combat and support troops would be pulled out of Europe by June 30. Later it was admitted this figure would be 30,000, but half would supposedly be replaced by the year's end. Hanson Baldwin wrote in the New York Times of April 8:

U.S. forces in Europe are at a lower level of strength than at any time since before the Berlin crisis in 1961.

Later, the figure was put at 45,000.

Secretary McNamara's censors at the Pentagon had clamped a "secret" cover on the July 1965 report of the Senate Preparedness Subcommittee, which Senator STENNIS subsequently revealed showed serious flaws in the combat readiness of four Army divisions in the United States, as well as units in Europe and the Far East.

The Stennis report had been "sanitized" by the regular Pentagon security officers, but Mr. McNamara refused to release even the cleared portions, Senator STENNIS said. Perhaps this was because it flatly contradicted Secretary McNamara's testimony before the Senate Defense Appropriations Subcommittee on August 4, 1965, in which he stated that "all divisions are ready to go to combat."

Secretary McNamara was asked if the divisions "have all they need." His answer was "Yes, sir, without any qualification whatsoever."

Of this, Senator STENNIS observed in a March 30 press statement:

The investigation . . . showed that at the time (McNamara's) statement was made, one of the four U.S. divisions was at barely 55% authorized strength and another was barely more than 70% of authorized strength. I am certain that the Secretary had not been advised of the actual condition of these divisions when he made the statements quoted above.

But Secretary McNamara continues to give evasive answers, flat denials, and abusive accusations whenever questioned about his management of the Pentagon.

On March 29 he denied any shortages except in such "new weapons or new use for older weapons"—which covers a lot of weapons—as 750- and 500-pound bombs for B–52 aircraft.

At about the same time, March 31, Assistant Defense Secretary John McNaughton admitted in a letter to me that certain munitions were to be reacquired from West Germany. He said the recovery cost could not be given precisely, but that:

Of course, we will pay no more for the material than was paid to us when it was sold.

Following a flood of published reports by reputable newsmen on the scene in Vietnam that air strikes had been sharply curtailed due to bomb shortages, the House minority leader, Mr. FORD, raised the question of Secretary McNamara's mismanagement again on April 14. The Defense Secretary called a quickie press conference that same afternoon and hotly denied any bomb shortages. Again, he fired off a mass of irrelevant—and previously classified—statistics in self-defense.

But, in response to probing questions Secretary McNamara was compelled to admit that the Air Force had bought back over 5,000 750-pound bombs sold 2 years ago as surplus to a West German fertilizer firm. Asked about cost, he said he "hoped" they had not cost more than they had sold for.

Pressed for hard figures, the Pentagon admitted they were sold for $1.70 apiece and repurchased for $21 apiece, about 15 times as much. Later Mr. McNamara tried to square this by saying they would cost several hundred dollars to buy new. Fine, but evidently there were no new bombs available.

And what about the Pentagon's assurance to me a fortnight earlier? I again revealed that Assistant Defense Secretary McNaughton had confirmed that other munitions were being reacquired from U.S. allies, including small arms ammunition, bombs, artillery shells, radios, and small arms.

Thereupon, Assistant Secretary of Defense Arthur Sylvester summoned the press and said such reports were "typical of the kind of charges Congressman FORD has been mouthing." He said there were no longer any plans to reacquire bombs, shells, and so forth, from other countries. Asked when this decision was made he offered "no comment." I suggest it was made about 10 seconds after the question was asked.

The very next day, a quiet Saturday in the Pentagon, an anonymous official spokesman confirmed that 18,000 bombs had been reacquired from about a half-dozen allies.

And on April 20, appearing before the Fulbright committee of the Senate, Secretary McNamara sought to suppress the bomb shortage scandal.

"All this baloney" about bomb shortages, he said when shown a New York Times dispatch from Saigon, "it's absurd. No nation has ever been so well prepared for military operations as this Nation is today."

Mr. RUMSFELD. Mr. Speaker, the Government Operations Committee on which I am privileged to serve, in its recent report on S. 1160, the so-called freedom of information bill, cites as a particularly flagrant example of improper withholding of public information by a Federal agency the initial award of a contract for Project Mohole, in these words:

In 1962 the National Science Foundation decided it would not be "in the public interest" to disclose cost estimates submitted by unsuccessful contractors in connection with a multimillion-dollar deep sea study. It appeared that the firm which had won the lucrative contract had not submitted the lowest bid. It took White House intervention to reverse the agency's decision that it had authority for this secrecy.

This is correct as far as it goes. It must be recalled that in 1962 the White House was occupied by President John F. Kennedy and that Lyndon B. Johnson was Vice President. It should also be noted that the White House intervention reversed only the withholding of information ruling, not the contract award. Information on the competitive bids had already been pried out of the National Science Foundation by alert newspapermen and by Senator KUCHEL, of California, Republican whip in the Senate.

Prompted by disclosures on March 18, 1962, that the bidding data had been refused by NSF to John Averill of the Los Angeles Times, Senator KUCHEL requested the agency for this information. So did the House subcommittee chairman, Representative Moss.

Senator KUCHEL received some data from NSF which he described as "inadequate and insufficient." He then asked Comptroller General Joseph Campbell to make an investigation of the award. Mr. Moss' request was twice rejected by NSF, and he then appealed to the White House.

Meanwhile, however, the Comptroller General submitted his report to Senator KUCHEL, more than confirming the questions raised about the contract by John Averill's report in the Los Angeles Times. On June 20 Senator KUCHEL made this GAO report public and charged in a Senate speech that "politically powerful" selfish interests apparently had prevailed in making the award to a firm whose estimate was almost half again higher than the lowest, and which was actually awarded the sum estimated by the highest of three bidders.

The GAO investigation showed: NSF awarded the Project Mohole preliminary contract, envisioning an ultimate cost of $43.6 million, to the huge engineering firm of Brown & Root of Houston, Tex. NSF had originally disclosed only a cost of "between $35 and $50 million."

Prior to the award, a panel of NSF experts had rated leading engineering firms capable of doing the job. Brown & Root had been ranked third among the prospects. First on the list was Global Marine Drilling Co. of Los Angeles, which pioneered the first ocean floor borings off the southern California coast. Its cost estimate—in combination with Shell Marine Co. and the Aerojet-General Corp.—was $23 million, about half the highest. Second choice of the panel and the highest bidder, at $44 billion, was a combine headed by the Socony Mobil Oil Co. Brown & Root estimated their cost at $35 million, the middle figure, but were nonetheless awarded $43.6 million.

Brown & Root, which only a few months earlier had won the NASA contract for moving the manned space center from Florida to Texas, was the subject of a profile in the magazine Business Week in May 1957. This article described the president of the firm, Herman Brown, as a close friend and associate of the then Senate majority leader, Lyndon B. Johnson. In 1962, Vice President Johnson was chairman of the National Space Council.

Although the facts of this curious contract award finally were disclosed through the persistence of the press and Members of Congress, the project continued. By 1966 the estimated costs had soared to about $110 million. The House Appropriations Committee on May 5 cut the $19.7 million requested for fiscal 1967 from President Johnson's budget. It noted that "the cost of the project has already greatly exceeded the original estimate and promises to go still further" and concluded, in view of the world situation, that Project Mohole should be terminated.

But President Johnson has not lost interest in the project. On May 18, 1966, the White House released a letter in which the President said:

> I urge that Congress appropriate the funds so that construction of this vital instrument (a deep sea drilling platform) can begin promptly. The Mohole Project will provide the answer to many basic questions about the earth's crust and the origin of ocean basins.

Mr. FINDLEY. Mr. Speaker, in December 1965 Secretary of State Rusk and Secretary of Defense McNamara assured the NATO Council in Paris there would be no redeployment of "major combat units" from West Germany to meet the needs of the Vietnam war.

The catch-phrase was clear. Minor units, support units, and individual specialists from combat units were not covered. In April 1966 McNamara disclosed that 15,000 would be withdrawn. When it was revealed that 30,000 would leave Germany, this was explained to mean "15,000 net." That is, there would be some 15,000 replacements by the end of the year. Later reports said 45,000 would be withdrawn.

The announcement of the 15,000-man withdrawal was made to the press by Secretary McNamara without the prior knowledge of our allies—or, unbelievably, of our State Department. Officials of West Germany first learned about it in the papers. Germany is especially sensitive about U.S. troops stationed there and the sudden announcement caused concern and resentment.

Secretary McNamara tried to explain that no combat units were really involved, but the withdrawal of 15,000 men in uniform was hard to explain away as a matter of no combat consequence. If they had no importance to our combat position, why were they there in the first place?

The withdrawal may have been fully justified, but the decision should not have been made without full consultation with our allies—and especially with West Germany.

Handled as it was, the troop withdrawal gave our allies added reason to believe McNamara runs NATO as a part of his own personal domain.

Mr. CHAMBERLAIN. Mr. Speaker, it was not until last April 28 that the Department of Defense admitted it had been doctoring the statistics it made public on the extent of free world shipping serving the North Vietnamese, thus helping the enemy with which the United States is engaged in deadly combat. It appeared that the Pentagon had been keeping two sets of books, one for public consumption and one "classified" containing the real figures.

Assistant Secretary of Defense Arthur Sylvester, had challenged the accuracy of my claim that the true number of free world ships visiting Haiphong and other North Vietnamese ports was more than double the number—119 ships—released by the Pentagon for calendar 1965.

After months of prodding, the Pentagon declassified the true figures but only for the last quarter of 1965 and the first quarter of 1966. It must be pointed out that in this period free world trade with North Vietnam, as a result of public and congressional protests in the United States, has begun to decline. However, even in this period of 6 months, 80 free world ships served North Vietnam instead of the 37 acknowledged publicly by the Pentagon—64 British, 7 Greek, 4 Cypriot, 3 Norwegian, 1 Italian, and 1 French in registry.

Our efforts to win the struggle in South Vietnam cannot be aided here at home by the official dispensing of misinformation which is designed not to protect our security but to cover up ineffective policies.

The number and nationality of Communist-bloc ships trading with North Vietnam is still withheld as secret by the administration. Since the Communists obviously know which of their vessels are visiting Haiphong and other harbors, no satisfactory explanation has been offered for keeping this information from the American people.

Mr. YOUNGER. Mr. Speaker, after a careful review of the record, I was forced to conclude that President Johnson was at best misleading the public on a most important issue at his press conference of April 27, 1965. Asked what he thought generally about the poll tax, the President replied:

> I have always opposed the poll tax. I am opposed to it now.

I found there were 16 rollcalls from 1942 to 1960, while Mr. Johnson was a Member of the House and Senate, on which he had an opportunity to vote directly or indirectly against the poll tax. He voted or was paired against repeal of the poll tax on every vote down to 1960, 14 out of the 16 rollcalls.

President Johnson hedged his position by claiming that prohibition of the poll tax by statute, rather than by constitutional amendment, would be unconstitutional. However, this was not the impression he sought to convey to the press and public by his flat statements in 1965 in the White House.

This is the kind of thing that weakens credibility, at the very hour the American people need to have confidence in their leader.

Mr. QUIE. Mr. Speaker, on May 23, 1965, President Johnson announced that some 25,000 summer job opportunities would be given by Federal departments and agencies to boys and girls, 16 through 21, and would be awarded on the basis of need for economic or educational advantages.

When it was reported that majority Members of Congress had been asked to submit names, and that some 3,380 jobs were filled on a political patronage basis, including close relatives of some high officials, the press sought to obtain lists of the youths employed. I asked the Post Office Department for the complete list of names, as did others among my colleagues.

Postmaster General Gronouski declined to release the names, citing for justification regulation 744.44 of the Post Office Department which states that names, salaries, and other data about postal employees should not be given to any individual, commercial firm, or other non-Federal agency. This would seem to be designed to prevent improper exploitation or solicitation and not to prevent proper public investigation.

Under constant pressure from the press and Congress, the full story was eventually published without contradiction by the administration. But this is a classic case of official coverup by an executive agency of the sort that widens the credibility gap.

Mr. GROSS. Mr. Speaker, the House Republican leadership is correct in charging that the crisis of credibility which troubles this Nation is due to the Johnson administration's apparent fear of taking the American people into its confidence. Here are just a few of the many confusing and contradictory reports which have been forthcoming from the White House.

On January 22, 1965, 2 days after L.B.J.'s inauguration, reporters asked the White House Press Secretary whether the President and Vice President HUMPHREY had entered into any disability agreement. Mr. Reedy replied:

> No, it has not been concluded as yet. We just haven't gotten to that yet.

On January 23, President Johnson went to Walter Reed hospital with a cold and a cough when reporters renewed the question. Mr. Reedy replied that they had reached a disability agreement "sometime before the inauguration."

On October 15, 1965, President Johnson told newsmen he would undergo surgery for removal of his gall bladder and added that "a thorough examination showed this to be the only trouble."

After the operation, it was learned that surgeons also had removed a kidney stone. The President's physician said Mr. Johnson still had another stone in his left kidney and had known about them "for some years."

On July 20, 1965, President Johnson announced the resignation of Associate Supreme Court Justice Goldberg and his appointment as U.S. Ambassador to the United Nations.

On July 27, 1965, President Johnson told reporters in his office that he had

not begun to consider an appointment to replace Justice Goldberg.

On July 28, 1965, President Johnson announced at a press conference the appointment of Abe Fortas, his "first choice," as Goldberg's successor.

The White House reported, according to the Washington Post of December 3, 1965, that President Johnson had ordered the elimination of 25,000 Federal jobs by June 1966.

The fiscal 1967 budget submitted by President Johnson in January 1966, states—special analyses, page 27:

It is estimated that by June 1966 permanent fulltime civilian employment in the Executive Branch will have *increased by 132,647*.

On March 10, 1966, NASA Director James Webb told the House Space and Astronautics Committee that the President's 1967 budget leaves no margin for setbacks or failures in the race for the moon; that "we are as much as 2 years behind the Soviet Union in certain aspects of space power" and the Russians may reach the moon before 1969, and that the 1967 budget will not close this gap.

On March 16, 1966, President Johnson announced:

We haven't wiped out all the deficiencies in our program yet, but *we have caught up and we are pulling ahead.*

We intend to land the first man on the surface of the moon and we intend to do this in the decade of the Sixties.

President Johnson's aversion to formal press conferences is understandable. Transcripts are made and kept for the record. For instance:

January 13, 1966, President Johnson at a press conference:

I have never made any prediction on when Congress would adjourn . . . whether they will go in June or January, I don't know. And I have never done it. *I have never made any such prediction.* And I do get a little bit sensitive sometimes when I see presidential decisions and predictions being made, and recommendations being made, that I never heard of.

August 25, 1965, President Johnson at a press conference:

But we look forward to the Congress being able to get out of here early next year—I would say certainly far ahead of the end of the fiscal year in June—so that the members could be at home and could report to the people.

Mr. Speaker, the list could go on and on. Is it any wonder that our people do not know what to believe?

GENERAL LEAVE TO EXTEND

Mr. HORTON. Mr. Speaker, I ask unanimous consent that all Members may revise and extend their remarks in connection with the special order today of Mr. RHODES of Arizona.

The SPEAKER pro tempore (Mr. ALBERT). Is there objection to the request of the gentleman from New York?

There was no objection.

REPUBLICAN ATLANTIC STUDIES

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Illinois [Mr. FINDLEY], is recognized for 30 minutes.

Mr. FINDLEY. Mr. Speaker, for the past several months the House Republican Committee on NATO and the Atlantic Community, of which I am chairman, has been conducting studies on the future of the Atlantic community.

Members of the committee are:

Representative E. ROSS ADAIR, of Indiana.

Representative CHARLES E. CHAMBERLAIN, of Michigan.

Representative DON CLAUSEN, of California.

Representative JAMES C. CLEVELAND, of New Hampshire.

Representative ROBERT F. ELLSWORTH, of Kansas.

Representative HASTINGS KEITH, of Massachusetts.

Representative JAMES D. MARTIN, of Alabama.

Representative ROGERS C. B. MORTON, of Maryland.

Representative ALEXANDER PIRNIE, of New York.

Representative ALBERT H. QUIE, of Minnesota.

Representative OGDEN R. REID, of New York.

Our committee has been gratified to receive the cooperation of these eminent scientists, scholars, and military experts in this program:

Prof. Maurice Allais, professor of economics at the Ecole Nationale Superieure des Mines and the Institute de Statistique de l'Universite de Paris; research director at the Centre National de la Rechersche Scientifique.

Gen. Andre Beaufre, director of the French Institute of Strategic Studies, Paris, France.

Mr. Hendrik Brugmans, rector of the College of Europe, Bruges, Belgium.

The Honorable W. Randolph Burgess, a director of the Atlantic Treaty Association and the Atlantic Council of the United States; U.S. Permanent Representative to NATO, 1957–61.

Adm. Arleigh Burke, director, executive board, Center for Strategic Studies at Georgetown University; former U.S. Chief of Naval Operations, 1955–61.

Prof. Harold C. Deutsch, Department of History, University of Minnesota; radio and TV world news analyst; Fulbright research fellow and author.

Mr. Christopher Emmett, executive vice president, American Council on Germany.

Dr. Edgar Furniss, director of the Mershon Center for National Security Policy; lecturer for Army, Navy, Air and National War Colleges; author of "France, Troubled Ally" (1960).

Gen. Pierre M. Gallois, retired French military officer who was Chief of Strategic Studies on the staff of the Supreme Allied Commander Europe, when General Norstad held that post.

The Honorable Thomas S. Gates, chairman of the board, Morgan Guaranty Trust Co.; former U.S. Secretary of Defense.

Dr. Richard J. Goodman, economist with Great Plains Wheat, Inc.; agricultural international trade specialist; consultant to GATT on cereals.

Dr. William R. Kintner, deputy director, Foreign Policy Research Institute, University of Pennsylvania; author of many books relevant to the Atlantic community.

Dr. Hans Hohn, Foreign Policy Research Institute, University of Pennsylvania; visiting professor at numerous universities; author of numerous books dealing with history.

Prof. Ruth C. Lawson, chairman, Department of Political Science, Mount Holyoke College, contributor of articles and reviews to political and law journals.

Mr. Leslie Lipson, director of studies, the Atlantic Institute, Boulogne-sur-Seine, France; lecturer at the National War College.

Prof. Burton Marshall, research associate, Washington Center of Foreign Policy Research, and visiting professor, School of Advanced International Studies, Johns Hopkins University.

Prof. Eugene V. Rostow, dean, Law School, Yale University; adviser to the Department of State; author of books and articles on economics.

Vice Adm. Friedrich Ruge, lecturer at the University of Tubingen; former chief of the German Navy.

Sir John Slessor, marshal of the Royal Air Force; vice president of the Institute for Strategic Studies, London; former chief of the air staff; author of many books including "The Great Deterrent" (1957), and "What Price Coexistence?" (1962).

Dr. Robert Strausz-Hupe, founder and director, Foreign Policy Research Institute, University of Pennsylvania; member of Research Council of Atlantic Institute; author of many books including "Building the Atlantic Community."

Clarence K. Streit, president of Federal Union, Inc., and International Movement for Atlantic Union; editor of "Freedom & Union"; author of numerous books and articles on political union of the free nations.

Dr. Edward Teller, professor at large, University of California, Berkeley.

Dr. Ellsworth Tompkins, executive secretary of the National Association of Secondary School Principals; chairman, education branch of the Atlantic Treaty Association.

Dr. Harold C. Urey, University of California; Nobel Prize in chemistry, 1934; Davy Medal, Royal Society of London, 1940; and numerous other awards; author and contributor to scientific journals.

Ethelbert Warfield, lawyer, firm of Satterlee, Warfield & Stephens, New York City; member American, New York State, and Philadelphia Bar Associations.

Several have submitted essays on political, economic, and military problems, and selected Members of the House are preparing critical comment on these.

Today I wish to draw your attention to a statement prepared for our committee by a retired French general who was chief of strategic studies when General Lauris Norstad was Allied Commander, Europe, and is among Europe's most prominent military experts.

Here is General Gallois' statement:

STATEMENT OF GEN. PIERRE M. GALLOIS ON THE PROBLEMS OF THE ATLANTIC COMMUNITY

1—The origins and causes of the present problems raised by the Atlantic Alliance, and more specifically by NATO, must be found in the strategic revolution which took place, during the last 20 years and, also, in the political changes which have, during the same period, transformed the situation of the world. None of the many proposals which have been submitted to the Governments and to the public to adjust the present allied organization to the new order of things have taken into consideration the magnitude of the revolution both in strategic and political matters. No wonder if none was retained as a valid solution.

2—The strategic revolution is due to technical achievements made essentially by the United States:

—the advent of long-range ballistic missiles, capable to carry nuclear warheads, and making America as vulnerable as any other country of the ancient world to a nuclear attack

—the increase of the yield and consequently of the radius or power of destruction of the nuclear weapons. The first result of such an increase of destruction potential is to demonstrate that only a very few of these weapons could inflict unacceptable destruction upon any country, irrespective of location, size, population and industrial potential. To a certain extent, there is a sort of equalization in both vulnerability and means of aggression, because the majority of the nations are almost equally vulnerable and several nations are almost equally capable of delivery of the very few weapons necessary to inflict enormous damages.

—the development of low-yield atomic weapons has suppressed the solution of continuity which was existing for years between the highest TNT military explosive and the lowest (in yield) atomic explosive. This sort of continuity between the two gamuts of weapons—conventional and nuclear—has created the notion of "escalade": "Escalade" meant more security for Western Europe and Europeans for the Russians appeared to be deterred at a lower level of violence when, in the contrary, it meant more danger for America and American forces in Europe. The Kennedy Administration obviously feared the consequences of escalation in Europe and managed to reduce American commitments to the defense of that part of the World.

—the compactness of the nuclear explosive has made possible the development of invulnerable weapons (at least of decisive weapons which one cannot, for the time being, destroy simultaneously). As relatively few weapons might be sufficient to inflict non-acceptable damages upon a great country, neither America nor Russia would be certain to destroy enough enemy decisive weapons and be capable to absorb the remaining ones. Anti-forces strategy cannot be implemented and what is left is anti-city strategy. Consequently, the certainty of destroying the enemy but of also being destroyed to a sufficient degree to make the recourse to such an exchange of nuclear weapons a last spasm to defend what is absolutely vital or an act of complete absurdity. It is, in both camps, this invulnerability of some decisive weapons systems (such as "Polaris" submarines in the West) which has rendered precarious military alliances. If one enemy might believe that, being close to lose everything, an Atomic power might resort to the nuclear spasm, it is less credible that this Power would do the same, not for itself but for its Allies, inviting by retaliation its own destruction.

Oddly enough, these very decisive inventions in the field of strategy, and consequently international policy, have been made mostly by the United States. But it appears as if the U.S. Government refused to consider the political consequences of the technical achievements of its scientists and engineers, at least when discussing with allies about their fate in a world which, to a large extent, has been modeled by American technology, economy and policy.

3—the fast economic improvement of continental western Europe is one of the main changes which took place while the Atlantic Treaty was implemented. Economically, Europe is far from her position of 1949/50. Thanks to the Marshall Plan, recovery has been rapid and well directed. But since several years, it is not difficult to realize that America is much less interested than before to see this Europe making progress toward political unity. In spite of her intellectual, scientific and industrial potential, Europe has been denied the ability to develop her own modern means of defense.

The nations of Europe of the former Holy Roman-German Empire—fully integrated in the past—have more or less agreed to be permanently protected countries. However, France in the continent has returned to her traditional policy of opposing such an attitude. But all the attempts which have been made to exploit the new strategic situation as described previously and to propose her future as well as the future of European countries in the field of advanced science and technology and efficient economy have been severely criticized by U.S. Government or U.S. representatives. All the attempts which have been made to create new scientific and technical ties within European nations have been countered by American diplomacy. In the field of Defense (which is more or less a fifth or a fourth of the budget of main European nations) the Europeans have been told to provide foot soldiers and conventional weapons, the advanced armaments being furnished by the U.S.

U.S. politicians and press have made fun of French efforts to modernize her defense while other European nations were officially advised to concentrate on techniques, doctrine and military posture of the past. However, the future of Europe cannot be prepared with the abandonment of advanced techniques of self-defense, and independent economies, etc. . . . But still, today, it appears as if the nations of Europe, through the eyes of the U.S., were in the same state of chaos as 20 years ago. Many begin to think—and mainly in France—that America is now selling security and, in exchange for her atomic umbrella spread over European nations, seeking to maintain these nations in a state of good consumers of U.S. advanced technics, while they are denied the normal preparation of their future. This is not the case, but if NATO appeared to be the instrument of such a policy, it would not last long.

4. Instead of asking all NATO nations to risk nuclear death in case one of them is seriously threatened while expecting each to carry on alone the technological race at the same tempo as the two great Powers, NATO should be transformed into machinery capable of financing common research and development of the necessary weapons—these weapons being distributed to member nations. It is up to individual nations to decide what risks they are ready to take in case of threat directed against them. Hence enormous risks would not be shared while member nations would economically dispose of the best instruments for their security. If such a system cannot be worked out, then we must face the realities of the European situation. Within Western Europe, some nations are capable—in case of a vital threat directed against them—to deter the implementation of such a threat and some cannot. This difference in situations might lead to a difference of military status within an Alliance which would be otherwise maintained as before, for the common benefit of the people on both sides of the Atlantic.

Mr. FINDLEY. Mr. Speaker, our committee is indebted to the gentleman from California [Mr. LIPSCOMB] for making a study of General Gallois' statement. The gentleman is ranking Republican on the Defense Appropriations Subcommittee and eminently qualified in military affairs.

I now yield to Mr. LIPSCOMB.

Mr. LIPSCOMB. Mr. Speaker, the importance of Western Europe cannot be overemphasized when viewed in the context of today's world and the future of Western civilization.

When NATO was created 17 years ago, the primary problem was to prevent the expansion of communism into Western Europe. The aggressive designs of the Soviet Union have to date been blunted, and to that extent NATO has been successful. There are those who now see the Soviets as having lost their aggressiveness and feel NATO has, therefore, lost some if not all of its value. Nothing could be further from the truth. The total realities of today's world clearly show the need for a more dynamic NATO, as the threat is greater today than it was 17 years ago.

We recognize the totality of the threat to the West. Communism cannot be considered to have become compartmentalized. Such differences as do exist between Communist camps are potentially advantageous to the West, but only if the West exploits those differences, which to date it has not done.

The Communist threat in Asia through the North Vietnamese Communists must be viewed as an attack against the West. Both the Soviet Union and Communist China and various other Communist nations are providing direct assistance as well as mounting propaganda campaigns throughout the world.

The scope of the threat to the West includes:

First. The hot war and military realities—the actual and potential military capabilities of the Communist camps from so-called wars of liberation to total war.

Second. The cold war realities—the economic, diplomatic, and political aggressions by the Communists either overtly or covertly.

Third. The scientific and technological conflict realities—the massive effort by the advanced Communist states, particularly the Soviet Union, to achieve scientific and technological superiority over the West, primarily for the purpose of gaining greater freedom of action in the military and cold war spheres.

I believe General Gallois, in his statement, recognizes these elements and concludes there is need for greater military, technical, economic, and political sharing between the NATO countries. One may disagree with what form such mutual assistance may take, but there should be no doubt that greater cooperation in these areas would strengthen the West and make the goals of communism more difficult if not impossible to achieve.

In my view, however, the most critical item which runs through General Gallois' statement is not just a disagreement with our defense and foreign policies, but more basically a lack of trust in our leadership and intent. We, therefore, have a crisis in confidence which must be solved before any meaningful agreements can be reached in any mutual sphere of interest, particularly defense.

Relative to the problem of defense, the lack of trust or confidence is a reflection of the belief that the United States will not respond adequately to an attack by the Soviet Union upon any one or all of the NATO members. The problem, to paraphrase General Gallois, is that with the advent of nuclear power, coupled with the intercontinental ballistic missile, all of the NATO countries have become equally vulnerable, including the United States. Since the United States and the Soviets are capable of inflicting unacceptable destruction upon each other even after a first strike, it is questionable whether or not the United States would accept such a consequence over an attack upon one or more countries in NATO.

General Gallois recommends, therefore, that each country have its own capability to deter attack on the basis that it is up to the individual nations to decide what risks they are willing to take in case of a threat directed against them. A solution in this direction would require at least a sharing of knowledge, or weapons, or control, or some combination by the United States with its NATO allies.

General Gallois' position, I understand, is recognized by many as being militarily sound. Therefore, if it is not accepted in some form, we can expect to incur a military risk of some significant magnitude. On the other hand if it is largely accepted, it does create difficulties when political considerations are weighed in, such as heightening East-West tensions.

But if we continue as we are now without any meaningful solution, we can expect greater risks quite likely leading toward the total disintegration of NATO and the Atlantic community. If one believes, however, that NATO must be a viable, economic, political, and militarily cohesive force, then a solution must be found and the risk, whatever it may be, must be accepted.

Positive solutions which offer a minimum of risks can be found, but that requires leadership based upon trust in our allies and on an equal-partnership basis. Instead of building up confidence, we have created distrust. Instead of making our nuclear capability stand for strength, we have built up a fear complex, not upon the Soviets, but upon our allies and our own people.

NATO, as both the well and the bastion of Western civilization, must be protected and perpetuated. In recognition of the magnitude and scope of the threat today from communism, there must be a mutual agreement as coequal partners over the military arrangements necessary for NATO to protect itself. Further, economic policies must be established which will strengthen this community and permit it to withstand the economic thrusts being made upon it by the Communist nations of the world. Politically it must keep safe the heritage of freedom in a growing totalitarian world.

The freedom of the West was nourished upon the diversity of individuals and nations. Our strength, therefore, is in our differences, not in conformity or an amalgamation which destroys the very essence of Western freedom. Rather, the future of the West and the Atlantic Community depends upon adherence to the moral laws and common heritage upon which our principles of democracy, individual liberty, and the rule of law are based. These provide the foundation upon which mutual trust can be built. Based upon such trusts, no problems are insurmountable and no risks are too great to insure the future integrity and growth of Western civilization.

Mr. FINDLEY. I yield back the balance of my time.

NIGERIA AND RHODESIA DOUBLE STANDARD

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Ohio [Mr. ASHBROOK] is recognized for 10 minutes.

Mr. ASHBROOK. Mr. Speaker, every day we see the foolhardy double standard which seems to apply to African nations. Only today, the Washington Post gave graphic illustration of this deliberate attempt to build up public ire against Rhodesia while at the same time viewing the development in other African nations with a different set of values. They continually tag Rhodesia with the "racist" label though this certainly is not justified. Every effort is made to paint the Ian Smith regime as one dedicated to tyranny and oppression. This is not true.

On the other hand, Nigeria is painted as a nation of emerging democratic institutions. An article with a byline credit to the Manchester Guardian appeared in the May 25 Washington Post with a five-column heading proclaiming "Nigeria Becomes Unitary State."

The word "unitary" could better be called "tyrannical" or "dictatorial." The article pointed out a very simple change which the bloody Nigerian Government was effecting. It states:

Ironsi, the head of Nigeria's military government, also announced the prohibition of all political parties until January, 1969.

Now, if this were to be done in Rhodesia the Post's liberal sympathizers would be screaming bloody murder. The Ironsi regime swept into power with a murderous blood bath in which 23 of Nigeria's top officials were slaughtered. The same thing happened in Burundi and other African states. This is supposedly not the subject of criticism in the liberal press but Rhodesia, a peaceful nation, with good government is the target of a propaganda barrage.

The article is quite illuminating. It is a good example of the liberal double standard. If Rhodesia were doing any of these things the point of view would be quite different, Mr. Speaker. Let the RECORD show that they are not fooling everybody in this strange double standard.

The article is as follows:

[From the Washington Post, May 25, 1966]

NIGERIA BECOMES UNITARY STATE

LAGOS, May 24.—"Nigeria has ceased to be a Federation and has become a unitary state called the Republic of Nigeria," Maj. Gen. Johnson Aguiyi-Ironsi announced in a broadcast tonight.

Ironsi, the head of Nigeria's military government, also announced the prohibition of all political parties until January 1969, and the approval in outline of two new economic development plans—a 20-year "perspective" plan and a five-year "medium-term" plan. Nigeria's present six-year plan ends in 1968.

The end of Federation means that Nigeria's former regions are abolished and the country is to be grouped into provinces. Military governors now assigned to the regions will be assigned to groups of provinces and subject to the direction of a "national military government." As an "entirely transitional measure," these grouping will coincide with the former regions, Ironsi said.

Nigeria's civil service, previously divided into a Federal and four regional services, are now unified into a single service, but for the moment a provincial service commission remains in each group of provinces. In practice, the only immediate effect of the reform is likely to be that civil servants above a certain rank will be posted and promoted on a national instead of regional basis.

Ironsi said that the new measures were "without prejudice" to the committee studying a new constitution, but the abolition of the regions was explicitly reserved for that committee in April. The government was clearly under pressure from radical opinion, which had been restive at the apparent slowness of change.

The abolition of political parties also applied to party activities conducted through various tribal societies and organizations, but not to tribal associations for self-help, the education of young people and rural economic life that do not engage in political activity. But distinguishing what is political and what is not may be difficult.

The constitutional and political measures are apt to be more popular in the former eastern region than elsewhere in Nigeria, since the Ibo people of the East produce more excess civil servants and more people seeking employment away from home than any other group.

The new economic plans will assume that no more than 40 per cent of capital investment will come from foreign sources. This reflected the failure to realize the 50 per cent from foreign sources envisaged in the current plan.

The new plans will also include an iron and steel product that has long been under study and a new salt manufacturing industry.

HEREFORD, TEX., FEDERAL CREDIT UNION INCREASES SERVICES, BUT NOT ITS RATES

Mrs. MINK. Mr. Speaker, I ask unanimous consent that the gentleman from Texas [Mr. PATMAN] 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 gentlewoman from Hawaii?

There was no objection.

Mr. PATMAN. Mr. Speaker, 30 years ago, a group of foresighted citizens in Hereford, Tex., formed the Hereford, Tex., Federal Credit Union. Since the

founding of this institution, its assets have grown to more than $3 million, and it is recognized as one of the leading credit unions in Texas.

During the 30-year period since the Hereford Credit Union was founded, prices generally have skyrocketed. However, the May issue of the Hereford Credit Union Newsletter reports that in this period of rising prices, the credit union's interest rate is still the same as it was in 1936, with two exceptions: Interest rates on home loans and higher education loans have been lowered. The credit union still continues to accept savings deposits in amounts as small as 25 cents and, since 1938, has paid a 4-percent dividend on savings.

The Hereford Credit Union is a forerunner in educational loans and, since 1936, has made hundreds of such loans. Recently, the credit union began awarding scholarships to students at Dimmitt High School and Hereford High School as further evidence of its continuing interest in education.

The Hereford Federal Credit Union supplies every service that a credit union may offer, including such extras as a free photocopying service of important documents of credit union members, for example, discharge papers, wills, contracts, and so forth.

Over 30 years ago, Mrs. Dyalthia Benson—a resident of Hereford and, incidentally, a very outstanding and public-spirited citizen—asked the local librarian to find out about credit unions, that she would like to know what a credit union was. The librarian, Miss Lillie Hosteteler, made inquiry, received all the necessary information for Mrs. Benson and delivered it to her. As a result this fine credit union at Hereford, Tex., was organized.

Mrs. Benson has been managing director ever since it was organized and she is entitled to a major share of the credit for the success of the credit union and, particularly, for the wonderful help that so many deserving people have received from it.

Mr. Speaker, the citizens of Hereford and Deaf Smith County, Tex., are indeed fortunate to be served by such an outstanding financial institution as the Hereford Federal Credit Union.

SUPERIOR SERVICE AWARD—TODD EDMONDS

Mrs. MINK. Mr. Speaker, I ask unanimous consent that the gentleman from Texas [Mr. PATMAN] 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 gentlewoman from Hawaii?

There was no objection.

Mr. PATMAN. Mr. Speaker, the Lone Star State of Texas is indeed proud of the outstanding Federal service record made by William C. Edmonds, of the Farmers Home Administration's Texas State Office who recently received the Department of Agriculture's Superior Service Award from Secretary Orville L. Freeman.

Only 83 USDA employees received this nationwide award during the May 17 presentation ceremonies at the Washington Monument grounds.

Mr. Edmonds—who is affectionately known as "Todd" to thousands of East Texans whom he has worked with and helped over the years—has served the agency as an area supervisor for the past 10 years and has been with this and predecessor agencies for over 30 years. Todd was given official recognition for:

Conspicuous skill in developing and administering the Farmers Home Administration program to improve rural America and better the living conditions and efficiency of farmers and rural residents in northwest Texas.

This Superior Service Award winner was credited with helping improve rural northeast Texas along with bettering the living conditions and efficiency of family farmers and rural residents.

He worked diligently and enthusiastically, devoting his time, skills, training, and experience to improve the conditions of rural families.

Todd Edmonds has exemplified unusual leadership in developing and administering a program to assist small farmers who needed a bigger base to build on. He helped young farmers overcome tremendous barriers and enter the field of agriculture on a sound and secure basis.

Todd Edmonds also aided established farmers in making large-scale adjustments in order to keep pace with changing times and brought technical and financial assistance to farmers and ranchers facing crisis because of crippling blows struck by drought, water shortages, and other disasters.

This honor award winner's interest and leadership has resulted in improving rural living conditions and the efficiency of family farmers and rural residents. At work, at home, and in community contacts, Mr. Edmonds has lived and breathed Farmers Home Administration, its objectives and its programs, thereby contributing to the betterment of rural America.

Born at Lone Oak, Tex., he attended Metropolitan Business College, Dallas, and completed agricultural economics extension courses at Texas A. & M. College. He served in the Navy from 1917 to 1919. Todd Edmonds should also be recognized as a great humanitarian, sensitive to the needs of others and generous with his time and energy far beyond the official call of duty—a wonderful person who has made helping others the rule of his life.

SMALL DISTANT COUNTRIES NEED HELP AGAINST AGGRESSORS TOO

Mrs. MINK. Mr. Speaker, I ask unanimous consent that the gentleman from Connecticut [Mr. MONAGAN] 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 gentlewoman from Hawaii?

There was no objection.

Mr. MONAGAN. Mr. Speaker, I should like to call to the attention of Members an editorial in this morning's Washington Post which effectively places in perspective the problems which we face in attempting to solve the difficulties in South Vietnam.

It emphasizes the point that simply because a country is small and distant and lacks a sophisticated social fabric should not deter us from helping it to resist aggression.

This course would doom all such countries to dismemberment.

I hope that you may find "Lessons of Adversity" as illuminating as I did.

[From the Washington Post, May 25, 1966]

LESSONS OF ADVERSITY

The crisis in South Vietnam is producing a great deal of reflection in this country, not only about the United States role there, but about the American role elsewhere in the world where like situations may arise. Painful as this reflection may be, it is necessary, useful and constructive as a means of developing policy in a democratically governed society. Instruction based on theoretical example is never as well remembered as that derived from actual experience. The experience we are living through now is a teacher we cannot despise.

The critics of American presence in South Vietnam make some accusations that are not easily answered. They say South Vietnam is a very small country, and this cannot be denied. They say it is a very weak country, and this can hardly be disputed. They say it is a very divided country, and no one can gainsay it while Buddhists are attacking the troops of their own government and those of its allies, while Catholics and Buddhists stage demonstrations and counterdemonstrations. They say that it never has had and does not now have familiarity with democratic institutions and this is true. They say that South Vietnam lies in an area of Chinese Communist influence and in close proximity to Communist power and this cannot be contradicted.

It is only at grave risk that a great power assists a small, weak and divided country to resist aggression. The lesson seems plain. Hereafter let United States assistance be reserved for victims of foreign aggression only when they are large, powerful, united, democratic and far away from any Communist power. Such assistance will not involve us in the great risks that are involved in helping the small, the weak, the divided and the vulnerable. The great and powerful nations we assist will make good use of our aid. They will not fritter it away. They will not waste their strength and ours in internal bickering and quarreling. Their efficient, peaceful and capable utilization of our aid will be a source of continual satisfaction and expanding power. Thus we shall make our large friends invulnerable, ourselves secure and obtain peace in our time. Once the world has grasped our policy, Communist nations will attack only small countries. Inasmuch as we will defend only large ones, there will be no more East-West conflict.

Of course, there will come a time when all the small, weak and divided countries have been reduced by aggression. But any war that follows that development is bound to be cozily close at hand. In order to fight it, we will not have to run the risks of transporting troops great distances. Our soldiers will not have to give battle in strange surroundings or in a disagreeable climate. They will not be exposed to the temptations of alien brothels but can revel in the luxury of home-grown sexual immorality.

Such are the lessons of adversity to be gained from the difficulties encountered in South Vietnam.

DICTATORIAL PUPIL ASSIGNMENT REGULATIONS

Mrs. MINK. Mr. Speaker, I ask unanimous consent that the gentleman from North Carolina [Mr. WHITENER] 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 gentlewoman from Hawaii?

There was no objection.

Mr. WHITENER. Mr. Speaker, on May 17, 1966, I called to the attention of the House the fact that the parents of Negro students at Gastonia, N.C., were opposed to the dictatorial pupil assignment regulations issued recently by the U.S. Commissioner of Education.

Gastonia is my home city, and it has a splendid reputation for harmonious race relations. Negro parents at Pleasant Ridge School at Gastonia strongly oppose having their children assigned to other schools in the Gastonia area. In order to prevent the unwise and unwarranted pupil assignment regulations from becoming effective at Pleasant Ridge School the parents of the students plan to bring action in the courts.

The requirement that the Negro students at Pleasant Ridge School be forced to attend predominantly white schools not of their choice by Office of Education regulations, points up the dilemma facing school administrators, parents, and students throughout the country. The pupil assignment regulations of the Commissioner of Education must be rescinded or chaos will result in our public school system. I strongly recommend that the Congress, through the appropriate committees, investigate the matter.

As I know that my colleagues will find the article to be most interesting and informative, I request that a story appearing in the Gastonia, N.C., Gazette of May 24, 1966, describing the situation at Pleasant Ridge School, be inserted in the body of the RECORD.

HIRE ATTORNEY—NEGROES FIGHT STUDENT SHIFT

(By Ray Jimison)

The controversial Pleasant Ridge School problem—a situation where Negro students are fighting transfer to white schools—seems to be worsening.

Maynard Love, president of the Pleasant Ridge PTA and leader of the group of Negro parents objecting to sending their children to white schools, said a temporary delay has been encountered in filing suit against the city and county school boards.

But, a meeting between the Charlotte attorney, who will lodge the suit, and the parents is scheduled for next week.

Love refused to reveal the name of the attorney, saying only that "He is highly well known."

Neither is the threatened action a project of the PTA nor will it be associated with the NAACP. "I just happen to be president of the PTA and the parents are members of the PTA. But we're not doing this under the PTA," said Love.

He added that the NAACP will be bypassed. "We don't want to get involved with the NAACP," declared Love.

Money for the lawsuit, he added, will be put up by parents of the students involved.

The parents are objecting to the assignment of over 100 students now attending Pleasant Ridge, currently an all-Negro school, to three virtually all-white schools in the city.

Pleasant Ridge is a county school but is situated inside the city school district. This is the crux of the problem. Under federal guidelines, students of one school system cannot be sent to schools in another school system if the results tend to limit desegregation or maintain what is essentially a dual school structure.

The 100-plus students involved reside in the city school district but have been allowed to attend Pleasant Ridge, though it is a county school. Love said the line was changed, thus putting the houses on Miller St., in front of the school, in the city school district.

This means, he charges, that children living in the school door won't be allowed to attend Pleasant Ridge. Instead, they'll have to go across town to Abernathy, Arlington, and Wray schools. The latter two are junior highs.

By the same token, many Negro children as far away as South Gastonia will have to attend Pleasant Ridge, traveling miles to get to school.

The line, he said, was placed behind the houses on Miller St., separating the Negro homes and the plush homes of Wesley Park. He cited a ditch as the school line.

However, it has been learned that the line was never changed. The truth of the matter, according to school officials, is that Pleasant Ridge, a county school, was mistakenly built inside the city school district.

But, because of convenience, county officials have been allowing the city students to attend Pleasant Ridge.

But, Supt. Bill Brown of the city system says the federal guidelines now prohibit the city system from allowing students to attend schools in another system. That's why the students are being reassigned for next year to city schools.

Love contends that it is unfair to take children living in the door of one school and force them to attend other schools far away.

"We favor integration but we don't see why we have to go out of our way to make it balance," he said. He cited transportation problems as a factor, too.

He indicated the suit against the school boards would have already been filed except for the fact that the attorney retained by the parents has been tied up on another case.

But he's assured us he's finishing up and will be here next week to talk to us. Love said the suit will be filed within a matter of weeks.

He added, "We're staying away from the NAACP. We want to show we can do something without them." He charged that most Negro groups always run to the NAACP in such matters.

Just how many children are involved is not known exactly, but both Love and school officials say it is over 100.

If the suit is filed, as Love promises it will be, it could be an interesting test case of the federal guidelines and could, in the opinion of many people, disrupt orderly desegregation. It could also put the federal government in a bind since whites forced into Negro schools would have the same recourse if the suit is upheld.

Others call the attempt of the Negroes "inverse integration," pointing out that it's not so much an effort to keep Negroes in Negro schools but to get white students in previously all-Negro schools.

ALL THIS HAPPENED—THE STORY OF AMERICAN LABOR, PART VII

Mrs. MINK. Mr. Speaker, I ask unanimous consent that the gentleman from New York [Mr. MULTER] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Hawaii?

There was no objection.

Mr. MULTER. Mr. Speaker, it is my pleasure to commend to the attention of our colleagues part VII of the continuing series on the history of the American labor movement appearing in the Seafarer's Log, a publication of the Seafarers International Union. Part VII appeared in the May 13, 1966 edition.

Previous installments have appeared in the RECORD as follows: Parts I and II, March 30, 1966, pages 7195 through 7198, part III, March 31, 1966, pages 7348 and 7349, part IV, May 4, 1966, pages 9860 and 9861, parts V and VI, May 18, 1966, pages 10958 through 10960.

The article follows:

ALL THIS HAPPENED—THE STORY OF AMERICAN LABOR

(Part 7 of a Seafarers Log feature)

The decade of the 1920's was a time of danger for the American labor movement.

Employers emerged from World War I richer and more powerful than ever before and determined to weaken or destroy the unions. Times were good and the nation was soon committed totally to the "Roaring Twenties." Unions had experienced tremendous growth during the war years and showed increased militancy in the early post-war years. But under the rampant business expansion, speculation and high employment of the twenties labor militancy was tempered. Samuel Gompers died in 1924 and was replaced as AFL President by William Green. In the heady atmosphere of the Roaring Twenties employers returned successfully to their union busting tactics and open shop drives. Lethargy settled over American Labor. But not for long. In 1929 the Great Depression struck the nation.

The strong anti-union attitudes of American business were felt as soon as World War I ended. Propaganda began almost immediately for the so-called American Plan, which was a scheme for the open shop. Business raised tremendous war chests to push for open shop legislation. Many employers resorted to blacklisting, labor spies and strikebreakers to destroy the unions. At the same time their union-busting tactics began to lean heavily on Company Unions and Yellow Dog Contracts. It was early in this anti-labor decade that the largest seamen's strike in American history up to that time took place.

In 1921 the International Seamen's Union went on strike against ship operators' attempts to cut wages by 25 percent, abolish the three-watch system and abolish overtime pay. Shipping was soon paralyzed from Maine to Texas and ships on the Pacific Coast found it difficult to recruit crews. However the shipowners received invaluable aid in breaking the strike from the U.S. Government Shipping Board, which declared that the lower rates would be put into effect aboard all Government owned or leased vessels. In addition, the shipowners got anti-strike injunctions from several friendly judges, pickets were restrained, and police along the struck coasts cooperated by jailing striking seamen for vagrancy and other charges. The strike was broken. Blacklisting, discrimination and other traditional anti-union abuses again became the way of life in the shipping industry.

Blacklists against pro-union workers became standard throughout American industry. To gain employment workers more and more often were forced to sign Yellow Dog

contracts stipulating that they would not join a union. Company Unions, which benefited nobody but the employer, became common. Workers everywhere lost the gains they had made during the war. American business was riding high, imposing its will everywhere. Then came Black Thursday, October 24, 1929, the day the Stock Market crashed and shook the whole economic structure of the nation. The United States was plunged into the worst economic depression the world had ever known. The theory that the nation's welfare could depend on business interests to run the country was destroyed.

By 1932, 14 million Americans were out of work. Factories across the nation closed their doors. Breadlines grew longer and longer. Banks foreclosed on mortgages and then closed themselves when the mortgages proved to be worthless. The Depression tightened its grip ever more firmly on the whole nation. The business-oriented Republican administration of Herbert Hoover was stunned and bewildered by the business collapse and the Government seemed incapable of taking action to alleviate the situation. All attempts to get business going again failed. The cries of starving unemployed workers and their families went largely unheeded and hunger walked the streets of the world's wealthiest nation. Stalked by hunger, the American people voted for a New Deal in 1932 and elected Franklin Delano Roosevelt President.

Where Hoover had offered aid to the business interests rather than the unemployed workers in the vain hope that money spent at the top would trickle down to the bottom somehow, Roosevelt recognized that the real suffering and greatest need was at the bottom of the economic ladder. To his reassuring words that "There is nothing to fear but fear itself," he added a more practical and important observation—"Our great primary task is to put people to work . . ."

To put people to work, Government agencies were set up. The Public Works Administration (PWA)—later the Works Projects Administration (WPA)—put people to work building bridges, highways, dams and public buildings. The Civilian Conservation Corps (CCC) put young people to work on forest conservation projects. Many more people were put to work by other means. The National Industrial Recovery Act (NRA) was established to stimulate business through fair competition, control of production and price regulation and bring about the downfall of the economy. As another way of regulating business the NRA established codes of minimum wages and hours and gave workers the right to organize and bargain collectively without employer interference.

The NRA provided organized labor with a substantial boost after its membership had been thinned drastically by unemployment and general hopelessness. Union militancy revived as workers sought to obtain protection and security through union recognition. But the employers, even in the midst of their greatest debacle, refused to change their ways or give an inch to labor. Business refused to adhere to the codes of the NRA, which had no effective means of enforcement, and the Act was eventually declared unconstitutional. Labor received other protections to replace it however. The Norris-LaGuardia Act had already been passed in 1932 placing strict controls on the use of court injunctions as strikebreaking devices—thus eliminating to a large degree one of management's most effective and most abused anti-labor weapons. To this was added in 1935 the National Labor Relations Act or Wagner Act, which guaranteed workers the right to organize, to select unions to represent them and to bargain collectively with their employers. Management was prevented from forcing workers to sign Yellow Dog contracts, threatening workers for joining a union, discriminating against union men, refusing to negotiate with a union, hiring labor spies or using blacklists to eliminate pro-union employees.

These guarantees of labor's rights spurred union organization. Though this was the law of the land, the employers bitterly resisted and made every effort to smash the labor movement.

Despite the nation's new public policy in which the rights of labor were clearly spelled out in law, employers generally displayed the same vicious anti-union attitudes they had in earlier years. Though they opposed union activity in virtually every form, the employers reacted most bitterly to the attempts of the trade union movement to organize workers in the unorganized industries.

They refused to reconcile themselves to the fact that the worker had a legal right to bargain collectively through a union of his choosing. The employers mustered every possible resource to prevent this from happening. Where company unions failed to do the job, they used more violent means by establishing company police forces and goon squads. And, when strikes erupted in many areas, the employers' strikebreakers were protected by National Guardsmen and deputized police. But labor militancy ran high and in spite of the employer-instigated violence, with its kidnappings, beatings and murders of workers across the nation, the trade union movement was on the march.

THE 25TH SESSION OF THE COUNCIL OF THE INTERGOVERNMENTAL COMMITTEE FOR EUROPEAN MIGRATION

Mrs. MINK. Mr. Speaker, I ask unanimous consent that the gentleman from New Jersey [Mr. RODINO] 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 gentlewoman from Hawaii?

There was no objection.

Mr. RODINO. Mr. Speaker, I was privileged to be a congressional delegate to the 25th session of the Council of the Intergovernmental Committee for European Migration and it was a particular honor for me to read to the Council an address which our beloved dean of the House of Representatives, the gentleman from New York, EMANUEL CELLER, had planned to deliver. His sage advice was warmly received by the delegates from the 30 member nations of this organization. It is my pleasure to insert his speech in the RECORD.

Mr. Chairman, and Delegates to this Twenty-fifth Session of the Council of the Intergovernmental Committee for European Migration:

It is indeed my privilege to join with you in your discussion and deliberations on the recent activities of this humanitarian Committee and to contemplate activities for the forthcoming year. As I reflect upon the great assistance rendered by this Committee to people in need over the years, I must correlate these reflections with what my own Government has done in helping refugees and displaced persons since the close of the last great holocaust.

The United States is extremely proud of its history of assistance to refugees. In 1948, the 80th Congress passed the first Displaced Persons Act, which, with subsequent amendments, enabled some 341,000 displaced persons to enter the United States as permanent residents outside of the basic immigration laws then in existence. Then again, to assist in the completion of refugee movement, the United States Congress enacted the Refugee Relief Act of 1953. This legislation brought to our shores approximately 220,000 refugees. The majority of these refugees were assisted in the processing and subsequent transportation by ICEM.

In 1956, the United States approved the admission of 39,000 Hungarian Refugees and, again I might add, ICEM assisted in the processing and the transportation of these unfortunate, brave people. I also recall legislation for the Portuguese victims of the earthquake which took place in the Azores and the Dutch expelled from Indonesia. Then, of recent vintage, was the Fair Share Law, which enabled the United States to open our immigration gates to thousands of refugees who were left behind in Europe.

I do not fail to note the relief which the United States gave to the acute pressure problem in Hong Kong caused by the exodus of the many thousands of Chinese who sought the protection and freedom of the Crown Colony. By direction of our late President, 13,619 Chinese displaced persons entered the United States from Hong Kong.

In January 1959, the Government of Cuba was taken over by a revolutionary group, and for the first time in her history the United States became a country of first asylum for refugees. The United States responded to the exigencies of the situation in following the traditional pattern of offering asylum to all who seek refuge from tyranny and persecution. It has accepted over 300,000 Cuban nationals and has appropriated over $200,000,000 for assistance to the Cuban refugees.

I am privileged and honored to be Chairman of the Committee on the Judiciary, House of Representatives, a Committee composed entirely of lawyers. We, of the Committee and the Congress, are justly proud, in each of our discussions on proposed legislation, of the wisdom of our forefathers who endowed the United States with a Constitution intended to endure for ages to come with that flexibility which has permitted it to be adapted to the various crises of human affairs. Our Constitution is a "living law"—a guarantee to man that it will not become a "dead letter." Our Constitution is a law of the people and lives in the presence of today.

We have in the United States a body of men who interpret the laws, in the light of that great document, so as to insure that the welfare of man will be considered in the aura of the present day and not merely in the essence of what was said years ago.

With this fundamental principle in mind, I turn to you, members of this Council, who sit in judgment of the activities of ICEM. ICEM, too, has a constitution, a Constitution which, although somewhat precisely definite, in part, has been drafted in such a way that there may be an "extension of purpose". This body may be likened to the United States Supreme Court. When an interpretation of the ICEM purpose and function is required, you, the members of the Council, act as judge and arbitrator. You are empowered to turn your eyes to the areas of need. It is not necessary that this Organization exist under a law written under grossly different circumstances in a prescribed area in a past era—this Organization can place itself in the context of current situations. This Organization can look across the horizon and find vast or even small pockets of human misery and political strife—situations that cry out for the help and solution which this Organization is equipped to provide. This Organization is not a 30-member nation paper-producing mechanism, it is an Organization conceived and geared to deal with people, and to deal with people by best serving the national policies of each of the Member Governments.

The problems so long existent in Europe of under-employment and overpopulation and under-opportunity are no longer evident and may be, hopefully, recognized as problems of the past. I could submit that ICEM, by its contributions of excellence, has done well and is doing well in Europe. However, I am cognizant, as I am sure the Member Governments are aware, that there will for a long time be refugees who will need hope through assistance for a new life.

The inevitable results of chaos, whether it is caused by natural calamity or political upheaval, is the refugee.

The Council has, last year, wisely reviewed traditional definitions of refugees and with its adoption of a reclassification of categories of refugees, the Council has reinforced the foundation upon which there may be that "extension of scope" of the activities set forth in the ICEM Constitution. ICEM must adjust to the times and must recognize that changing circumstances demand changing reactions. After all, this is the scope of a Constitution—to establish purpose and to present guidelines to carry out that purpose. It must breathe vitality, and this the Council must generate.

I respectfully submit that this Council examine thoroughly the possibility of applying the ICEM Constitution in such a way that will permit the experienced and excellent knowledge of the ICEM staff to be put to use in refugee situations as they exist and as they may develop around the world.

The continuing presence of members of the Congress at your ICEM Council meetings and the leadership extended by the United States Government demonstrate that the President and the Congress wholly support this Organization.

We look to ICEM and its capability to continue its activities in Europe, to extend its endeavors to Latin American and elsewhere.

The service rendered south of our border is necessary and it is the imperative element of a welcome economic revolution in Latin America. Our intentions are no less important toward Latin America than they were a decade ago when Europe was in need. The United States came to the rescue of Europe, and now perhaps Europe can reciprocate by rendering a greater contribution to the Americas.

Mr. Chairman, in all humility, we look to this Council to maintain the vitality of this Organization, of recognizing the existence of tasks which must be attended to if the pledge of Brussels is to be fulfilled.

LEGAL AID IN THE WAR ON POVERTY

Mrs. MINK. Mr. Speaker, I ask unanimous consent that the gentleman from New Jersey [Mr. RODINO] 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 gentlewoman from Hawaii?

There was no objection.

Mr. RODINO. Mr. Speaker, a very important weapon in the antipoverty war is the availability and application of legal services. In this connection, I would like to call attention to an article on the subject appearing in Brief Case, the publication of the National Legal Aid and Defender Association. The article features excerpts from a speech by the association's distinguished president, Mr. Theodore Voorhees:

For the first time in history, a truly resourceful, imaginative, and novel approach has been developed to eradicate poverty and the indignity and inequality that are a part of it. Neither the hand-out, the leaf-raking, the condescending charity, nor the distribution of surplus food—in short, none of the quarter-way measures and temporizing of the past—form a part in this new program. It is built solidly around a single concept: the invasion of the pockets of poverty, the slums and the ghetto, and the enlistment of the poor themselves to fight their own battle to gain jobs, independence, education, and self-respect. If compassion for the plight of the poor does not move you to accept the program, you can still embrace it as an enormously important measure in the battle against crime, the geometrical progression of which is the great by-product of poverty. Crime, along with Communism, if unchecked, threatens ultimately to engulf us all.

Now, the heart of the new program has to be the providing of legal services. Whether we are talking in terms of a man's right to an opportunity for employment, or to receive welfare that is legally due him in the absence of a job, or to live in an inhabitable dwelling under the minimum standards of the rent and housing laws, or to keep his child in a friendly or unfriendly school, or to escape vicitimization at the hands of the unscrupulous purveyor of consumer goods, the whole bundle of rights that the poor ought to share with the rest of us are utterly meaningless to them unless legal representation is provided to give these rights reality. *The anti-poverty drive to bring new opportunities of employment, health, and education into the immediate neighborhood of the poor will inevitably fall far short of its mark unless lawyers and the Legal Service Program are in the vanguard. They should spearhead the whole program.*

Legal Aid and the legal profession have had an excuse in the past for our failure to do a broader and better job in providing services to the poor. We have not had the funds. Congress has now proffered the money that has been needed; but now that it is available, we are neglecting to step forward, and demand that the money be allocated to legal services in order to assure the War on Poverty have the minimum chance for success.

I suggest to you that the profession must exercise a greater sense of responsibility. *What is developing in the War on Poverty must be made a matter of our deepest concern.* It is not enough for us merely to answer the critics of the program. The bar must watch the allocation of the funds and insist that they be expended wisely. We must see to it that all necessary steps be taken to insure the achievement of the widest measure of the program's success. *We would assuredly give it that backing if its beneficiaries were our own rich clients. It is unthinkable that we should do less, simply because the service is designed to help the poor.*

MEDICARE PATIENTS SHOULD BE ABLE TO COLLECT FOR TRANSPORTATION TO RECEIVE TREATMENT IN REHABILITATION CENTER

Mrs. MINK. Mr. Speaker, I ask unanimous consent that the gentleman from Minnesota [Mr. FRASER] 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 gentlewoman from Hawaii?

There was no objection.

Mr. FRASER. Mr. Speaker, I am introducing a bill, H.R. 15275, to allow reimbursement of medicare patients for their transportation to a hospital or rehabilitation center to receive the care of a therapist.

All that is involved is striking from the medicare law a phrase stating that expenses can be paid "but not including transportation of the individual in connection with any such item or service."

I believe that the following letter from Dr. Frederick J. Kottke, head of the department of physical medicine and rehabilitation at the University of Minnesota Medical School, tells clearly the problem created by the present wording of the statute.

I am hopeful that we can take action on this question quickly and avoid a dissipation of the services of our therapists who are in such short supply.

The aforementioned letter and the text of the bill follow:

UNIVERSITY OF MINNESOTA MEDICAL SCHOOL,

Minneapolis, Minn.,

Re transportation of patients under medicare.

Hon. DONALD M. FRASER, M.C.
House Office Building,
Washington, D.C.

DEAR MR. FRASER: I am concerned that the provision under the new Medicare law to pay for the travel of therapists to extended care facilities or into the patient's homes will lead to such an inefficient utilization of professional medical personnel that, in effect, we will squander our health resources.

The Medicare Bill provides that under both Part A and Part B a patient may receive a variety of types of rehabilitation therapy either in a nursing home or at home. I am not particularly concerned at this time about the cost of this care at home but I am concerned about the fact that this program will dissipate the available time of therapists as they travel from one place to another to give therapy. What limited statistics are available indicate that a therapist who travels about to give care can provide only 25–30 per cent as much service as a therapist working in one place. This means that rehabilitation care for a given number of patients will require three or four times as many therapists under the "out-of-hospital" program as would be necessary if patients came to a therapy department.

At the present time there are approximately four times as many jobs available for physical therapists as there are therapists to fill the jobs. There are two to three times as many jobs available for occupational therapists as there are therapists to fill the job. There are five to six times as many jobs available for speech therapists as there are therapists to fill those jobs. The proposal therefore to establish a highly inefficient program at a time when we do not have enough rehabilitation personnel to take care of current demands is incomprenhensible to me.

The Expert Medical Committee of the American Rehabilitation Foundation has discussed this problem several times with a number of persons in the Public Health Service. Although it was acknowledged that the "out-of-hospital" program will be more inefficient of personnel than an in-hospital program, it has been defended on the basis that we must protect the utilization of hospital rooms and hospital beds. As a matter of fact, there is less critical demand for hospital beds than there is for therapeutic personnel. Moreover, if there were provision to transport the patient to the hospital for therapy rather than try to transport the therapist to the patient, this would not require more hospital beds, it would conserve the time of personnel, and it would be less

expensive than the "out-of-hospital" system that is being proposed.

I am writing this letter as a desperation measure. Time is running out. We are already seeing a depletion of the therapists and in rehabilitation departments in hospitals such as our own. We have a table of organization for 22 physical therapists and have 14 at the present time. On the first of June we will have 8. Some of these therapists are leaving to accept more lucrative jobs in nursing homes which are tooling up to exploit Medicare. A nursing home in order to qualify for rehabilitation services must have a physical therapist. The increased charges which can be made by rehabilitation nursing homes are so much greater than those which can be made for a standard nursing home that the nursing homes are willing to pay an annual salary of $10,000 or more to a physical therapist merely to qualify.

Unfortunately that therapist in the nursing home will be in no position to provide the same kind of rehabilitation service to patients which can be provided in a rehabilitation center. There will not be the doctors available to supervise nor will there be the necessary equipment or complete organization to provide a comprehensive rehabilitation program. I foresee that unless arrangements can be made to transport patients from homes or nursing homes to comprehensive rehabilitation facilities where the care can be adequate and efficient, there will be such a depletion of personnel from the rehabilitation centers that they will be unable to function and the type of therapy given in the extended care facilities or at home will be totally inadequate to achieve rehabilitation.

For this reason it appears to me imperative that provision be made to transport patients to and from the medical centers for their therapy.

Sincerely,

FREDERICK J. KOTTKE, M.D.,
Professor and Head, Department of Physical Medicine and Rehabilitation.

H.R. 15275

A bill to amend title XVIII of the Social Security Act to permit payment thereunder, in the case of an individual otherwise eligible for home health services of the type which may be provided away from his home, for the costs of transportation to and from the place where such services are provided

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 1861(m)(7) of the Social Security Act is amended by striking out the comma at the end of subparagraph (B) and inserting in lieu thereof a semicolon, and by striking out "but not including transportation of the individual in connection with any such item or service;".

FAIR LABOR STANDARDS AMENDMENTS OF 1966

Mrs. MINK. Mr. Speaker, I ask unanimous consent that the gentleman from New York [Mr. GILBERT] 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 gentlewoman from Hawaii?

There was no objection.

Mr. GILBERT. Mr. Speaker, I support H.R. 13712, the Fair Labor Standards Amendments of 1966. I believe this legislation will help to meet the vital needs of our working poor. The workingman, the bulwark of our economy and our Nation's strength, must have an adequate living wage to meet present day increases in living costs and taxes of all levels of government. Early in this Congress, I introduced a bill proposing a $2 an hour minimum wage increase. I felt this should be the minimum if we are to establish the Great Society and win our war against poverty. So, while the bill before us does not, in my opinion, provide adequate minimum wage, and it still leaves many workers without Fair Labor Standards protection, it is constructive and an important step forward.

I commend Chairman DENT of the Labor Subcommittee and other members of the committee. Many months of intensive study and deliberation have gone into the bill before us. H.R. 13712 will increase the Federal minimum wage for those presently covered by the act, to $1.40 an hour in February 1967, and to $1.60 an hour in February 1968. The extension of coverage to 7.2 million additional workers—including 485,000 agricultural employees—will increase the purchasing power of those who need the increase the most. The bulk of the newly covered would be in retailing, hospitals, nursing homes, certain agriculture employees, construction, restaurants, hotels, motels, laundries, and certain Federal Government employees—those whose employer provides contract service for the United States and wage board and certain other employees.

Mr. Speaker, in 1938 we enacted the first minimum wage laws to enable workers to live at least at a "minimum standard of decency." Congress then declared it to be the policy of the Fair Labor Standards Act "to correct and as rapidly as practicable to eliminate labor conditions detrimental to the maintenance of the minimum standard of living necessary for health, efficiency, and general well-being of workers." Mass poverty at that time was greatly reduced by Federal minimum wage and hour protection. The three increases in our minimum wage since that time were justified and the proposed increases in today's bill and extended coverage are needed and are justified. Today, mass poverty stemming from substandard wages is one of our society's greatest problems, affecting every racial and ethnic group. In my own State of New York, our Negro and Spanish-speaking people constitute an increasingly large segment of the lowest income groups. A higher minimum wage and the protection of coverage for more workers is far more desirable to increase the level of living of the poor than increases in welfare payments and similar programs at the expense of the taxpayers.

Mr. Speaker, our affluent society cannot argue that it cannot afford to pay a living wage. In 1963, of 7.2 million families living below the poverty level, 2 million had heads of family who worked full time through the year; but at wages insufficient to raise their families above the poverty line. A head of a family would have to earn $1.55 an hour to reach the poverty index of $3,100, and $3.20 an hour to achieve a modest but adequate family income. As I have said, the increases proposed in this bill will not assure minimum level of living to the families of all covered workers, but at least it represents progress toward that objective.

Those who oppose a minimum wage increase will argue that industries covered by the minimum wage will find it difficult or impossible to adjust to wage increases. Surveys of the U.S. Department of Labor and various State agencies have shown this has not been the case after previous minimum wage increases.

Statistics show that minimum wage changes do not cause unemployment, and inflation has never resulted from increases in the past. The claim that the increases will prove inflationary because they increase the cost of production is not supported by experience following minimum wage increases in the past. The Department of Labor survey found no identifiable relationship between minimum wage changes and overall price levels. Studies of the last increase in minimum wage on low-wage industries concluded there was no discernible effect on their nationwide levels of employment. Aggregate employment in these industries has increased since 1961. Most firms can pay for the costs of the proposed amendments through increases in productivity. Some of the lowest wage industries have experienced above-average increases in productivity.

Mr. Speaker, the provisions of this bill will provide more purchasing power to workers, will benefit our economy, and will provide decent living standards more in keeping with today's living costs. It will be a step forward in our fight against poverty.

I rise in support of H.R. 13712, and urge my colleagues in the House to vote with me for passage of this bill.

LET'S PUT PRESSURE ON DE GAULLE

Mrs. MINK. 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 gentlewoman from Hawaii?

There was no objection.

Mr. OTTINGER. Mr. Speaker, by now it is quite clear that our relations with France are at their lowest point in many years. France has announced that it is withdrawing French troops from NATO, and has asked American troops to leave French soil. France has refused to sign the Nuclear Test-Ban Treaty. She has actively opposed our efforts in Vietnam, and in fact has combined with Russia in the United Nations Security Council to veto the peace efforts made there earlier this year under the leadership of Ambassador Arthur Goldberg.

France has engaged in extensive trade with Communist China, but in Europe she has refused to permit Britain to enter the Common Market, thus rendering useless the major provisions of the trade act passed by Congress in 1962.

These anti-American actions cannot be blamed on the United States. We have tried to be friends with France. We have given her almost $10 billion in aid since

World War II, and offered our cooperation in economic and military matters. Nor do these actions represent, in my judgment, the feelings of the French people. They are solely and exclusively the policies of one man, Charles de Gaulle, with his archaic notions of grandeur and his concepts of ultranationalism.

We have been kind to De Gaulle, hoping that we could wait him out. But when, at 78, he ran for another 7-year term and won, and when he then intensified his anti-U.S. policies, it became obvious that our course of action could never succeed.

I therefore propose that we make it crystal clear to De Gaulle that we will henceforth deal with him at arm's length. We should:

First, stop furnishing France with nuclear materials and nuclear technology, as we have been doing.

Second, if he insists on American NATO troops leaving France, make him pay for the moving costs—$700 million—and for the real property—$2.5 billion—that must stay there. If he refuses to do so, we should recoup this sum, either by refusing to enforce France's claims against the American gold supply or by requiring France to resume payments on its long-standing war debts to us.

Third, strengthen our sanctions against France and all other countries trading in strategic goods with North Vietnam and Communist China.

But the most effective leverage we can apply to De Gaulle is economic. I therefore suggest that we encourage our Common Market allies to consider creating a new European economic alinement by amalgamating with Britain and the European Free Trade Union countries, thus isolating France economically. Just the threat of this new alinement should be effective.

France is our oldest ally. Our ties of friendship go back to our own Revolution. We all have the warmest friendship for the French people and the greatest respect for the contributions France has made to civilization.

But we, too, have national pride, and should not allow any nation to frustrate our attempts at world security the way France has recently.

THE NLRA AND ITS EFFECTIVENESS

Mrs. MINK. Mr. Speaker, I ask unanimous consent that the gentleman from Michigan [Mr. O'HARA] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Hawaii?

There was no objection.

Mr. O'HARA of Michigan. Mr. Speaker, yesterday our colleague, the distinguished and able gentleman from New Jersey [Mr. THOMPSON], discussed the operation of the National Labor Relations Act in an excellent speech before the wiring device section of the National Electrical Manufacturers Association.

As the chairman of the Special Subcommittee on Labor, a subcommittee on which I am privileged to serve, the gentleman from New Jersey [Mr. THOMPSON] is a leading authority on the Labor Act. His speech clearly sets forth some of the steps we should take to improve the act.

So that other Members of Congress will have the opportunity to read our colleague's recommendations, I include his speech as part of my remarks at this point in the RECORD:

SPEECH OF HON. FRANK THOMPSON, JR., BEFORE THE WIRING DEVICE SECTION OF THE NATIONAL ELECTRICAL MANUFACTURERS ASSOCIATION

The introduction by your Chairman is very pleasant, but it reminds me of the story about the boy who came home from Sunday School and his grandmother asked him what he had learned. The lad replied that he had heard a great story, all about how Moses got his people out of slavery. Moses woke his people early in the morning, and before the Pharaoh knew it, they were across the Red Sea. Then the Pharaoh sent his armored columns and his tanks after Moses, but Moses called on his dive bombers, which hit the bridge when all the Egyptian troops were on it, and they were all drowned in the Red Sea. His grandmother said: "Sonny, they didn't teach you any such nonsense". The boy admitted that that was so, but said: "If I told you the truth, you wouldn't believe it".

I'm glad the Chairman did not tell the truth about me in his introduction, but I will try to tell you some truths, hard though they may be, about the National Labor Relations Act.

As you know, I Chair the Special Subcommittee on Labor in the House of Representatives. It is the job of this Subcommittee to "ride herd" on the National Labor Relations Act as it is administered by the National Labor Relations Board. This Committee assignment takes us right into the thick of all the current issues.

Two of the issues which my Subcommittee explored with many witnesses, and about which we proposed amendments, are Section 14(b) and the "Common Situs Picketing" amendment. Should Section 14(b) be repealed, and with it the 19 State "Right-To-Work" laws? Should we adopt a "common-situs picketing" bill and thereby permit a particular union—the carpenters, the electricians—to picket a non-union employer at the building site shared by the non-union subcontractor with other subcontractors, many of whom are union, and whose employees might be expected to honor the primary picket line?

These are controversial matters; but exciting, and very demanding. I am sure the glamor of these and similar assignments had nothing to do with the fact that BOB GRIFFIN resigned from our Subcommittee to accept a Michigan seat in the Senate; that CARLTON SICKLES is resigning to seek the Governorship of Maryland; that RALPH SCOTT is resigning to seek some peace and quiet in his native North Carolina foothills.

These losses make a big gap in our Committee, but fortunately, we have plenty of bench strength: JIM O'HARA from Michigan, whose district runs from Detroit, through the northern suburbs. HUGH CAREY, whose 13 children add to the beauty and density of his populous constituency in Brooklyn. JAMES SCHEUER, from the Bronx, who made a distinguished name for himself in urban redevelopment and the building of planned communities prior to his arrival in Congress. On the Republican side we have GLENN ANDREWS of Selma, Alabama; EDWARD GURNEY from Florida; and OGDEN REID from Westchester County, New York—all with great ability.

Collectively, we have a diversity of backgrounds, experience, predilections, and what have you. We share, however, a common concern that the Labor Act work well, and work as Congress intended it to work.

With this background of our Subcommittee, I would like to share with you some of the areas of our concerns about the effectiveness of the National Labor Relations Act.

I. THE PROBLEM OF DELAY

A major weakness in the Labor Management Relations Act is the long delay in the NLRB proceedings in holding elections; and, more importantly, in the trial of unfair labor practice cases. If an employer discharges an employee for union reasons today, it makes little practical difference if he is ordered to reinstate the man two years from now.

A. In representation hearings

As you know, one of the major functions of the Labor Board is to conduct elections wherein the employees select, by secret ballot, the union of their choice, or no union at all.

Upon a petition showing that at least 30% of the employees want a union, the Labor Board will hold such an election. The Board must ascertain the "appropriate unit", those who are employed within this unit, and identify those who are ineligible to vote because they are supervisors, guards, professional employees, or otherwise ineligible.

In 1960 it took 110 days (almost 4 months) from the time the petition for an election was filed until the election was ordered. Today, it takes 45 days (about a month and a half).

This decrease in time was due to the 1959 Landrum-Griffin amendments wherein we in Congress authorized the Labor Board to delegate the routine work of conducting elections to the Regional Directors, reserving to itself the power to review important cases.

This delegation has worked well. About 90% of the election cases are decided on the scene by the local officials in about a month and a half. The remainder go to the Board in Washington on review. These are the novel cases, the rough cases, the cases where there is conflict; and there, the latest figures show, it takes an average of 131 days (over 4 months) from petition for election until decision that an election should be held. I don't know if we can hope for further improvement.

B. In unfair labor practice cases

The delay in processing unfair labor practice cases continues. Let me explain the process here and some of the delays.

1. *The charge and investigation.* An unfair labor practice case begins when a union, a company, or an individual walks into the Regional Office and *charges* that his rights under the Labor Act have been violated. The regional officials investigate the charge, interview witnesses, and decide to dismiss the charge or go forward. This process takes, on an average, 25 days. There is then a process of mediation, where the parties are informed of their rights. If there is no settlement, a "complaint" is filed. There is an average of 59 days (2 months) from the charge to the issuance of complaint.

2. *The complaint and hearing.* After the complaint is issued by the Regional Office, an independent trial examiner in Washington is assigned the case; and he sits like a trial judge hearing all the evidence. It takes approximately 66 days (2 months) from the issuance of the complaint to the close of the hearing.

Then, the trial examiner must write his findings of fact and conclusions of law. This takes, on the average, an additional 114 days (almost 4 months).

In short, the case is pending at the trial examiner level for almost six months. The delay at this stage is due almost entirely to the large volume of business handled by each trial examiner, and can be solved by hiring more trial examiners. This is being done.

3. *Appeal to the Labor Board.* Currently, every person who loses at the trial examiner level has a right to appeal to the Labor Board. There were 749 such appeals this last fiscal year—almost 2 a day. They pile up awaiting their turn for decision, and it takes on an average of 105 days (3½ months) from the time the appeal is filed until the Labor Board decides the case.

4. *Appeal to the Courts of Appeal.* The losing party then has a right to appeal his case to the United States Courts of Appeal for review; and this opportunity is availed of. Over 64% of the litigants before the Labor Board take this opportunity, and another year or so is added to the case.

In sum, it takes, on an average, some 12 months from the time the charge is filed in the Regional Office until it is decided by the Labor Board in Washington. Then there is up to another year while the case is pending in court on review.

As an Ad Hoc Subcommittee asked in 1961: "If an employer refuses to bargain collectively on June 1, 1961, how much good will be done by an order to bargain entered June 1, 1963"? By then the union will be dead and long gone, there will be no one to bargain with.

I might add that the normal unfair labor practices committed by unions do not go unremedied for this length of time. Section 10(1) of our Act requires the Regional officials to seek interim relief from the Federal courts whenever there is reason to believe that a union has violated the secondary boycott, the hot-cargo, or the recognitional-picketing provisions of our law.

What can be done about this delay?

Not much at the Regional Office level when two months go by while the case is investigated and the complaint is filed. We can prod the local officials, but there is a need for thoroughness in investigation and in the opportunity for conciliation.

At the trial examiner level—six months from complaint to decision—we can cut down the delay by hiring more trial examiners and spreading the case load and the work to more people.

At the Labor Board level, there are various proposals for cutting down the 3½ month delay. One proposal is more Labor Board members, operating in panels of three. Another proposal is that we create regional, intermediate Labor Boards, with appeal to the Washington Labor Board on a discretionary basis.

I favor a greater delegation of authority to the trial examiners. If similar delegation worked in representation cases, why not try it in unfair labor practice cases? At least for certain kinds.

A great bulk of the unfair labor practice cases concern violation of 8(a)(3), discharge because of union membership or activity. Most of these cases involve questions of fact—did the employer discharge the man because of union activity, as charged; or was it because of inefficiency as alleged by the employer? In this type of case, the Labor Board generally affirms the findings of the trial examiner; and does so unanimously. This is the situation in over 95% of these cases.

Why must these cases flood the Labor Board and clog the decisional processes? Judge Friendly, of the Court of Appeals for the 2nd Circuit, suggests that the trial examiner decision be made final. I almost agree; but I would give the Labor Board discretionary authority to review this type of case when there is a novel or otherwise unusual question involved.

In short, I think that we in Congress should amend the Act to permit the Labor Board to delegate greater authority to the trial examiners in these routine, factual cases which arise under this particular section of the law.

II. THE PROBLEM OF REMEDIES

Another problem we regard seriously is that of remedies. Here too, I would like to center upon the 8(a)(3) violations—the discharge of employees because of union membership or activity. These charges constitute 72% of all charges against employers; and they go to the very heart of the Act—the right guaranteed by Section 7 to "self-organization."

These discharges seldom occur in a unionized plant; and the normal or typical situation as we see it, is something like this—The union begins an organizing drive; and the employer decides to resist. He does this by discharging a handful of the known activists in the union organizing drive. This chills the enthusiasm of the others, and the organizing drive dies down. An unfair labor practice charge is filed; and ultimately, a year after the event (or two years if the employer seeks court review), the Labor Board orders the employer to reinstate the discharged employees with back pay—less what they earned while they were laid off.

Now, approximately a quarter of the employees whose reinstatement is ordered can't be found. They have moved elsewhere and have just dropped out of sight. Another quarter have been found, but don't want their old jobs back. They found other employment, and are happy. The other half goes back to work at the old job, with back pay, less what they earned elsewhere. Whatever the amounts the employer must pay, these amounts are tax deductible as a business expense. These reinstatement-with-back-pay awards have been characterized by union spokesmen as "nothing more than license fees for union-busting." I am afraid there is some truth in that. The employer rids his plant of a union, and stands to suffer very little loss.

I suggest we take the profit out of this violation of the Labor law. I suggest, specifically, that the employee discharged for union membership be given double, or treble, damages for his lost wages. He certainly needs it; for the costs in mental anxiety, in the loss of installment purchase items, in the costs of borrowing-to-tide-one-over exceed by far the amount lost in steady income.

I further suggest that this violation of the Labor law be made more expensive by hitting the violator where it hurts—in the pocketbook. Many of these repeated violators—and they can be identified—have contracts with the government. I suggest that the Walsh-Healey, the Davis-Bacon, and the Service Contracts Acts be amended to authorize the government purchasing agents to look with disfavor on any bidder who is certified by the Labor Board to be a repeated, a flagrant, a knowing violator of the Labor law. I would not penalize the employer who violates the law through ignorance, through mistake, through inadvertence. But the company that repeatedly flouts the Federal laws should not be rewarded with a Federal contract.

III. THE PROBLEM OF COVERAGE

You may gain the impression that the Labor Act is not working. It isn't in some individual instances; but it is in the main.

In the 1935 Wagner Act (reaffirmed by Taft-Hartley and Landrum-Griffin) Congress declared that it is the policy of the United States to encourage the practices and procedures of collective bargaining. This is the policy of most businessmen and of most unions. Strikes and lock-outs are mostly a thing of the past. Less than one half of one percent of lost man-hours are due to industrial disputes. Strikes still occur, but rarely.

All over the country local people are bargaining peacefully over local wages, hours, and conditions of employment, and finding local situations to meet the local needs. This is how it should be.

The Labor law works so well when given a chance, that I wonder if the National Labor Relations Act should not now be extended to three classes of employees who heretofore have been denied its benefits. I refer to hospital workers, to those employed by educational and charitable institutions, and to agricultural laborers. These three classes of employees are usually at the bottom of the economic ladder, and have no opportunity for arms-length meaningful bargaining with their employers on an individual basis.

A. Hospital employees

Hospital employees were covered by the 1935 Wagner Act, and the Labor Board conducted elections between the various unions interested in organizing and representing the nonprofessional employees.

The 1947 Taft-Hartley amendments excluded employees of charitable hospitals from the protection of the Act by defining employers so as not to include a corporation or association operating a hospital, if no part of the net earnings inures to the benefit of any private shareholder or individual. The Labor Board, by a policy ruling, extended this exemption to private profit-making hospitals, and refused a hospital's request that it conduct an election between two competing unions.

The reasons for the statutory exclusion of charitable hospitals, and the administrative exclusion of profit hospitals, are two-fold: that hospitals are not in "commerce"; and that hospitals carry out local functions and should be subject to the jurisdiction of local agencies. I believe Blue Cross and Medicare put the hospitals in "commerce"; and the local jurisdictions by and large show no concern over the labor-management relations in hospitals. There is a void, a vacuum, hospitals are not required to recognize and bargain with unions; so they don't. The consequence is that wages and employment conditions remain static. The professionals drift off to better paying jobs (witness the current situation in New York City); and the non-professionals remain on the job; but bitter, disillusioned, strike happy. It is time for some agency to move into this void and impose sensible proceedings for the resolution of disputes. We have several bills pending to restore NLRB jurisdiction, and will give them a close look.

B. Employees of charitable organizations

Employees of charitable organizations, other than non-profit hospitals, have never been excluded from the protection of the Labor Act by any express provision.

In 1947 the Hartley bill in the House contained a provision which would have expressly excluded employees of religious, charitable, scientific, educational and other like institutions. The Taft bill in the Senate contained no such exclusion. The Taft-Hartley compromise was the exclusion of nonprofit hospitals. The Conference Report explained the omission of other kinds of charitable institutions from this express exclusion on the theory that the Labor Board had never considered them within its jurisdiction except "in exceptional circumstances and in connection with purely commercial activities".

Taking cue from this Conference Report, the Labor Board had taken jurisdiction "when the particular activities involved have been commercial in the generally accepted sense"; when, for example, the activity is a commercial radio station owned by a university, or a publishing house owned by a religious corporation, or a training school doing work for the parent organization. On the other hand, the Labor Board will not take jurisdiction "where the activities concerned are intimately connected with the educational activities of the institution and are noncommercial in nature". Thus, the Labor Board dismissed the petition for an election filed by the clerical personnel em-

ployed by the various libraries at Columbia University.

This situation was brought to our attention recently by a spokesman for blind workers, employed at various "shelters" and "lighthouses" around the country. These "shelters" are non-profit, and provide job training, vocational guidance, and personal counselling. In the usual situation, 90% or so of the funds supporting these institutions come from the sale of commercial products produced by the handicapped workers. The other 10% comes from contributions.

In recent months, the handicapped workers have organized into unions, and have gone out on strike in various cities around the country: Dallas, Cleveland, St. Louis, San Diego, and Berkeley. In St. Louis, there was an eight-week strike against the Lighthouse for the Blind. In the Berkeley strike, the blind broom makers boarded buses and picketed the State House in Sacramento; complete with guide dogs. The demands are pretty uniform: recognition of their union, a set wage scale, seniority in layoff, a grievance procedure for the resolution of disputes.

The Labor Board has so far refused to accept jurisdiction over these disputes. In a three to two opinion, the Labor Board recently ruled that the activities of the Sheltered Workshops of San Diego partake more of the character of rehabilitation and training rather than activities "commercial in the generally accepted sense". The two dissenters rejected the concept that a non-profit organization (existing on commercial profits) "owes its employees less than other employers do".

I myself feel that the Labor Board is letting the tail wag the dog here. The handicapped do receive job training and personal counselling; but they also produce the goods sold on a commercial basis, which makes the whole venture possible. These workshops live on the proceeds of the work products, expect the handicapped to work, regulate their hours of work, pay them at rates which take into account differences in proficiency and productivity, dock them for time lost from work, and lay them off when work is slack. The employee/trainees have grievances, why not regularize their adjustment?

C. Agricultural employees

A third category of "excluded" employees are those who work on the farms. The 1935 Wagner Act excluded them, on the theory that the Constitutional power of the Commerce Clause did not extend to agriculture. Indeed, it was argued at that time that the Commerce Clause did not extend to local manufacturing. Since the 1935 Wagner Act, the Supreme Court in a number of related situations has upheld the Congressional power—under the Commerce Clause—to regulate farm activities. Thus, there is no longer any constitutional impediment to extending the coverage of the Labor Act to farm workers.

It is also suggested that the Labor Act has no place in the intimate relationships between the farmer and his hired hand. I agree; but I am speaking of the large corporate farm where a hundred or more employees are hired on a regularized basis to drive the tractors, repair the equipment, prune the trees, and so on. The situation, in short, is like that at Delano where two or three thousand regularly employed workers recently completed a long and bitter strike against the large grape orchards.

It is the purpose of Federal labor laws to encourage collective bargaining. The theory behind these laws is that peaceful settlements among the parties working by themselves under the aegis of Federal law will be substituted for the old-time labor feuds—too frequently accompanied by bitter strife and wasteful, dangerous conflicts verging on private war. These hopes have been largely realized in most segments of our economy. I hope someday to extend the Labor law, with the same beneficent results, where it does not now reach.

CONCLUSION

I have enjoyed the opportunity to come here and share with you some of the problems, and some of the thinking, of the Special Subcommittee on Labor.

We had hoped to look into these matters in some depth this current session of Congress. But, while you may be disbelieving, we could not get a budget approved by the appropriate committee. So, I take this opportunity to give you some of our tentative thinking: I am the witness presenting ideas, you gentlemen can help us by giving a reaction.

EXEMPTION FOR MENTALLY RETARDED DEPENDENT

Mrs. MINK. Mr. Speaker, I ask unanimous consent that the gentleman from Ohio [Mr. GILLIGAN] 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 gentlewoman from Hawaii?

There was no objection.

Mr. GILLIGAN. Mr. Speaker, today I have introduced a bill that will provide some Federal income tax relief to taxpayers who support a mentally retarded dependent. My bill will allow the taxpayer to take an additional $600 personal exemption for a mentally retarded dependent. Thus, under my bill the taxpayer will be allowed total personal exemptions of $1,200 instead of the $600 currently allowed for a dependent.

Most of us are keenly aware of the plight of a person who must care for a mentally retarded individual. Many of us have had some acquaintance with the mentally retarded, either by knowing such a person or learning about them through some information medium such as television. Everyone who has seen such a person is well aware of the heartbreak and anxieties experienced by a parent who must care for such a dependent.

Broader aspects of the problems dealing with the mentally retarded are provided in various excellent studies. These reports provide both startling facts and sad descriptions of the condition of many of the retarded. At the same time, however, they offer much encouragement as to what can be accomplished for the retarded.

The national concern for the retarded has been clearly demonstrated in these reports. The concern has also been manifested recently by the late President Kennedy and by President Johnson. In 1961 President Kennedy appointed a group to study the problems of mental retardation. The results of the study were reported a year later. In 1964 President Johnson illustrated the scope of the problem when he stated:

> Mental retardation afflicts nearly 6 million Americans. It affects 10 times more persons than diabetes; 20 times more than tuberculosis; 600 times more than polio. A retarded child is born every five minutes, 126,000 a year.

It has become increasingly evident that in order to reduce the growing problem of mental retardation, we must attack the problem on many fronts. We must learn more about the causes for the condition. We must learn more about preventing it. We must provide adequate facilities and skilled personnel to care for the mentally retarded and to train those who are trainable. In addition, we need to extend some form of tax relief to the taxpayer now burdened with providing care and training for a mentally retarded person.

Current law already recognizes the need for tax relief for certain special groups. For example, an additional personal exemption is allowed the aged and blind. This is recognized as a socially desirable tax benefit. Similarly, my bill is a worthy relief measure that will cost the average taxpayer very little. The revenue cost will be considerably below the loss resulting from some tax relief measures that are currently extended to certain types of businesses or certain types of transactions. And compared to total revenues of the Government, the cost would be almost insignificant. Thus, my proposal to permit an additional personal exemption on behalf of a mentally retarded dependent would fall well within the bounds of fiscal responsibility.

My proposal is equitable. In fact equity demands enactment of it. Many of the mentally retarded will never be able to earn a livelihood. This means a lifetime dependence on others. With living costs as high as they are, this creates a continuing hardship on the persons providing their support. Moreover, with the increase in knowledge of drugs and medicines to prolong the lifespan of individuals, we can expect the years of dependence of the mentally retarded to increase.

Some of the mentally retarded are capable of being trained, and become qualified to enter the labor market. However, they usually never progress beyond one of the lower paying positions. This is to be expected, because of the restriction that their intellectual capacity places on them. It was determined, for example, that in 1964 most of the retardants employed by the Federal Government were earning an average of about $3,150.

Tax relief such as proposed in my bill will help toward rehabilitating mentally retarded individuals. At the present time there are parents who cannot afford the therapeutic care and training their mentally retarded children need. The tax savings will help some of these parents to afford at least a limited rehabilitating program for the child. The funds could be used to hire professional help in the home or to provide some type of institutional training or care. For the parents who now are providing their children some help, the tax saving could be used to expand or improve the treatment and care. Thus, under my tax relief proposal many retarded children will receive help they would not otherwise receive.

In conclusion, I would like to say that my bill to allow a taxpayer an additional personal exemption of $600 for a mentally retarded dependent should be enacted without delay. It will provide at least some additional funds which can

be used to further the rehabilitation of the mentally retarded. Yet it will not impose a burden on our fiscal structure. And I am certain that the long-run social gain from such a program will be immeasurable.

TRICONTINENTAL CONFERENCE AND THE MONROE DOCTRINE—SEQUEL

Mrs. MINK. Mr. Speaker, I ask unanimous consent that the gentleman from Pennsylvania [Mr. FLOOD] 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 gentlewoman from Hawaii?

There was no objection.

Mr. FLOOD. Mr. Speaker, in a statement to the House on April 20, 1966, I quoted a thoughtful article summarizing the proceedings at Havana in Soviet Cuba during January 3–15, 1966, of what is popularly known as the "Tricontinental Conference" and the text of House Resolution 560 adopted by the House on September 20, 1965, to reaffirm and extend the Monroe Doctrine to include subversion or threat of subversion.

In my April 20 statement, I warned that one of the main purposes of the Tricontinental Conference was to accelerate the pace of terror and subversion in Latin America. Though only 5 months have passed, this prediction has already proved accurate with intensification of revolutionary operations of Cuban-trained activists in central Andean and various Caribbean countries. In addition to training cadres for infiltration in the Western Hemisphere, Cubans are now being used for training Congolese recruits in guerrilla warfare at bases in the Congo for action primarily against African countries.

In order that the Congress and all agencies of our Government concerned with the problems of Cuba may have the recent information, I quote the following article on the progress of Cuban-based subversion and the possession of missiles by Cuba for possible use against the United States.

[Latin America Report, Washington, D.C., May 2, 1966]

TRI-CONTINENTAL ORGANIZATION MOVES AHEAD WITH SUBVERSION

The Russian presence in Cuba has two basic purposes. One is amply evident in the resolutions which came out of the Tri-Continental Conference. From January 3 to January 15, Havana hosted some 600 Communist delegates from eighty-two countries. The purpose of the meeting was to expand world-wide subversion against the United States and to create sophisticated machinery for doing so. (See "The Havana Conference," LAR, Vol. 4, No. 7, April 4, 1966.)

The second, and corollary, purpose of the Russians is to protect their Cuban base of subversion. Cuba has become Russia's offshore missile base, with the aim of bringing the United States under nuclear threat and thus discourage direct action against Russia's base in the hemisphere.

Both purposes appear in large part to have been realized.

Virtually unnoticed by an American public whose attention is riveted on the war in Vietnam, world Communism is advancing from its Cuban pace at a rate considered impossible just a few years ago. Its gains are in sharp contrast to the glacier-like pace of the United States in dealing with the threat posed by those gains.

Pursuant to a secret agreement made in Havana last December and ratified at the Tri-Continental Conference in January, 700 Cuban soldiers were dispatched to the Congo—Brazzaville. Confidential documents reaching Latin America Report from impeccable sources include a run-down on the Congolese camps where the Cubans are located, and the directives under which the Cubans operate.

The 700 Cubans are located in the following camps:

Kilometer 17 Camp on the Pointe-Noire road south of Brazzaville—200 Cubans.

The balance are assigned in various numbers to:

Makala, a former execution center;

Madibou, formerly owned by Abee Fulbert Youlou;

Near the Maya-Maya air base;

Fouati, about six miles from the border of the two Congos.

The principal task of the Cubans is to train Congolese recruits in guerrilla warfare and terrorist tactics. The ratio of Cuban cadres to recruits is established at two Cubans to each fifty Congolese. This would bring Congolese terrorist forces (many of whom are still being recruited) to roughly 27,500.

As noted in earlier LAR reports, neighboring Tanzania has been a base for training and slipping Congolese terrorists back into their homeland. Now, beefed-up Cuban cadres which have been operating in the Congo for some years, are establishing training bases on Congolese soil. The immediate advantage is that recruitment, which has lagged far behind the Communist schedule, can now be effected through coercion and terror *a la* Vietcong, and training can be carried out on the spot. It also eliminates the danger of apprehension when foreign-trained subversives are slipped across international borders.

An interesting side note to this most recent information is that the Cubans in the Congo reportedly are operating under the control of Red Chinese guerrilla experts. It is recalled that, at the time of the outburst of fighting along the borders of the two Congos in September of 1965, the Red Chinese were found to be fighting with, and directing, their Cuban allies.

The Tri-Continental organization is also doing well in Latin America, according to reports from that continent. Peruvian police arrested Ricardo Gadea Acosta, and found that he had recently received $12,000 from the Communist network operating in Chile. Castro's official newspaper, *Granma*, earlier identified Gadea, a Peruvian, as "Commander of the southern guerrilla front of Peru." It also said that Gadea was Treasurer General of a group of guerrillas identified in *Granma* as Tupac Amaru.

The Peruvian police were able to elaborate on Gadea's antecedents and the scope of his mission. Official accounts from Lima identified him as the brother of Hilda Gadea, Peruvian former wife of Major Ernesto "Che" Guevara, Castro's chief lieutenant until he disappeared from sight one year ago. Hilda Gadea also is President of the Cuban branch of the Tricontinental Committee to Aid Vietnam.

Gadea's operations included neighboring Bolivia, according to official reports from Lima. For, apprehended with Gadea was Alfonso Arata Hurtado who admitted to having received 50,000 Bolivian soles from Gadea. The money was to buy arms for Bolivian Communist terrorists.

After studying the evidence, Peruvian officials concluded that Russian-backed Cuba is intensifying its activities in the Central Andean countries, and that those activities are being conducted through the Latin American Solidarity Organization, the action group charged by the Tri-Continental Conference with overall subversion in the hemisphere. Gadea, it was pointed out, had been trained in Moscow, Peking, and Cuba.

Colombia also shows signs of increased Communist activity. In Bogotá, police picked up Mario Ernesto Romero. Romero was a former Castro delegate to the UNESCO, and was found upon capture to be a member of the Cuban intelligence service, in which capacity he recruited over 200 Colombian youths and sent them for training in Cuba. Upon their return, Romero organized the recruits into Communist cells. Money for his operations was found to be coming directly from Havana.

Colombia is being saturated with Cuban-trained activist groups whose ultimate purpose, and the coordinated purpose of their colleagues in other Latin American countries, is to topple governments by making it impossible for them to rule. This also is the tactic being developed in the Congo and elsewhere in Africa. Without question, the focus of Cuban subversion is global, indeed. Also without question, that subversion is building to a crescendo.

If there are any doubts about this, Castro's interview with Belgian journalist Wim Dannau should dispel them. On April 20, the Cuban radio broadcast the interview, a portion of which is cited below:

"Question. Through the economic blockade of the Americans, you fell into greatest difficulties. You need friends, after all.

CASTRO. Friends, however, are those who do something for the sake of friendship. . . Do you understand now why the Latin Americans do not like the Americans? . . . This has not changed even today. What remains to be done? Force! And as sure as my name is Fidel Castro it will not be long before revolution is flaming in Latin America. My revolution!"

The same interview further exposed the twin policy of subversive aggression so explicit in the Castro interview above, coupled with nuclear blackmail which is inherent in the same interview. After discussing with Wim Dannau Khrushchev's agreement with the late President Kennedy which Castro said "eliminated the rockets" in Cuba. Castro volunteered the following statement:

"By the way, we still have smaller Soviet rockets in Cuba, and with these rockets we can hit the American shores."

On April 21, Castro issued a statement repudiating that part of the interview which quoted him on missiles, and political pundits, taking the "shores" part of his statement literally, began to measure distances from Havana to Key West. The German magazine in which the interview was published, *Bunte Illustrierte*, angrily reaffirmed the truth of the statement, adding that Dannau was allowed to photograph Russian-made medium-range rockets at a parade in Havana. And some types of medium-range missiles—such as the Soviet J–3 which was paraded in Havana—have a range of 1,400 miles. Said *Bunte Illustrierte:* "The fact that these rockets are capable of reaching the United States—apart from Castro having said it in the interview—is self-evident."

Clinching proof that Castro *did* say that Cuban-based missiles can reach this country is evident in the fact that his statement was broadcast from Cuba itself. And anyone who has a rudimentary knowledge of censorship in that country knows that the broadcast would not have been made if had not been given official, and very high-level, approval.

Castro's belated denial may well have been dictated by the Russians, who count on pursuing their double-track policy of maintaining outwardly friendly relations with a United States and a Free World which its agents are seeking to destroy. That the policy seems

to be working is evident in the willingness of our State Department to accept what apparently is Castro's Russian-dictated denial, rather than the photographic evidence obtained by *Bunte Illustrierte*, and the fact that Castro himself first volunteered the information.

What *can* be said is that medium-range missiles are in Cuba. Evidence has been supplied to that effect time and again by *Latin American Report*. That evidence was cited publicly on February 18 by Ambassador Spruille Braden, President of the Citizens Committee for a Free Cuba. It has been stated by Fidel Castro himself, and *Bunte Illustrierte* has photographed those medium-range missiles.

Yet official Washington refuses to acknowledge the burden of that evidence. The question which must be asked, then, is this: Has Washington succumbed to nuclear blackmail? If not, then what is going on? The public seems to want to know.

GUANTANAMO: A BASE AND A TREATY

Mrs. MINK. Mr. Speaker, I ask unanimous consent that the gentleman from Pennsylvania [Mr. FLOOD] 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 gentlewoman from Hawaii?

There was no objection.

Mr. FLOOD. Mr. Speaker, in the course of my studies over many years of Caribbean and Isthmian policies of the United States, I have visited our naval base at Guantanamo and thus have had the benefit of firsthand observations. Encircled by Cuban troops and military installations, it is in a virtual state of seige, with our naval and Marine Corps forces on constant alert and ready for any eventualities.

In considering the problems of Guantanamo, it is important to realize that this station is more than a convenient base for naval training exercises. Located on the northern flank of the Atlantic approaches to the Panama Canal, which is the key target for Red conquest of the Caribbean, what happens to one will have its impact on the other. The loss of Guantanamo would mean the loss of the canal.

In these general connections, Mr. Speaker, I would invite the attention of the Congress and executive agencies of our Government to the fact that the House of Representatives on September 20, 1965, after careful consideration and considerable debate, adopted, by a vote of 312 to 52, House Resolution 560, 89th Congress. This measure, which I originally introduced and supported, expresses the sense of this branch of the Congress as regards the Monroe Doctrine in the light of the latest dangers, so well illustrated by the situation at Guantanamo.

It is strikingly clear that the policy of the Communist world revolutionary conspiracy is to keep the United States at war in Vietnam for an indefinite period while the Communists expand their activities and power in Latin American countries with Cuba as the base of operations and with immediate objectives of driving the United States from Guantanamo and the Panama Canal.

A most informative article by Anthony Harrigan, associate editor of the Charleston News and Courier, follows:

[American Security Council Washington Report, Apr. 25, 1966]

GUANTANAMO: A BASE AND A POLICY

(By Anthony Harrigan, Strategy Staff)

GUANTANAMO BAY, CUBA

Under the massive range of the Sierra Maestra Mountains, where Fidel Castro created his revolutionary rural base of operations almost a decade ago, the United States continues to hold an important toehold on the island of Cuba. The 45 square miles which make up the U.S. Naval Base at Guantanamo may serve, in the future, as an important political beachhead for the recovery of Cuba for the forces of freedom.

Gitmo, as this base is known to the Navy, is an important politico-military card in the hand of the United States. But the U.S. is not playing any political or military games here at this time. Absolute correctness, within terms of the treaty signed in 1903, is the national policy in force. Every effort is made to avoid incidents and to refrain from what might be construed as provocative action. Guantanamo Bay is being used in its traditional role as a fleet training area for the U.S. Atlantic Fleet. Deep water in the huge bay and right offshore enable American warships to exercise almost as soon as they pull away from their piers or weigh anchor. Located on the southeast coast of Cuba, Guantanamo is not on the primary shipping lanes used by Red bloc vessels—most of which follow the northern coast to Havana.

Guantanamo could be very useful to United States or Inter-American forces in the event of fresh communist activity in the Dominican Republic this summer or as a staging area for peace-keeping forces that might be dispatched to Haiti in the event of unrest in that turbulent next-door neighbor of the Dominican Republic. It seems, however, that use of Gitmo as a marshaling area is out of the question unless there is a drastic change in U.S. government policy. When the communist-led rebellion flamed in Santo Domingo last spring, Guantanamo was not used by American forces involved and refugees were taken to Puerto Rico, not Gitmo. Indeed naval vessels of friendly foreign governments are not received at Guantanamo these days, though the U.S. continues to respect a treaty provision that foreign merchantmen bound for Cuba may proceed into the inner bay that constitutes Cuban waters. This means that Red bloc shipping is allowed to pass through the waters of the naval base to the sugar port of Boqueron, Cuba.

The absolute strictness with which the 1903 treaty provisions are interpreted in Washington clearly indicates the determination of the Johnson administration to avoid fresh entanglement in Cuba while there is a hot war raging in Southeast Asia. Thus Guantanamo continues to meet the regular training needs of the fleet but, at this time, apparently is not used to support the wider national interests of the U.S. in the Caribbean. Its activities, therefore, are circumscribed by considerations of national policy. It is from U.S. South Atlantic ports and Roosevelt Roads, Puerto Rico—not from Guantanamo—that naval task forces would be supported in the event of emergencies this summer.

Nevertheless, the symbolic importance of Guantanamo is enormous. Gitmo stands for the commitment of U.S. power in the Caribbean. If Fidel Castro could shove the United States out of the Guantanamo Naval Base, he would score a political triumph that would undermine the credibility of American strength and resolution throughout the Latin American world. Because of this fact, there is an ever-present danger of communist surprise attack on the base and a consequent need for the greatest vigilance on the part of the U.S. defending forces.

The possibility of a Cuban attack on Gitmo may be dim, according to some calculations. Some observers reckon that the Soviets would veto any plans Castro might have for such an attack, out of fear of a confrontation involving nuclear weapons. Much as the Soviets want the U.S. to be removed from Guantanamo, they surely realize that an attack on the base would lead to a major reaction by the United States.

On the other hand, serious questions arise from the military measures Castro's regime has taken along the 17-mile fence line that forms the boundary of the base. Riding along the perimeter, I could see that the Cubans have installed many new pillboxes and trench positions. They have had heavy machinery at work clearing cactus and shrub palm in a wide strip around the base. What is the purpose of these costly activities at a time when Cuba is in a desperate economic condition? Certainly, Castro knows that the U.S. does not intend to attack from Guantanamo. Even if the U.S. currently had a design for recapturing the island, it would not begin a campaign in Oriente Province, which is the end of nowhere in Cuba.

Some observers regard the Castorite military measures either as a form of psychological warfare directed at the United States, or as activities carried out for home consumption—to give the Cuban people a beleaguered feeling. But if this is all part of a war of nerves, it is a very expensive operation for a poor country—and the rewards for such warfare seem almost nonexistent.

Some Cuban refugee elements arriving in Miami believe that Castro, in a fit of desperation or in danger of being overthrown by powerful rivals within the Cuban regime, actually might order an attack on Guantanamo as a final suicidal act. It is against such a contingency that the U.S. must be prepared. Fortunately, the U.S. preparations seem very thorough.

Aside from men attached to the Marine barracks at Gitmo, sailors are organized in emergency defense forces and a hard-core defending force is provided by a battalion of Marines on rotation from Camp Lejeune, N.C., for four months at a time. These Marine defending forces have heavy tanks and artillery. They have myriad defense positions throughout the hills on the base; a system of watchtowers and minefields provide added warning and protection. The ships that conduct training exercises at Gitmo are a key element in the defense of the base. In the event of an attack, fire support from the guns of these ships would back up the Marines.

It would be the task of the Marine defenders and the fire support ships to hold off the attackers until Marine reinforcements could be flown from North Carolina bases. A strategic area, which would require especially determined defense, would be the jet airfield on the leeward side of the base. In terms of the overall defense of Guantanamo, the most unfortunate feature is the separation of the base into two parts by the bay which runs deep into Cuban territory.

At the moment, Castro is not harassing base personnel. There haven't been any recent incidents involving Cuban militiamen throwing rocks at Marine guards. But the Cubans man their pillboxes periodically and a helicopter flight along the fence line reveals the barracks the Cubans have built for their troops. The principal instrument of harassment in the past was the cutting off of the water supply from Cuban territory. The installation of a $10 million plant for desalting ocean water now gives the base self-sufficiency in its water supply.

Such is the current situation at Guantanamo. Policy for this base is shaped in terms of the overall strategic situation facing the

United States, not only in the Caribbean but around the globe. We have, in short, a minimum commitment in Cuba—the maintenance of the Guantanamo base against political or military assault. This minimum commitment may be the only feasible posture at a time when our trained and ready ground forces are almost completely engaged in the Far East. However, Cuba remains a festering sore in this hemisphere and the time surely will come when corrective action will be needed.

Part of the tragedy of Cuba is that we think in terms of deterrents to further Castroite military aggression, but register a blank when it comes to politico-military determinants. U.S. policy toward Cuba is essentially negative, whereas the communists have positive goals. The Tri-Continental Conference held in Havana in January, which was attended by delegates from 86 countries, drafted plans for forcing communist rule on the rest of the Latin world. As early as the 16th century, Cuba was the island base from which the Spanish set out to conquer Central and South America and Castro and the communists are well aware of the strategic value of his island bastion.

The United States, for its part, must prove its credibility—in terms of national power and effectiveness—by positive action against Cuban communism. The mere possession of Guantanamo will not continue to have great weight in the thinking of Latin nations if they see that we intend to do nothing with our toehold in Cuba, if they judge that Guantanamo has been neutralized except as a training facility for naval vessels. Great military and naval bases are those that are understood to be bases for offensive action. Okinawa, in the Pacific, is regarded as such by the Chinese communists.

The principal deficiency in our country's Caribbean posture is a lack of understanding of the opportunities for political warfare. Indeed this is a global deficiency, with Viet Nam being the one spot where an understanding of the inter-action of political and military operations is being developed.

Ideally, the U.S. should be carrying out political warfare in eastern Cuba, while the armed forces stand firm in Guantanamo. Castro's revolution began in Oriente Province and its failure shows up there in glaring fashion. The Fidelista movement, aside from its communist component, was built around a conflict between the impoverished countryside and metropolitan Havana. But the Castro revolution has been a failure in the countryside. The sugarfield workers are worse off than before the revolution. One has only to look across the Guantanamo fence line at the little sugar port nearby and see the crude shacks and outhouses that characterize rural Cuba after seven years of revolutionary rule. If the United States had given adequate stress to the cold war education of the American people and responsible officials, the time our country has had would have been used constructively to weaken the Castro regime and prepare the way for a successor government that would want to be a good neighbor of the U.S. Unfortunately, far too many Americans in and out of Washington think of the cold war struggle in narrow, separated categories.

The Marines manning defensive positions along the Guantanamo fence line understand what to do if Castro's militiamen launch an attack against the base. There is no question but that our navy destroyers would respond promptly to lob shells at an attacker or that airlift planes would have the first reinforcements on the base within six hours. But all these actions are limited and defensive and do not belong to the class of actions designed to exploit our national opportunities for adding to the security of the United States and to the security of our good neighbors in Latin America.

A policy of rigid diplomatic correctness and military firmness in defending small, well-defined areas can be justified for certain periods and under certain conditions. Ultimately, however, the United States must master and employ the political warfare that is the only answer to communism's ability to leapfrog fences and national boundaries and create subversive conflicts inside nations such as the Dominican Republic. Unless the U.S. gains this counter-revolutionary capacity in political warfare, a base such as Guantanamo will lose much of its utility and symbolic value.

WILLIAM LEWIS HERNDON: "SCIENTIST ON THE BRIDGE"

Mrs. MINK. Mr. Speaker, I ask unanimous consent that the gentleman from Pennsylvania [Mr. FLOOD] 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 gentlewoman from Hawaii?

There was no objection.

Mr. FLOOD. Mr. Speaker, on two previous occasions in statements to the House, "William Lewis Herndon: Heroic Death Added Glory to Naval Traditions," on February 25, 1964, and "William Lewis Herndon: Pathfinder of the Amazon," on April 25, 1966, I commented at some length on the life and career of that celebrated naval explorer (1813–57). In the first, was quoted an October 19, 1857, report to the Secretary of the Navy on the tragic end of Herndon and, in the second, an article by Dr. Donald M. Dozer, published in the autumn 1947 issue of the Virginia Quarterly Review.

As a member of the Board of Visitors of the U.S. Naval Academy, I have often stopped at the Herndon Monument in front of the chapel and pondered its significance, for no officer of our gallant Navy has ever been so much honored for peacetime heroism as Herndon. Even so, with the passage of the years, the dramatic story of his heroic career has been largely forgotten, even in the great State of his birth, Virginia.

It was, therefore, with the greatest interest that I read in the spring 1966 issue of the Virginia Cavalcade, the quarterly magazine of the Virginia State Library, a most thoughtful article by Edward F. Heite on Herndon, in which is supplied much additional information.

In order that this article may be better known throughout the Nation, I quote it as part of my remarks:

SCIENTIST ON THE BRIDGE: HIS ORDERLY RESCUE OF WOMEN AND CHILDREN FROM THE STORM-SWEPT DECK OF THE "CENTRAL AMERICA" MADE WILLIAM LEWIS HERNDON A NATIONAL HERO

(By Edward F. Heite)

On May 3, 1852, Lieutenant Matthew Fontaine Maury, superintendent of the National Observatory, sent a message to Congress suggesting that a steamship line be established between the United States and Brazil. He described the commercial potential of the Amazon basin as "the most magnificent in the world." Maury had an impressive array of evidence, but his most convincing argument for trade with the Amazon basin was even then being written in Brazil by Lieutenant Herndon.

William Lewis Herndon was born in Fredericksburg in 1813, the son of Dabney Herndon, cashier of the Farmers Bank of Fredericksburg. The boy was named for his uncle, Captain William Lewis, who was lost at sea in 1815 with the brig *Epervier*. When William was thirteen, his parents died, and he went to live with his guardian, William J. Roberts.

Two years later, Roberts wrote to the Secretary of the Navy, requesting an appointment for young Herndon.

"It was a favourite scheme of Mr. Herndon that his son William Lewis should go in the Navy, and I believe a pledge was made by the late Capt. William Lewis of the Navy, to take charge of him at a proper time, which his unfortunate death prevented. Master Herndon is now in his fifteenth year, and has lived in my family ever since the death of his mother. It gives me pleasure to say that he is a youth of fine habits and great acquirements for his age . . ."

Herndon was appointed midshipman on November 1, 1828, and he reported for training aboard the *Guerriere* at Norfolk on December 14. For the next eleven years, as a midshipman, Herndon served in North Atlantic and South American waters aboard the *Constellation, John Adams, Constitution, Fairfield,* and *Independence.* On the *Independence,* in 1838, he was appointed acting master, and in the same year he was appointed acting lieutenant aboard the *Fairfield.* In 1839 he again served aboard the *Independence* on the Pacific station. In 1841, he was promoted to lieutenant and assigned to command the revenue cutter *Jefferson* and later the cutter *Madison.*

In 1842, when Maury became superintendent of the Depot of Charts and Instruments, he made Herndon his assistant. Together, they soon transformed the depot into the National Observatory. They worked together for five years, compiling sailing directions, current charts, and whale charts.

Maury was closer to Herndon than to any other scientist; as Maury himself later wrote, "We were intimates; I have known him from his boyhood; he was my kinsman and my wife's brother. The ties of consanguinity, as well as our professional avocations, brought us frequently and much together; we were close friends."

In 1847 and 1848, Herndon again served at sea, but he soon returned to the observatory and to the whale charts, in which he traced the seasonal migrations of right and sperm whales. In July of 1849, his scientific work was again interrupted by sea duty, this time aboard the *Vandalia* on the Pacific station.

While the *Vandalia* was at Valparaiso in August 1850, Herndon received a letter from Maury, informing him that the next mail steamer would bring him orders for detached service. Maury's research into ocean currents had proved that the Amazon basin was more easily accessible by sea than had been suspected, and he determined to open this river system to exploitation. Since the Amazon was unknown in the United States, Herndon was to explore its entire length.

His first orders directed him to examine the records in Peru and Bolivia concerning the headwaters of the Amazon. On April 4, 1851, Passed Midshipman Lardner Gibbon joined him in Lima and brought orders to cross the continental divide and to explore the Amazon from its source to the port of Para, on the Atlantic. On May 1, Herndon and Gibbon left Lima, and on July 1, they separated, to descend different tributaries of the Amazon.

Herndon followed the main river, and arrived at Para in May of 1852; Gibbon continued his explorations until October. The results of their efforts, embellished with numerous drawings by Gibbon, were published in two volumes entitled *Exploration of the Valley of the Amazon* in 1853 and 1854. It was more than a mere report; it was a scholarly interpretation of the meteorology, anthropology, geology, and natural history

of the Amazon, presented in an imaginative literary style.

Herndon's sweeping description of the summit of the Andes has often been quoted.

"Though not yet sixty miles from the sea, we had crossed the great 'divide' which separates the waters of the Atlantic from those of the Pacific. The last steps of our mules had made a striking change in our geographical relations; so suddenly and so quickly had we been cut off from all connexion with the Pacific, and placed upon waters that rippled and sparkled joyously as they danced by our feet to join the glad waves of our own dear land. They whispered to me of home, and my heart went along with them. I thought of Maury, with his researches concerning the currents of the sea; and, recollecting the close physical connexion pointed out as existing between these—the waters of the Amazon and those of our own majestic Mississippi—I musingly dropped a bit of green moss, plucked from the hillside, upon the bosom of the placid lake of Morochoca, and as it floated along I followed it, in imagination, down through the luxurious climes, the beautiful skies, and enchanting scenery of the tropics, to the mouth of the great river; thence across the Caribbean sea, through the Yucatan pass, into the Gulf of Mexico; thence along the Gulfstream; and so out upon the ocean, off the shores of the 'land of Flowers.' Here I fancied it might meet with the silent little messengers cast by the hands of sympathizing friends and countrymen high upon the head-waters of the Mississippi, or away in the 'Far West,' upon the distant fountain of the Missouri."

The popular imagination was caught by Herndon's vivid prose, and more than ten thousands copies of the report were printed. Maury used passages from Herndon's report in his arguments for United States involvement in South American trade, and Mark Twain said that the report inspired him to write *Life on the Mississippi*.

However, Herndon's scientific work was again interrupted, this time forever, by his assignment to sea duty aboard the USS *San Jacinto*, in which he sailed to England, France, Spain and the West Indies. After a year aboard the *San Jacinto* he was transferred to the *Potomac*, where he served until his promotion to commander on October 8, 1855. Later that month, he received orders to command the mail steamer *George Law*, in packet service between New York and Aspinwall, in Panama.

The *George Law* was a private vessel, but she operated under a mail contract which required that her master be a naval officer. Herndon made all but one of her last twenty voyages, over a period of two years.

In the summer of 1857, the *George Law* was suddenly renamed the *Central America*. Critics of the line said that she was in bad shape and that she was renamed so that the public would be deluded into thinking that the *Central America* was a new ship, rather than the same old, unseaworthy *George Law*. The owners never answered the charges against her seaworthiness, nor did they reveal the extent of damage her hull had suffered earlier that year on a bar in the Caribbean.

On September 8, 1857, the *Central America* sailed from Havana for New York on the last leg of her second voyage under the new name. She carried a million dollars worth of California gold.

A fresh trade wind stiffened to a gale by midnight of the ninth, and on Friday morning, September 11, off Cape Hatteras, it reached hurricane strength. Until noon, the ship held her own, but she suddenly sprung a leak, and within an hour, the boilers were drowned.

Without power to hold a course, the *Central America* was now doomed to wallow helplessly until she sank. The crew and passengers made brave attempts to keep her afloat, but the water gradually crept higher. The sail soon blew away or were cut away. Captain Herndon ordered the flag hoister union-down, in hope that some passing ship might come to the rescue.

Finally, at noon on September 12, the sea began to abate, and a sailing ship bore down on the stricken steamer. Herndon hailed the passing vessel, but her captain replied that he could be of no assistance, and sailed away. About two hours later, the brig *Marine* sighted the *Central America*.

Maury described the encounter in his report of the disaster:

"At about 2 p.m. the brig *Marine*, Captain Burt, of Boston, bound from the West Indies to New York, heard minute guns and saw the steamer's signals of distress. She ran down to the sinking ship and, though very much crippled herself by the gale, promised to lay by. She passed under the steamer's stern, spoke, rounded to, and kept her word.

"The steamer's boats were ordered to be lowered; the *Marine* had none that could live in such a sea."

The brig was unable to stay close, for she was too badly damaged to answer her helm. Herndon therefore ordered the women and children into the boats immediately; each boat made two trips, carrying about a hundred survivors to the brig, which was being blown away from the *Central America*.

As the last boat was leaving, Captain Herndon handed his watch and chain to a passenger, with a request that they be forwarded to Mrs. Herndon.

He then turned his efforts toward saving the passengers who were still aboard, without hope that the boats would be able to return again. He ordered the forward part of the hurricane deck cut away to make a raft, and distributed life belts. Since night was closing in, Herndon began firing rockets, in hopes of attracting another rescue vessel.

Herndon then went to his stateroom, put on his dress uniform, and returned to the bridge.

The boatswain's lifeboat again came alongside the *Central America*, but Herndon ordered it away, lest the suction of the sinking ship pull the boat to the bottom. This was his last order.

As a signal rocket illuminated her deck, the *Central America* gave a mighty heave; Captain Herndon clutched the rail and lifted his hat in a gesture of farewell. Within seconds, the *Central America* had disappeared. Some survivors later thought they had spoken to Captain Herndon in the water, but Maury said that he doubted such reports, for Herndon has been a frail person, and could not have struggled after two days of exertion.

Later that night, the Norwegian bark *Ellen* arrived on the scene and rescued 49 survivors from the water; on the ninth day after the wreck, the English brig *Mary* picked up three more.

When news of the disaster reached the public, Herndon became a national hero, though the ship's owners were roundly criticized for hiding her defects. Herndon's heroism rose above the charges and countercharges; his orderly removal of the women and children, and his maintenance of discipline, inspired the nation.

A monument to him, erected in 1860, was for half a century the only memorial to an individual at the United States Naval Academy. So well known was his heroism that the monument bore only two inscriptions: "Herndon" on the front, and "September 12, 1857" on the back.

On March 6, 1858, the General Assembly of Virginia joined the praise of Herndon and instructed Governor Wise to commission a gold medal to be presented "in the name of the commonwealth, to the widow of the deceased, as a simple testimonial of respect for a virtuous and brave man, and a noble and gallant officer."

F. R. Smith, a medallist in New York, saw the newspaper accounts of this resolution and wrote to Governor Wise, offering to make a medal for $500. Wise accepted Smith's bid, and they began a lengthy correspondence about details of the design. The obverse of the medal was to show Herndon standing on the wheelhouse, together with the words "Devotion to Duty, Christian Conduct, and Genuine Heroism Respected and Revered." The reverse side would bear a commemorative inscription.

After the design and inscription had been decided upon, Smith added a wreath. When he submitted his drawing of the inscribed reverse, with a wreath added, he wrote to Secretary of the Commonwealth George Wythe Munford:

"For this I shall make no further charge, as I desire the medal to be as neat and handsome as possible. In this my object is twofold: First, a national pride in the matter, and Second, I wish the work to give me further reputation in my profession."

Smith apologized that the letters on his drawing "were hurriedly done, and merely that you might form an idea of the amount and style of the inscription." After this revision, the designs were approved, and Smith announced on August 17 that the work was complete.

On that day, he sent the gold medal, the steel dies with which it was struck, and two bronze copies, by express to Richmond. The bronze copies were for Governor Wise and Secretary Munford, and the steel dies were to be kept in case there should ever be cause to make another copy of the medal.

On November 29, Munford wrote to Mrs. Herndon, informing her that the gold medal was finally ready. It was delivered to her in New York by Major William Munford. Governor Wise gave his bronze copy to one of Herndon's relatives.

In May 1858, Congress awarded the widow $7,500. The Herndon's only child, Ellen, was married on her father's birthday, 25 October 1859, to Chester Arthur, whose descendants now own the gold medal.

ELECTIVE COVERAGE OF FEDERAL EMPLOYEES UNDER THE SOCIAL SECURITY SYSTEM

Mrs. MINK. Mr. Speaker, I ask unanimous consent that the gentleman from New York [Mr. KEOGH] 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 gentlewoman from Hawaii?

There was no objection.

Mr. KEOGH. Mr. Speaker, I have today introduced legislation to permit Federal employees to elect to come under the Federal social insurance system established by title II of the Social Security Act. I hope this legislation will resolve, finally, the question of coverage of the single largest group of employees in the United States who have been denied the privilege of obtaining the benefits of our very fine and very sound old-age, survivors, and disability insurance protection. This is a matter which has been under consideration by boards and bureaus, committees and commissions, both in and out of the Congress, for more than 15 years. It has been considered by Cabinet-level commissions, by departments of Government, and by the Committee on Ways and Means on numerous occasions. It is time for action and not another 15 or 10 or 5 years or

even 1 year of discussion. Our Federal Government, as the largest single employer in the United States, can ill afford to continue in the anomalous position of refusing to permit its employees this protection which it has afforded to 95 percent of all the other citizens of the United States. I believe the legislation which I have today introduced resolves the problems fairly, equitably, and in the best interests of both the employees and the U.S. Government.

In brief, the solution embodied in my bill is to permit Federal employees to make a choice as to whether they will come under the social security system in addition to their civil service retirement coverage. Private employees get social security coverage in addition to whatever private pension they may have. New employees would have 2 years from the date of their employment within which to file a certificate indicating their desire for such coverage. Existing employees would likewise have 2 years to make such election. This election generally can be retroactive for a 1-year period if the employee so chooses and if he pays the tax due. In addition, in order that employees might have a further opportunity, because of changed family or financial conditions, and so forth, to elect coverage, the bill provides that at the end of a 5-year period, each employee will have one further chance to elect coverage. There would be 6 months within which to elect coverage at that point.

The bill provides that the employee shall pay the employee tax. This would be done by the employer—the Federal agency—withholding the appropriate amount.

Mr. Speaker, without going into further detail on this bill, permit me to point out that with regard to its actuarial soundness, it follows the precedent established last year when coverage was extended to 1½ million individuals who receive earnings in the form of tips and gratuities by providing that only the employee share of the tax shall be payable and that the employer share shall not be payable. Therefore, there would be no budgetary impact. It would not cost the Federal Government a single penny. The Chief Actuary of the Social Security Administration testified that extension of social security coverage to the 1½ million individuals who receive earnings in the form of tips by payment of the employee share of the tax was an actuarially sound solution to that coverage problem. This would be equally true of extension of coverage to Federal employees because they are, as a group, generally conceded to be superior risks in terms of insurance actuarial considerations. I believe the majority will elect coverage. There would be no adverse selection, because they would have to come in at one of two points in time, or be barred from coming in.

Therefore, the solution which my bill embodies is actuarially sound; it is in the interest of the employees because it permits them to make the election in their own interest; and it is in the interest of the U.S. Government not only from a budgetary point of view but also because it closes the final large gap of coverage which remains under the social security system and removes the quite legitimate criticism that the U.S. Government has denied its own employees coverage which it has mandatorily extended to employees of private organizations and employers.

Mr. Speaker, I shall use every parliamentary means at my command to secure favorable consideration of this legislation during this session of the 89th Congress.

FOREIGN FISHING VESSELS

Mrs. MINK. Mr. Speaker, I ask unanimous consent that the gentleman from Rhode Island [Mr. ST GERMAIN] 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 gentlewoman from Hawaii?

There was no objection.

Mr. ST GERMAIN. Mr. Speaker, in 1945, President Truman, taking view of the growing value and future needs of the resources of the Continental Shelf, made the following proclamation:

> Having concern for the urgency of conserving and prudently utilizing its natural resources, the government of the United States regards the natural resources of the subsoil and sea bed of the continental shelf beneath the high seas but contiguous to the coasts of the United States as appertaining to the United States, subject to its jurisdiction and control.

Currently, the flood tide of unchecked exploitation by foreign fishermen of the fishing stocks of our coastal waters coupled with the growing world demand for fish and the diminishing status of our fish industry demands that we take effectual legislative action to assure this Nation of fulfillment of its future needs and proper place in the world fish industry.

While the fishing fleets and the catches of foreign nations continue to grow in accordance with the growing world demand for fish, the United States, since 1957, has dropped from second to fifth place among nations in total world catch, accounting for less than 6 percent of the world catch in 1963 as opposed to 13 percent in 1950. Not only have we failed to keep abreast of this growing world demand for fish, but we have also greatly contributed toward the mounting foreign dominance of this industry by allowing foreign fleets to exploit our coastal waters and by importing approximately 50 percent of the edible fish consumed in this country. In other words, Mr. Speaker, in many instances we are buying back from foreign nations—in various forms—the fish that they may have gathered from our coastal waters.

While our fishermen are subjected to conservative measures imposed by our Government, the foreign fishermen, fishing outside the 3-mile limit are not. Consequently, what is often thrown back in by our fishermen is subsequently gathered in by foreign fishermen, thus depleting our present stock and, more significant, greatly reducing future stocks. In other words, foreign fishermen are allowed to fish indiscriminately at the cost of our own fishermen. For example, one of my constituents tells me that because of the indiscriminate methods of foreign fishermen it now takes 15 boats in 1 month to gather the same amount of lobsters that were caught by only 7 boats a year ago.

Mr. Speaker, we can no longer merely look upon an undesirable situation with grave future repercussions such as exists in relation to our coastal waters and the fishing industry. We must take proper legislative action to rectify this situation and assure that future needs can be met by the action we take today.

Therefore, in addition to the establishment of a 9-mile fisheries zone—extending from our 3-mile territorial sea—it is necessary that we establish a conservation zone contiguous to the 9-mile fisheries zone and extending over the Continental Shelf—or to a depth of 200 meters. Thus, all foreign fishermen operating in our coastal waters within the 100-fathom line will be subjected to the same conservation measures as are our own fishermen. This legislation will enable us to: first, effectively control fishing within our coastal waters; second, enhance rather than impair the efforts of our fishermen to expand their catch; third, take proper conservative action to insure that our future demands for fish are met; and fourth, will ultimately allow us to take our proper place in the world fish industry.

NATIONAL CEMETERY IN THE DELAWARE VALLEY

Mrs. MINK. Mr. Speaker, I ask unanimous consent that the gentleman from Pennsylvania [Mr. BYRNE] 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 gentlewoman from Hawaii?

There was no objection.

Mr. BYRNE of Pennsylvania. Mr. Speaker, almost all the available gravesites in the Beverly National Cemetery, N.J., have been used for burials or reserved for surviving spouses, and there is dire need for more space for this purpose. The following resolution in the General Assembly of Pennsylvania petitions the Congress to establish a new national cemetery in the Delaware Valley area:

HOUSE RESOLUTION NO. 56, SESSION OF 1966

(Introduced by Messrs. Eilberg, Comer, Gallagher, Walsh, Ogilvie, Gremminger, Stone, Moran, Needham, Mrs. Brugger, Messrs. Lederer and Pezak, April 26, 1966. Referred to committee on rules, April 26, 1966.)

IN THE HOUSE OF REPRESENTATIVES,

April 26, 1966.

There was established in the City of Philadelphia a National cemetery which was filled to capacity and closed for burials some ten years ago.

The National cemetery at Beverly, New Jersey, which has served for burials of decedents of the Delaware Valley area is almost filled and soon will be no longer usable for this purpose.

The National cemetery at Gettysburg, Pennsylvania, has very few vacant spaces for burials and soon will be closed.

Unless additional facilities are provided, in the not too distant future, those eligible for interment in National cemeteries will have to be buried in National cemeteries hundreds of miles from the Delaware Valley area.

Since the Delaware Valley area of the Commonwealth of Pennsylvania played, and is playing a major role in all our war efforts, it would be fitting that additional locations be acquired to provide convenient final resting places for our National war heroes; therefore be it

Resolved, That the House of Representatives of the Commonwealth of Pennsylvania memorializes the United States Congress to establish a new National cemetery in the Delaware Valley area; and be it further

Resolved, That a copy of this resolution be forwarded to each member of Congress from Pennsylvania and to the Honorable JOSEPH S. CLARK and the Honorable HUGH SCOTT.

Mr. Speaker, I have been cognizant of this situation for several years and in previous Congresses I have introduced bills to provide for the establishment of a national cemetery in or near Philadelphia, Pa. I believe it is now time to authorize the establishment of another cemetery for those servicemen who have given their lives for their beloved country.

THE NATIONAL LABOR RELATIONS ACT AND THE J. P. STEVENS CO.

The SPEAKER pro tempore (Mr. ALBERT). Under previous order of the House, the gentleman from New Jersey [Mr. THOMPSON] is recognized for 1 hour.

Mr. THOMPSON of New Jersey. Mr. Speaker, on March 22, 1966, the five members of the National Labor Relations Board unanimously upheld the findings of an independent trial examiner that the J. P. Stevens Co. had flagrantly violated those provisions of the National Labor Relations Act expressly designed to guarantee to all employees the rights to self-organization. The Labor Board found an effort by the J. P. Stevens Co. "to crush the union movement in its plants with small regard for the means employed." The "flagrant unlawfulness" contained in the record includes:

First. The wholesale discharge of union members;

Second. Spying on union meetings and employee attendance;

Third. Reprisals to discourage union adherence;

Fourth. Stripping employees of union insignia; and

Fifth. Posting lists of union members on the company bulletin boards, and inducing those so listed to "scratch" their names.

The labor board ordered the company to remedy its violations by first, reinstating all discharged employees with back pay; second, posting a notice on its bulletin boards that it would not again violate the law; third, sending copies of this notice to all employees at their homes; fourth, reading the notice aloud in plant meetings; and fifth, affording the union reasonable access to company bulletin boards.

This decision was handed down by the Labor Board at 9:30 a.m. on March 22, 1966. The company immediately appealed to the U.S. Court of Appeals for the Fourth Circuit. In fact, the original appeal was filed at 8:30 a.m., an amended appeal at 9:03 a.m., and the finalized appeal shortly after the Labor Board announced its decision.

There was also haste on the floor of this House.

On March 24, 1966, 2 days after the labor board decision was announced, a distinguished former Labor Committee member denounced it on this floor. He claimed that the J. P. Stevens Co. decision "creates unrest and creates a lack of confidence in the executive branch of our Government." He claimed that the Board order requiring the Stevens Co. to publicize the "cease and desist order"—"that they have sinned but will sin no more," as our colleague put it—"infringes upon a fundamental right of every American employer."

The gentleman from South Carolina [Mr. DORN] joined in this denunciation and characterized the Labor Board's opinion as "an attack upon our free enterprise system." He claimed that the decision, if affirmed, "could well destroy enlightened industrial labor relations." He did not elaborate his assumptions. On May 23, 1966, Mr. DORN again addressed himself to this subject and announced that he was sending President Johnson a telegram—see RECORD page 11131. Again Mr. DORN did not elaborate.

Mr. RIVERS and Mr. MCMILLAN of South Carolina associated themselves with these remarks.

These comments, as I have indicated, came 2 days after the 117-page opinion was made available, and the gentlemen admitted that their comments were based upon reports in the press.

On April 27, the gentleman from Virginia [Mr. TUCK] joined in the attack. He described the decision as "base," "unwarranted," and "reprehensible." He claimed that "the persons responsible for this decision"—presumably the five members of the Labor Board—"have undoubtedly become exposed to the methods employed by Communists." He concluded that "every patriotic and thoughtful American should rally to the defense of the Stevens Co."

I find a certain irony in this charge. Just over a decade ago, the head of the J. P. Stevens Co. was the target of the same inference by some Members of the other body. The eventual hearings developing out of an exchange of charges were widely followed on national television.

By April 27, the gentleman from Virginia had had the opportunity to study the Labor Board decision. But he based his assertions instead on his "long friendship with the Honorable Robert T. Stevens," who heads what the gentleman from Virginia describes as a "fine organization." He did not elaborate this assumption either.

I share the concern of my distinguished colleagues for this decision as an illustration of labor relations in the textile industry in our Southeastern States. I have taken the time to study the decision, and frankly, my reaction is not the reaction of my colleagues who have spoken earlier on the subject.

However, since the opinion has raised such a furor, I would like to withhold my reaction until I can put the case before you in the perspective of the statutory background and the facts of record.

I. THE STATUTORY BACKGROUND

Mr. Speaker, over 30 years ago this Congress passed the Wagner Act, the magna carta of labor. This act declared and recognized that it is the "policy of the United States to encourage the practice and procedure of collective bargaining." This basic policy of the 1935 Wagner Act was reaffirmed in the 1947 Taft-Hartley amendments and again in the 1959 Landrum-Griffin amendments. It is the policy of the United States today.

In the 1935 Wagner Act this Congress gave to all employees "the right to self-organization," the right "to form, join, or assist labor organizations." This right was continued in the 1947 Taft-Hartley amendments and in the 1959 Landrum-Griffin amendments, and is a right promised by Congress today.

To endorse this "right to self-organization," this Congress directed the National Labor Relations Board to hold secret-ballot elections wherein the employees could vote for the union of their choice, or for no union. The Labor Board since 1935 has held these secret-ballot elections. It was early discovered that on occasion, fraud, bribes, or other undue pressures by management or the participating unions made it impossible for the election to fairly reflect the honest views of the voters. On such occasions, the Labor Board would set aside the results of the tainted election and conduct what are known as rerun elections. This is an administrative practice of some 30 years' standing, a practice which we have adopted through repeated reenactment of the basic laws.

Congress in 1935 sought to guarantee the right of employee "self-organization" by making it unlawful for employers to interfere with or to retaliate because of the exercise of this right. The Labor Act of 1935, as enacted and as amended in 1947 and in 1959, makes it an unfair labor practice for the employer "to interfere with, restrain, or coerce employees" in the exercise of their rights to self organization; and further makes it unlawful for an employer to discourage membership in any labor organization by "discrimination in regards to hire or tenure of employment."

In short, for over 30 years now, the law of the land makes it unlawful for an employer to restrain or coerce his employees from joining a union, or to fire them from their jobs if they do join a union.

II. THE J. P. STEVENS REACTION TO THIS STATUTORY FRAMEWORK

On March 22, 1966, the five members of the National Labor Relations Board unanimously upheld the findings of a trial examiner that the J. P. Stevens Co. had flagrantly violated these two basic prohibitions of the act in an unsophisticated effort "to crush the union movement in its plants with small regard for

the means employed." Seventy-one workers were discharged in a company antiunion campaign marked, as the Labor Board described it, by "flagrant unlawfulness."

While the proceedings leading to this initial opinion were pending, the antiunion campaign continued. At a second series of hearings, the same NLRB trial examiner found that the J. P. Stevens Co. had discharged not only union members but also those employees—some of whom were not union members—who had testified under subpena against the company in the original Labor Board proceedings. I would like to remind the Congress that since our enactment of the Wagner Act in 1935 it has been unlawful for an employer "to discharge or otherwise discriminate against an employee because he has filed charges or given testimony under this act."

Incredible as it may sound, while the second round of hearings was going on, the company continued its policy of discharge, and the independent General Counsel of the National Labor Relations Board has issued a third complaint charging still more violations of the basic prohibitions of our 30-year-old law. The charges in this case are presently being heard by Trial Examiner Boyd Leedom, Chairman of the NLRB during the Eisenhower administration.

This is not a new story, but how long will it continue?

III. THE GENERAL BACKGROUND

I would like to discuss the organizing campaign at the J. P. Stevens Co. and some of the facts of record. I think this is important if we are to assess the effectiveness of the Wagner Act, now 30 years old. I think we shall learn that the act is not effective in the face of a recalcitrant and deliberate obstruction to the congressional mandate therein expressed.

First, a bit of background. The southern textile industry is the largest open-shop industry in America. The antiunion animus of the employers certainly plays a major role in keeping the workers unorganized. Discharge of union adherents, surveillance of union organizers, the use of race-hate propaganda to associate and discredit the unions with civil rights efforts, threats of plant closing if the union comes in—these are some of the weapons in the antiunion armory. We all remember the Darlington story, typical of many others. The workers in Darlington, S.C., were warned that the plant would be closed if they voted for the union; and the plant was closed when they voted for the union. We may minimize the impact of this story, but the southern textile worker cannot.

The J. P. Stevens Co. is a giant in this open-shop industry, second only to the Burlington industries. With headquarters in New York, it operates more than 60 mills and employes some 40,000 workers. In early 1963 the industrial union department of the AFL–CIO selected the Stevens Co. as a prime target for a mass organizing drive, primarily because the plants were localized in the Carolinas, and because the company could well afford to improve the pay and working conditions. The company's 1964 report to the stockholders boasted that "net income has more than doubled in the past 10 years." Wages for most employees centered between $1.38 to $1.75 an hour, averaging around $62 for a 40-hour week.

The union drive was unique in several ways. Rather than going at it on a plant by plant basis—inviting the company to close down an organized plant as at Darlington—the union tackled some 25 of the 40-odd Stevens plants in the Carolinas almost simultaneously. There was another departure from the past organizing techniques. Whereas customarily the fact of individual union membership was kept secret—to protect against discharge—the union here decided to inform the company of its membership on a current basis. The reason for this decision is found in the Labor Board requirements that company knowledge of union membership is an indispensible element in proving that discharges were based on such union membership.

IV. THE PATTERN OF COMPANY RESISTANCE: DISCHARGE OF KNOWN UNION MEMBERS ON ANY PRETEXT

The organizing campaign got under way in June 1963. Shortly thereafter, the company posted a notice on the bulletin boards in its plants that "it is our positive intention to oppose this union and by every proper means to prevent it from coming in here." Copies of this notice were mailed to all employees at their homes with a covering letter describing it as of "vital importance." It is clear from the record that the company did oppose the union, and not always with "proper means." The pattern as described to the NLRB trial examiner went something like this:

The union, despite the company's declared hostility, signed up a substantial number of employees. These were, of course, the bolder and more active spirits. With their consent, the union sent their names to the company. The company promptly posted the names on the bulletin board. Supervisors then approached and asked the individual employees if the union was telling the truth, if they in fact had joined the union. The supervisors offered to help them withdraw from the union if they so wished. If the individual decided to withdraw, he was marched to the bulletin board where he was permitted to cross out his name from the list of union members. If he refused to withdraw from the union, his work was watched carefully, fault was found, and he was discharged for inefficiency—usually within a day or so of the time he was publicly named as a union member.

V. SOME INDIVIDUAL EXAMPLES

Some individual examples will give flavor and content to this general policy of discharge outlined above.

A. THE REPUBLIC PLANT NO. 2, IN THE ROCK HILL AREA

Arthur Wright, Idolene Steele, Charles Knight, and two other employees at Republic plant No. 2 were the first five to join the union. Their names were sent to the company and posted on the bulletin board on August 17. The next day, on August 18, Wright, Steele, and Knight were discharged for inefficiency, the first ones so fired in that plant in over 4 years. The other two union members immediately went to the supervisor and said they wanted to get out of the union. They were told they would have "to prove" themselves, which they did by disclosing the homes where the union meetings were held and the identity of those in attendance.

B. REPUBLIC PLANT NO. 3

At Republic plant No. 3, James Walden was one of the first employees to join the union. His name was posted by the company on August 18. He was fired on August 22 for "tying doubles." There was undisputed evidence that no one in 20 years had been fired for this reason, "though doubles were continually being tied."

The next day three coworkers of Walden went to the superintendent's office to resign from the union. They were told to "prove" themselves. They did so by disclosing the identity of other union members. When the name of one such individual was mentioned, the company official said:

He's got six children. I don't know why in the world he would want to put his name on that thing; to start with, if he was to lose his job, he couldn't even get back on.

William Sibley was also a union member, and had been employed at this plant for 21 years. He was fired shortly after he joined the union for "mixing waste." His supervisor subsequently testified that he could not recall ever before discharging a man for "mixing waste." After the discharge, a coworker intervened and asked for reconsideration for the sake of Sibley's four children. The superintendent agreed to think it over, but did nothing after he spotted Sibley handing out union leaflets at the gate of plant No. 3.

C. THE WHITMIRE PLANT

There was a very unusual situation at Whitmire, where most of the 3,500 inhabitants worked at the mill. Jess Cudd and his son, Donald, were the first two employees to join the union. Jess had worked for the mill for 50 years, since he was 13. Donald, his son, came to work in 1949.

Donald, the son, was discharged for inefficiency: the first "doffer" so fired to the memory of the shift foreman. Although removed from the plant, Donald continued on in the village and was active in union organizational work. The company devised a plan to get Donald out of the community, and his father, Jess, out of the plant, without discharging a man with 50 years' seniority.

The general overseer approached the father, suggested that he quit and adopt his grandchildren. This would make him eligible for $250 a month in public relief, which, with his social security, would almost equal what the company was paying him. With the children cared for by the grandfather, the son would then be free to leave town. As Jess Cudd related the conversation with the plant manager:

He said if I'd run Donald, my son, off, and adopt them two younguns, and quit myself, it'd be all right.

Jess rejected this suggestion, and was discharged for inefficiency. The plant was thus rid of the union's presence.

D. THE BLACKHAWK TUFTIN PLANT AND WAREHOUSE

James Goodwin was employed for 10 years in the warehouse of the Blackhawk mill in the Greenville area. He was one of 27 employees in the warehouse who had joined the union. Shortly after this was made known to the company, the union employees were called publicly to the management office and asked if they had any "questions." They did not, and shortly after they began to be fired, one by one, on various pretexts. Goodwin was fired because he went across to a restaurant for a sandwich—as was customary—without obtaining permission to leave the plant. Thereafter, he returned asking for his job back. The foreman called the other union warehouse employees together and told them Goodwin would have a better chance of being reemployed if they would admit that they were wrong in joining the union. He said:

If enough of you go up there and take your name off, they will hire James Goodwin back.

E. OTHER SITUATIONS

The record is replete with similar situations. At the White Horse plant, Horace Anderson has been employed for 11 years and his work was "excellent." He joined the union on October 6, and was discharged on October 7 for spending too much time in the bathroom. Alvin Baker was employed as a sweeper and joined the union on October 10. The company was so informed on October 11. On the next working day, the assistant overseer followed him around all day, suggesting he resweep here, that he had missed some dirt there, and so forth. At the end of the day, his pay was reduced from $1.31 to $1.25 an hour. The next day, the assistant overseer again was at his side, even following him to the bathroom. Baker then quit in disgust.

At the Greer plant, Charles Plemmons was one of five men in his work area who joined the union on August 13. His name was posted on the company bulletin board as a union member, and on August 24 he was fired for "horseplay." A few minutes before going on duty, while waiting for the bell to ring, he swung a map like a baseball bat and "hollered" in a loud voice, "not at nobody or nothing," "just hollering." His overseer admitted that in the 12 years he had been on the job he had not discharged any other employee for this reason.

Shirely Hobbs was employed at the Rosemary fabrication plant. Her job was to sort napkins into "firsts" and "seconds" and to count them into bundles of 100. On an average day, an inspector sorts and counts 8,500 napkins. She joined the union and attended an open meeting on October 3. On October 6, the general overseer of the plant recounted all her bundles, found one bundle one napkin short, and discharged her for inefficiency. This was her first, and only, "writeup."

Virginia Ray was also an inspector at the Rosemary fabricating plant. Her job was to inspect several thousand towels—of poor quality and loosely woven—each day, and separate them as "firsts" or "seconds" into bundles of 24. She joined the union and her name was sent to the company on August 27. Three days later the assistant department overseer "spot checked" her bundles and discharged her upon finding five "seconds" in a bundle of "firsts." This overseer admitted on examination that Virginia Ray was one of the best of the inspectors.

I believe this very limited sample of individual situations gives flavor and content to support the generalized conclusion of the trial examiner concerning the general pattern of the company antiunion practices.

The normal pattern was a union meeting, generally on a weekend, at which a number of employees joined, the company advised the same day by letter or telegram, the name received the next working day, and the names posted, and a personnel action report, or even discharge, the same day or the next . . . the triggering act was clearly the employee's advising (the company) that he had joined the union. The write-up or discharge, or both, followed as quickly as a pretext could be found . . . in many instances the write-ups would be the first ever received by the employees during a long course of employment, or the first received for many years, or the first for the same alleged dereliction.

I might interpolate here that these events took place and this pattern of antiunionism flourished in an area governed, thanks to section 14(b) of the Taft-Hartley Act, by so-called right-to-work laws. This history of events indicates what was repeatedly said in this Chamber last summer: these laws do not give any one the right to work. A better and more accurate name for such laws, based upon the record of events in the Stevens case might well be: right-to-be-fired laws.

VI. THE FAIRNESS OF THE TRIAL EXAMINER

It might be thought that the trial examiner's decision might reflect a pro-union bias. But such a thought is dispelled by the record.

I do not believe that the trial examiner was biased in favor of the union. If anything, he leaned over backwards to favor the company. I think two cases will suffice to prove his open-handed approach. It was charged that these two employees were discharged because they had testified under subpena against the company in the earlier Labor Board proceedings. One, Daniel Murray, was employed at the Patterson plant in the Roanoke Rapids area as a "sweeper," to clean 11 toilets. He was discharged for inefficiency after he testified in the Labor Board proceedings against the company. There was a great deal of conflicting testimony on how clean he kept the toilets, but the trial examiner ruled for the company on the theory that the general counsel had failed to establish a prima facie case. So, too, in the case of Juanita Faulkenberry, a weaver with 30 years' experience employed at Republic plant No. 1 in the Rock Hill area. She testified in the Labor Board hearings, and thereafter was discharged for inefficiency. She had never before been issued a personnel action report complaining of her work, but the trial examiner ruled for the company:

Since Faulkenberry was not associated with the union and since her testimony at the first hearing was relatively innocuous, I do not find that the General Counsel has met the burden of proof which rests upon him and I shall recommend that the complaint be dismissed as to Faulkenberry.

VII. THE PROBLEM OF REMEDIES

To summarize the situation so far, the trial examiner went into the minutia of the evidence concerning many employees at many of the company's plants, usually finding that the individual had been fired for union activity, sometimes not. He did, however, find a company pattern of interference, restraint, and coercion with the employee's statutory right to "self-organization."

The Labor Board members heard the appeal, affirmed in general, but found fault with some particulars of the individual situations.

The J. P. Stevens Co. appealed to the court of appeals. The employees discharged in the spring, summer, and fall of 1963 must wait another year or more before the reinstatement order becomes final. Meanwhile, the union organizing drive has been blunted, if not destroyed. This raises serious question concerning the effectiveness of the NLRB remedial orders.

The normal Labor Board remedial order is little more than a slap on the wrist. The guilty party is told to cease and desist from like future conduct, and to post the cease and desist order in a conspicuous place. If employees are discharged, the Board is authorized to order their reinstatement, with or without back pay. Sums earned, or which could have been earned, during the discharge period are offset against the amount owing. These normal remedial orders were issued in the J. P. Stevens Co. case.

But the J. P. Stevens Co. situation was not normal. The company had notified all employees by mail of its determination to resist the union, so the Labor Board ordered the company to mail copies of the cease and desist order to each employee.

Many of the employees are illiterate, so the Labor Board ordered the company to read aloud the cease and desist order to assembled groups of employees.

The channels of public communication in the southern mill village are often closed to the union; so the Labor Board ordered the company to provide bulletin board space to the union message.

The Labor Board denied the remedy requested by the union: an order that the company bargain with the union on a "members only" basis. This request was bottomed on the theory that "but for" the company law violations, the union would have signed up a majority of the employees and the right to bargain on their behalf. To deny the union bargaining rights, at least on a "members only" basis, permits the company to profit by its own misdeeds. As I said, this union request was denied by the Labor Board.

How effective is this order? Does it do any good for the Labor Board or a court to compel an employer to publicize a "cease and desist" order—2, 3, or 4 years after the event—that the employer was

wrong when he interfered with, restrained and coerced the employees from exercising their statutory rights? I submit that in many cases the order is entirely ineffective: it does not unscramble the egg: the organizing drive cannot be put on ice for this period of time, and is long since destroyed.

Does it do any good for the Labor Board, or a court, to order the reinstatement of employees discharged for union activity, even with back pay? Many of them have moved elsewhere and cannot be found; others have found employment and cannot prove financial loss; and in any event the back pay awards are tax deductible as a business expense. But more important, the back pay awards in no way compensate for the anxiety and strain in making ends meet while all income is cut off.

The remedies of the Labor Board are too little and come too late. This situation, however, can be changed. I would like to discuss just a few of the current proposals on how this can be done.

A. THE SECTION 10(J) INJUNCTION

In 1947 this Congress recognized that the justice delayed by the due process procedures of the NLRB hearings was in fact no justice at all in many instances. Accordingly, we provided in section 10 (l) of the Taft-Hartley amendments that the Labor Board must seek a temporary restraining order from the lower Federal courts whenever there is good cause to believe that a labor union has engaged in unlawful secondary boycott activities. In the 1959 Landrum-Griffin amendments, we extended this requirement that the Labor Board must seek Federal court injunctions in "hot cargo" and "recognitional picketing" situations. In short, when an allegation is made against a labor union unfair labor practice, the Federal courts step in with immediate relief while the merits are slowly decided by the administrative processes.

In 1947 we also authorized the Labor Board to seek judicial injunctive relief—pending the administrative processes—when a complaint was issued alleging other violations of the Labor Act by unions or by management. Section 10(j) of the Taft-Hartley amendments authorizes the Labor Board in this situation to seek "appropriate temporary relief or restraining order."

We recognized, in the 1947 Taft-Hartley amendments, that there may be a local or regional prejudice for or against labor unions. Accordingly, we authorized the Labor Board to seek the judicial relief under both section 10(j) and under section 10(e) either "within any district wherein the unfair labor practice in question is alleged to have occurred," or, "wherein such person resides or transacts business."

I understand that the Labor Board has sought section 10(j) injunctions when a complaint was issued alleging unlawful discharges based on union activities. The Labor Board sought this judicial relief in the J. P. Stevens Co. case. I further understand that the Labor Board has obtained temporary court orders putting the discharged employee back on the job in other sections of the country, but never in the southern textile mill States. It did not get this relief here in the J. P. Stevens case. Why has not the Labor Board sought a court injunction in the district "wherein such person resides or transacts business"? Specifically, why did not the Labor Board seek the 10(j) injunction in the Federal court in New York where the J. P. Stevens Co. has its headquarters? Why has not the Labor Board exhausted the possibilities for interim judicial relief which we set out in our 1947 Taft-Hartley amendments? I wish this had been tried.

B. SECTION 10(e) INTERIM RELIEF

In sections 10(j) and 10(l) we recognized the necessity for temporary judicial relief from the U.S. district courts pending the administrative adjudication by the Labor Board and its trial examiners. In section 10(e) of the act we recognized the necessity for temporary relief while the Labor Board decision was reviewed on appeal to the courts of appeal.

In section 10(e) we authorized the Labor Board—pending review of its decisions by the courts of appeals—to petition such reviewing courts for "appropriate temporary relief or restraining order." We also authorized the reviewing courts "to grant such temporary relief or restraining order as it deems just and proper."

I understand this is a dead letter, that the Labor Board seldom if ever asks for "temporary relief." This means judicial delay of a year or more compounds the damage caused by the administrative delay. Relief is in sight, but never in hand. I do not understand why the Labor Board does not utilize the congressional authorization to seek "temporary relief" from the reviewing courts; especially, as here, where the Labor Board has found unlawful discharges, and the dischargees are obviously in financial straits.

Let me briefly review the situation.

The union here charged that a number of employes had been discharged because of union membership. The regional office of the NLRB investigated these charges, and found reason to issue a complaint against the company. Thereafter a trial examiner heard days of evidence, and in a lengthy, 117-page, opinion, found that some of the employees had been discharged because of union activity and other employees for legitimate reason. There was an appeal to the Labor Board. Five members of the Board—Republican and Democrat alike—reviewed the evidence and the findings, and thereafter affirmed the trial examiner in almost all particulars. The case now moves on to the court of appeals for review. In that forum, according to our statutory mandate in section 10(e) of the act:

> The findings of the Board with respect to questions of fact if supported by substantial evidence on the record considered as a whole shall be conclusive.

Statistically, there is very little likelihood that the reviewing court will reverse the Labor Board findings of fact concerning the reasons for the discharges. The only real issue in this appeal concerns an entirely different question: Whether the Labor Board has power to require the employer to read aloud the order which concedingly he must post upon the bulletin boards. Why must the discharged employees be denied their reinstatement pending the review of this unrelated issue? Why does not the Labor Board utilize the remedial weapons we enacted into law? I hope this is tried; if not in this case, at least soon in another.

C. SOME LEGISLATIVE REFORMS

I have been discussing remedies presently available but untried. I do not think the successful use of these techniques will solve the problem. Something further must be done.

The J. P. Stevens Co. has so far lost all the battles but has won the war. It has achieved its objective—to keep the union out. Its violations of the law, assuming the reviewing court upholds the Labor Board, will be punished by a wrist-slapping. The contest between the J. P. Stevens Co. and the U.S. Government is unequal.

We send the Labor Board with a slingshot to enforce our laws against an armored Goliath, and the days of David are over. If we want the laws we pass to be enforced, we must equip the agencies we create with power to deter the law violators. There are several necessary legislative reforms which have been proposed to my subcommittee. I would like to present a few of them here:

First. Currently, the National Labor Relations Act authorizes the Labor Board to order the reinstatement of employees discharged for union affiliation with back pay. This back pay award does not compensate the employee for his financial loss; nor does it deter the wrongdoer. The back pay award has been called "nothing more than a hunting license for union-busters." I suggest that we give the Labor Board authority to assess double or treble damages against certain violators—those who have been deliberate or repeated or flagrant in their violations of our laws.

Second. The laws should be amended so a violation will hurt where it counts—in the pocketbook. Moreover, it does not make sense for the Federal Government to subsidize with lucrative contracts the individuals and companies which violate our laws. Accordingly, I propose amendments to the Davis-Bacon and Walsh-Healey Acts so as to give the contracting agencies of our Government power to withhold contracts from companies which the Labor Board finds to be in open, flagrant, knowing, and purposeful violation of our laws. I made a similar proposal in connection with those who violate our antitrust laws, and I think the same rationale is applicable here.

Action, I say, is urgent, if we are to demonstrate that the U.S. Government is larger than the total of its parts.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. HANNA (at the request of Mr. ALBERT) for today on account of official business.

Mr. HANSEN of Idaho (at the request of Mr. GERALD F. FORD) for today and tomorrow on account of death in family.

Mr. THOMPSON of New Jersey for May 27 to June 14 on account of official business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. HORTON for 1 hour on June 16, to revise and extend his remarks and include extraneous matter.

Mr. FINDLEY (at the request of Mr. HORTON) for 30 minutes today, to revise and extend his remarks and include extraneous matter.

Mr. ASHBROOK (at the request of Mr. HORTON) for 10 minutes today, to revise and extend his remarks and include extraneous matter.

Mr. THOMPSON of New Jersey (at the request of Mrs. MINK) for 60 minutes today, to revise and extend his remarks and include extraneous matter.

Mr. REUSS (at the request of Mrs. MINK) for 30 minutes on May 27, to revise and extend his remarks and include extraneous matter.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the CONGRESSIONAL RECORD, or to revise and extend remarks was granted to:

Mr. PHILBIN in three instances and to include extraneous matter.

Mr. RHODES of Arizona.

Mr. RESNICK (at the request of Mrs. MINK) to revise and extend his remarks made in Committee today, and include extraneous matter.

Mr. KLUCZYNSKI (at the request of Mrs. MINK) to include charts and tables in his remarks in Committee today.

The following Members (at the request of Mr. HORTON), and to include extraneous matter:

Mr. MORTON.

Mr. GROVER.

The following Members (at the request of Mrs. MINK) and to include extraneous matter:

Mr. POWELL.

Mr. GILLIGAN.

Mr. BRADEMAS.

Mr. KARTH.

Mr. SWEENEY.

Mr. SCHMIDHAUSER in two instances.

ADJOURNMENT

Mrs. MINK. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 6 o'clock and 31 minutes p.m.), under its previous order, the House adjourned until tomorrow, Thursday, May 26, 1966, at 10 o'clock a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

2429. A letter from the Comptroller General of the United States, transmitting a report of opportunities for reducing the number of vehicles maintained in fleet, Soil Conservation Service, Department of Agriculture; to the Committee on Government Operations.

2430. A letter from the Comptroller General of the United States, transmitting a report of review of development of certain scientific instruments for the surveyor project, National Aeronautics and Space Administration; to the Committee on Government Operations.

2431. A letter from the Comptroller General of the United States, transmitting a report of planning for and utilization of automatic data processing equipment, Ames Research Center, Moffett Field, Calif., National Aeronautics and Space Administration; to the Committee on Government Operations.

2432. A letter from the executive director, Reserve Officers Association of the United States, transmitting the audit report of the Reserve Officers Association of March 31, 1966, pursuant to the provisions of Public Law 81–595; to the Committee on the Judiciary.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. MORRISON: Committee on Post Office and Civil Service. Supplemental report. H.R. 14904. A bill to revise postal rates on certain fourth-class mail, and for other purposes; without amendment (Rept. No. 1543, pt. II). Referred to the Committee of the Whole House on the State of the Union.

Mr. BOLLING: Committee on Rules. House Resolution 868. Resolution for the consideration of H.R. 14050, a bill to extend and amend the Library Services and Construction Act; without amendment (Rept. No. 1553). Referred to the House Calendar.

Mr. PEPPER: Committee on Rules. House Resolution 869. Resolution for the consideration of S. 1357, an act to revise existing bail practices in courts of the United States, and for other purposes; without amendment (Rept. No. 1554). Referred to the House Calendar.

Mr. COOLEY: Committee on Agriculture. H.R. 14888. A bill to amend the act of February 28, 1947, as amended, to authorize the Secretary of Agriculture to cooperate in screw-worm eradication in Mexico; with amendment (Rept. No. 1555). 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. DYAL:

H.R. 15260. A bill to amend title 32, United States Code, to clarify the status of National Guard technicians, and for other purposes; to the Committee on Armed Services.

By Mr. FASCELL:

H.R. 15261. A bill to amend the National Science Foundation Act of 1950, as amended, so as to authorize the establishment and operation of sea-grant colleges and programs by initiating and supporting programs of education, training, and research in the marine sciences and a program of advisory services relating to activities in the marine sciences, to facilitate the use of the submerged lands of the Outer Continental Shelf by participants carrying out these programs, and for other purposes; to the Committee on Science and Astronautics.

By Mr. KEOGH:

H.R. 15262. A bill to permit officers and employees of the Federal Government to elect coverage under the old-age, survivors, and disability insurance system; to the Committee on Ways and Means.

By Mr. McGRATH:

H.R. 15263. A bill relating to the reduction of the public debt; to the Committee on Armed Services.

By Mr. McMILLAN:

H.R. 15264. A bill authorizing the sale of standard silver dollars held by the Treasury; to the Committee on Banking and Currency.

By Mr. MORSE:

H.R. 15265. A bill to amend the Interstate Commerce Act to prevent the discontinuance of certain commuter operations which could benefit from new governmental programs for the improvement of commuter services, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. O'BRIEN:

H.R. 15266. A bill to amend the Public Health Service Act to provide a loan program for students of pharmacy and to authorize basic and special improvement grants to schools of pharmacy on the same basis as such grants are made to other health profession schools; to the Committee on Interstate and Foreign Commerce.

By Mr. ROYBAL:

H.R. 15267. A bill to amend title 32, United States Code, to clarify the status of National Guard technicians, and for other purposes; to the Committee on Armed Services.

By Mr. STAGGERS:

H.R. 15268. A bill to amend the Public Health Service Act to provide special assistance for the improvement of laboratory animal facilities, and to otherwise assure humane care and treatment of laboratory animals; to the Committee on Interstate and Foreign Commerce.

By Mr. STALBAUM:

H.R. 15269. A bill to prevent the use of unfair or deceptive methods of packaging or labeling of certain consumer commodities; to require the disclosure of finance charges in connection with extensions of credit; to improve the safety and reliability of drugs; to protect children and others from accidental death or injury by requiring safety closures on drug containers and cautionary labeling of containers, and by prohibiting the distribution of extremely hazardous articles; to the Committee on Interstate and Foreign Commerce.

By Mr. WHALLEY:

H.R. 15270. A bill to exclude from income reimbursed moving expenses; to the Committee on Ways and Means.

By Mr. CURTIS:

H.R. 15271. A bill to implement the Agreement on the Importation of Educational, Scientific, and Cultural Materials, opened for signature at Lake Success on November 22, 1950, and for other purposes; to the Committee on Ways and Means.

By Mr. EDWARDS of California:

H.R. 15272. A bill to amend title 32, United States Code, to clarify the status of National Guard technicians, and for other purposes; to the Committee on Armed Services.

By Mr. FOGARTY:

H.R. 15273. A bill to designate a Veterans' Administration hospital in Providence, R.I., as the Theodore Francis Green Memorial Hospital; to the Committee on Veterans' Affairs.

H.R. 15274. A bill to amend title II of the Social Security Act to permit States, under Federal-State agreements, to provide for coverage for hospital insurance benefits for the aged for certain State and local employees whose services are not otherwise covered by

the insurance system established by such title; to the Committee on Ways and Means.

By Mr. FRASER:

H.R. 15275. A bill to amend title XVIII of the Social Security Act to permit payment thereunder, in the case of an individual otherwise eligible for home health services of the type which may be provided away from his home, for the costs of transportation to and from the place where such services are provided; to the Committee on Ways and Means.

By Mr. HELSTOSKI:

H.R. 15276. A bill to amend the Interstate Commerce Act to prevent the discontinuance of certain commuter operations which could benefit from new governmental programs for the improvement of commuter services, and for other purposes; to the Committee on Interstate and Foreign Commerce.

H.R. 15277. A bill to amend section 41(a) of the Trading With the Enemy Act; to the Committee on Interstate and Foreign Commerce.

By Mr. ST GERMAIN:

H.R. 15278. A bill to extend the area within which certain foreign vessels (and the masters thereof) are prohibited from fishing; and to make domestic conservation laws applicable to foreign vessels (and masters thereof) fishing above the Continental Shelf, to the same extent that such laws are applicable to U.S. vessels; to the Committee on Merchant Marine and Fisheries.

By Mr. VIVIAN:

H.R. 15279. A bill to establish safety standards for motor vehicle tires sold or shipped in interstate commerce, and for other purposes; to the Committee on Interstate and Foreign Commerce.

H.R. 15280. A bill to amend the National Science Foundation Act of 1950 to make changes and improvements in the organization and operation of the Foundation, and for other purposes; to the Committee on Science and Astronautics.

By Mr. ELLSWORTH:

H.R. 15281. A bill to amend the Internal Revenue Code of 1954 so as to allow a deduction for certain amounts paid by a taxpayer for tuition and fees in providing a higher education for himself, his spouse, and his dependents; to the Committee on Ways and Means.

By Mr. FOGARTY:

H.R. 15282. A bill to offer means for coordinating State health and welfare services at the community level by providing common facilities and encouraging their administration of elements of a comprehensive whole; to the Committee on Interstate and Foreign Commerce.

By Mr. GARMATZ:

H.R. 15283. A bill to authorize the carriage of military cargoes by U.S.-flag vessels at reduced rates which are fair and reasonable; to the Committee on Merchant Marine and Fisheries.

By Mr. GILLIGAN:

H.R. 15284. A bill to amend the Internal Revenue Code of 1954 so as to allow an additional income tax exemption for a dependent who is mentally retarded; to the Committee on Ways and Means.

By Mr. KORNEGAY:

H.R. 15285. A bill to provide a comprehensive program to combat alcoholism; to the Committee on Interstate and Foreign Commerce.

By Mr. LAIRD (by request):

H.R. 15286. A bill to offer means for coordinating State health and welfare services at the community level by providing common facilities and encouraging their administration of elements of a comprehensive whole; to the Committee on Interstate and Foreign Commerce.

By Mr. MORSE:

H.R. 15287. A bill to amend the Tariff Schedules of the United States with respect to the determination of American selling price in the case of certain footwear of rubber or plastics; to the Committee on Ways and Means.

By Mr. WIDNALL:

H.R. 15288. A bill to enlarge the home mortgage purchase authority which the Federal National Mortgage Association may exercise in its secondary market operations by increasing the amount of preferred stock which such Association may issue for delivery to the Secretary of the Treasury; to the Committee on Banking and Currency.

By Mr. EDWARDS of Louisiana:

H.R. 15289. A bill to amend title 38 of the United States Code so as to broaden the veterans' educational assistance program under that title to include certain flight training programs not creditable toward a standard college degree; to the Committee on Veteran's Affairs.

By Mr. GROVER:

H.R. 15290. A bill to amend the National Science Foundation Act of 1950, as amended, so as to authorize the establishment and operation of sea grant colleges and programs by initiating and supporting programs of education, training, research in the marine sciences and a program of advisory services relating to activities in the marine sciences, to facilitate the use of the submerged lands of the Outer Continental Shelf by participants carrying out these programs, and for other purposes; to the Committee on Science and Astronautics.

By Mr. HOLLAND:

H.R. 15291. A bill to amend title 10, United States Code, to authorize the award of exemplary rehabilitation certificates to certain individuals after considering their character and conduct in civilian life after discharge or dismissal from the Armed Forces, and for other purposes; to the Committee on Armed Services.

By Mr. MORSE:

H.R. 15292. A bill to offer means for coordinating State health and welfare services at the community level by providing common facilities and encouraging their administration as elements of a comprehensive whole; to the Committee on Interstate and Foreign Commerce.

By Mr. SCHMIDHAUSER:

H.R. 15293. A bill relating to the use of revenue from oil shale deposits; to the Committee on Armed Services.

By Mr. SWEENEY:

H.R. 15294. A bill creating a Commission to be known as the Commission on Obscenity and Pornography; to the Committee on Education and Labor.

By Mr. GRAY:

H. Con. Res. 669. Concurrent resolution officially recognizing Carbondale, Ill., as the birthplace of Memorial Day and authorizing the President to issue an appropriate proclamation relating to the centennial anniversary of the first celebration of Memorial Day; to the Committee on the Judiciary.

By Mr. SWEENEY:

H. Con. Res. 670. Concurrent resolution relative to parity prices for agricultural commodities; to the Committee on Agriculture.

By Mr. POWELL:

H. Res. 870. Resolution authorizing the Speaker to appoint delegates and alternates to attend the International Labor Organization Conference in Geneva; to the Committee on Rules.

By Mr. RESNICK:

H. Res. 871. Resolution designating the third Sunday of June as Father's Day; to the Committee on the Judiciary.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ADDABBO:

H.R. 15295. A bill for the relief of Tang Tit Keung; to the Committee on the Judiciary.

By Mr. FALLON:

H.R. 15296. A bill for the relief of Dr. Shahrokh S. Morovati; to the Committee on the Judiciary.

By Mr. ST GERMAIN:

H.R. 15297. A bill for the relief of Leonard G. Duffy, lieutenant, U.S. Navy; to the Committee on the Judiciary.

By Mr. TALCOTT:

H.R. 15298. A bill for the relief of Michael Goro Yoshida; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

391. By the SPEAKER: Petition of Henry Stoner, Portland, Oreg., relative to interstate hitchhikers and national identification; to the Committee on Interstate and Foreign Commerce.

392. Also, petition of the Council of the Borough of Bound Brook, N.J., relative to the designation of May 29, the birthday of John F. Kennedy, as a national holiday; to the Committee on the Judiciary.

SENATE

WEDNESDAY, MAY 25, 1966

The Senate met at 12 o'clock meridian, and was called to order by the Acting President pro tempore (Mr. METCALF).

Father John P. Schotte, rector, Immaculate Heart Missions Seminary, Catholic University, Washington, D.C., offered the following prayer:

Almighty God, Thou art the source of all authority and power, and we are but the stewards of Thy gifts.

Grant, we humbly pray, unto the distinguished Members of this assembly light and inspiration, as each day they seek to understand the mission Thou hast entrusted to them.

Fortify them against the moods of doubt and discouragement. May Thy word be the check and balance that will safeguard them against prejudice and selfishness.

Give them prudence in their actions and wisdom in their words, firmness in their decisions and kindness in their judgment of others.

And make us all understand, O Lord, that the true greatness of a man lies in the measure of his dedication to Thee and to the welfare of mankind. Amen.

THE JOURNAL

On request of Mr. LONG of Louisiana, and by unanimous consent, the reading of the Journal of the proceedings of Tuesday, May 24, 1966, was dispensed with.

MESSAGES FROM THE PRESIDENT—APPROVAL OF BILL

Messages in writing from the President of the United States were communicated to the Senate by Mr. Geisler, one of his secretaries, and he announced that on May 24, 1966, the President had approved and signed the act (S. 3283) to promote private financing of credit needs and to provide for an efficient and