South Vietnam is being cast aside, and this will replace it as the administration answer to the questions of the American people, that now this is a war which is essential for our own security.

But is it? If security calls for power bases, can they not be established without our boys crawling through jungles and slogging through swamps? Can we not have a power base without obliterating North Vietnam by bombing, without search and destroy missions and bombing in the south, and especially without keeping so many of the young men who are the pride of America in daily combat, with higher and higher casualty rates? Is all this essential for our own security?

Mr. President, these are questions that will have to be answered. I think the answers are desperately needed now.

In conclusion, I wish to make it clear, Mr. President, that the views I have expressed today are those of an observer. I have not been privy to the plannings of the Committee on Foreign Relations. I speak as an American citizen who senses that one committee of the Senate is exploring a subject close to the hearts of the American people and to the future of America. As such, I want that subject explored fully, fairly, and publicly.

I think it is urgent that the architects and executors of our foreign policy speak openly and thoroughly; and I think they should have a chance to speak in the manner most acceptable to the American people—through the responsible means available through the Committee on Foreign Relations of the U.S. Senate.

Mr. President, I hope these remarks will be helpful. I yield the floor.

DEPARTMENTS OF STATE, JUSTICE, AND COMMERCE, THE JUDICIARY, AND RELATED AGENCIES APPROPRIATIONS, 1968

The Senate resumed the consideration of the bill (H.R. 10345) making appropriations for the Departments of State, Justice, and Commerce, the Judiciary, and related agencies for the fiscal year ending June 30, 1968, and for other purposes.

Mr. BREWSTER. Mr. President, no one is more opposed to communism and subversion within the United States than I am.

Moreover, along with other Members of this body, I have long opposed the proliferation, or even the existence, of Government agencies with parallel functions. When two agencies do the same job, one should go.

It is my understanding that the Federal Bureau of Investigation is charged with the task of seeking out subversive agents and activities within our borders, and that it performs this task with commendable efficiency.

Beyond this, the Department of Justice already publishes a list of organizations in the United States suspected of subversive activity.

Therefore, I rise to state my opposition to the continued existence of the Subversive Activities Control Board.

The Board is not so much harmful as it is useless. We do not need it to control subversive activity, because we are fortunate in having a Justice Department quite well equipped to perform just that task.

The Subversive Activities Control Board has nothing to do. It is an anachronism, a dead branch of government that should be snapped off without further ado. Frankly, in this day of streamlined administrative technique, I find it deplorable that we should have allowed it to exist this long. An independent Government agency that serves no function should be abolished.

Furthermore, S. 2171, the bill that the distinguished minority leader proposes to include as an amendment to the pending legislation, is a hastily conceived piece of legislation, reported to the Senate floor with no hearings at all.

I feel confident that if hearings had been held, it would have become apparent to all that the existing responsibilities of the SACB—if there are any—could be transferred to the Justice Department with great ease.

It need hardly be added that such a transfer would save the American taxpayer $300,000 a year—the amount required to keep the Board in operation.

Now is a good time to save that $300,000. The battle of the budget, as it might be called, has reached a feverish pitch, and somewhere, sometime, somebody is going to have to start cutting expenditures.

Frankly, in my almost 10 years in Congress, I have seldom seen anything less essential to the public good than the continued existence of the Subversive Activities Control Board. In wartime especially, when we need to cut every nonessential expenditure, it wastes our resources and constitutes a flaw in our system of government.

So let us act now, quickly and reasonably, to abolish the Board altogether, and put an end to this wasteful dabbling of the U.S. Government in what President Truman called the "thought-control business."

The PRESIDING OFFICER. What is the will of the Senate?

PROGRAM

Mr. BYRD of West Virginia. Mr. President, what is the pending business?

The PRESIDING OFFICER. The pending business is the consideration of H.R. 10345.

Mr. BYRD of West Virginia. Mr. President, Senators will be reminded that under the unanimous-consent agreement pursuant to the request of the majority leader, following the prayer and the disposition of the Journal on tomorrow, there will be 2 hours of debate on the motion of the minority leader, the time to be equally divided between the minority leader [Mr. DIRKSEN] and the senior Senator from Wisconsin [Mr. PROXMIRE], after which there will be a rollcall vote on the motion.

RECESS UNTIL 11 A.M. TOMORROW

Mr. BYRD of West Virginia. Mr. President, if there be no further business to come before the Senate, I move, in accordance with the previous order, that the Senate stand in recess until 11 a.m. tomorrow.

The motion was agreed to; and (at 6 o'clock and 50 minutes p.m.) the Senate took a recess until tomorrow, Wednesday, October 11, 1967, at 11 a.m.

HOUSE OF REPRESENTATIVES

TUESDAY, OCTOBER 10, 1967

The House met at 12 o'clock noon.

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

Search me, O God, and know my heart: try me and know my thoughts: and see if there be any wicked way in me and lead me in the way everlasting.—Psalm 139: 23, 24.

O God and Father of us all, let Thy spirit arise within us as we—the representatives of our people—wait upon Thee in prayer. With unfailing wisdom and unfaltering good will enable us to meet the demanding duties of this day and manage the moods that move in our minds. Strengthen us as we sincerely strive to step along straight paths and as we endeavor to do what is right for our country and for our world.

Inspire us with greater faith to climb the heights of national honor and security realizing that the closer we are to the summit of Thy presence the nearer we are together. In periods of strained relations touch Thou our hearts with spirit hand and make us souls that understand. Through Jesus Christ our Lord. Amen.

THE JOURNAL

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

CORPUS CHRISTI WEATHERMAN AND HURRICANE BEULAH

Mr. YOUNG. 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 Texas?

There was no objection.

Mr. YOUNG. Mr. Speaker, Hurricane Beulah was one of the most destructive storms in history, with damage estimates reaching to $1 billion. It was also a killer hurricane, although the number of lives lost was not as great as in some other hurricanes in the past. There is little doubt that a primary reason for the relatively low loss of life was the timely warnings issued by the U.S. Weather Bureau. Sixty-four hours before hurricane force winds reached the Texas coast, the Weather Bureau issued a hurricane watch, alerting people to the possibility of danger. Hurricane warnings, which indicate that the storm is definitely expected, were issued by the Weather Bureau 20 hours before hurricane force winds hit the coast. One of the persons responsible for this lifesaving, advance warning was Mr. Russel Mozeney, meteorologist-in-charge of the

AUTHENTICATED U.S. GOVERNMENT INFORMATION GPO

Corpus Christi office of the U.S. Weather Bureau. In addition to the fine job Mr. Mozeney performed for the people in Texas, he provided me, in Washington, with briefings on the course of Hurricane Beulah, and on the status of preparations for the storm, by telephone calls during the late night and early morning hours before Beulah struck. I commend Mr. Mozeney and the Weather Bureau for this fine example of devoted public service.

DEPARTMENT OF AGRICULTURE AND RELATED AGENCIES APPROPRIATION, 1968—CONFERENCE REPORT

Mr. WHITTEN. Mr. Speaker, I call up the conference report on the bill (H.R. 10509) making appropriations for the Department of Agriculture and related agencies for the fiscal year ending June 30, 1968, and for other purposes, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

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

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT (H. REPT. NO. 746)

The Committee of Conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 10509) "making appropriations for the Department of Agriculture and related agencies for the fiscal year ending June 30, 1968, and for other purposes," having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 5, 10, 11, 12, 13, 17, 19, 21, 26, 29, 30, 33, 35 36, 39, 41, 45, 46, 48, 49, 51, 53, 57, 64, 66, and 68.

That the House recede from its disagreement to the amendments of the Senate numbered 3, 8, 16, 18, 20, 23, 24, 25, 32, 40, 42, 44, 50, 52, 54, and 65 and agree to the same.

Amendment numbered 1: That the House recede from its disagreement to the amendment of the Senate numbered 1, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$136,775,500"; and the Senate agree to the same.

Amendment numbered 2: That the House recede from its disagreement to the amendment of the Senate numbered 2, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$4,735,000"; and the Senate agree to the same.

Amendment numbered 4: That the House recede from its disagreement to the amendment of the Senate numbered 4, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$85,802,000"; and the Senate agree to the same.

Amendment numbered 6: That the House recede from its disagreement to the amendment of the Senate numbered 6, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$8,500,000"; and the Senate agree to the same.

Amendment numbered 7: That the House recede from its disagreement to the amendment of the Senate numbered 7, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$54,965,000"; and the Senate agree to the same.

Amendment numbered 14: That the House recede from its disagreement to the amendment of the Senate numbered 14, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$1,304,000"; and the Senate agree to the same.

Amendment numbered 15: That the House recede from its disagreement to the amendment of the Senate numbered 15, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$113,500,000"; and the Senate agree to the same.

Amendment numbered 22: That the House recede from its disagreement to the amendment of the Senate numbered 22, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$6,129,000"; and the Senate agree to the same.

Amendment numbered 27: That the House recede from its disagreement to the amendment of the Senate numbered 27, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$13,830,500"; and the Senate agree to the same.

Amendment numbered 28: That the House recede from its disagreement to the amendment of the Senate numbered 28, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$89,310,000"; and the Senate agree to the same.

Amendment numbered 34: That the House recede from its disagreement to the amendment of the Senate numbered 34, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$3,500,000"; and the Senate agree to the same.

Amendment numbered 38: That the House recede from its disagreement to the amendment of the Senate numbered 38, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$22,141,500"; and the Senate agree to the same.

Amendment numbered 47: That the House recede from its disagreement to the amendment of the Senate numbered 47, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$2,608,500"; and the Senate agree to the same.

Amendment numbered 55: That the House recede from its disagreement to the amendment of the Senate numbered 55, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$750,000,000"; and the Senate agree to the same.

Amendment numbered 58: That the House recede from its disagreement to the amendment of the Senate numbered 58, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$1,600,000"; and the Senate agree to the same.

Amendment numbered 59: That the House recede from its disagreement to the amendment of the Senate numbered 59, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$3,500,000"; and the Senate agree to the same.

Amendment numbered 60: That the House recede from its disagreement to the amendment of the Senate numbered 60, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$55,988,000"; and the Senate agree to the same.

Amendment numbered 61: That the House recede from its disagreement to the amendment of the Senate numbered 61, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$10,208,000"; and the Senate agree to the same.

Amendment numbered 62: That the House recede from its disagreement to the amendment of the Senate numbered 62, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$2,850,000"; and the Senate agree to the same.

The committee of conference report in disagreement amendments numbered 9, 31, 37, 43, 56, 63, and 67.

JAMIE L. WHITTEN,
WILLIAM H. NATCHER,
W. R. HULL, JR.,
THOMAS G. MORRIS,
GEORGE E. SHIPLEY,
GEORGE MAHON,
ROBERT H. MICHEL,
ODIN LANGEN,
WILLIAM H. HARRISON,
FRANK T. BOW,
Managers on the Part of the House.

SPESSARD L. HOLLAND,
ALLEN J. ELLENDER,
ROMAN L. HRUSKA,
MILTON R. YOUNG,
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 10509) making appropriations for the Department of Agriculture and related agencies for the fiscal year ending June 30, 1968, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report as to each of such amendments; namely, Department of Agriculture, Agricultural Research Service.

Amendments Nos. 1 through 3, research: Appropriate $136,775,500 instead of $143,354,800 as proposed by the Senate and $135,587,500 as proposed by the House, provide $4,735,000 for planning and construction of facilities instead of $2,800,000 as proposed by the House and $5,941,800 as proposed by the Senate, and include Senate language limiting future transfers from section 32 funds for research to $15,000,000.

The total appropriation agreed to by the Conferees reduces funds included in the House bill for staffing and equipping new laboratories by $250,000 and provides $250,000 of the Senate increase for animal disease research on swine. The sum of $150,000 is included for planning of a grassland restoration laboratory at Temple, Texas. The $150,000 provided for certain studies listed on page 18 of House report has been eliminated, since the Department has indicated it can proceed with those not otherwise provided for within total funds available. An amount of $1,000,000 is also provided for the contingency research fund as proposed by the Senate.

The Conferees have agreed to $1,588,000 instead of the $3,000,000 originally agreed upon as follows: Production research on soybeans, $100,000; research on mastitis in milk quality, $100,000; research on avian leukosis, $150,000; weed control research in Pacific Northwest, $50,000; research on dry peas and lentils, $60,000; crop and utilization research on sugarbeets, $100,000; research to improve protein content of cereal and other grains, $63,000; oat breeding and evaluation, $40,000; rice utilization research at Southern Utilization Laboratory, $25,000; sheep production research in Idaho, $75,000; transportation research in Texas, $20,000; research on costs of producing cotton, $275,000; hormone studies of citrus fruits, $80,000; research on citrus and other fruits shipped to

Europe, $125,000; soil-water-atmosphere-plant research team in Florida, $200,000; research on boll weevil under supervision of Boll Weevil Laboratory, $100,000; and maple products research, $25,000.

The following amounts have been approved for financing from the Contingency Research Fund: For additional planning—Morris, Minnesota, $40,000; Ithaca, New York, $40,000; Oregon and Washington, $25,000; Albany, California, $50,000; Orono, Maine, $45,000; and Riverside, California, $50,000. For construction—Genetic Stock Center for Bees, $135,000.

The Conferees have also agreed to the following Senate increases: Dairy herd improvement, $50,000; planning, Livestock Research Center, Clay Center, Nebraska, $250,000; construction, Tobacco Research Laboratory, Oxford, North Carolina, $150,000; construction, Southeastern Laboratory, Athens, Georgia, $1,200,000; and soil and water research, Tempe, Arizona, $100,000.

The Conferees note that additional funds are frequently requested to complete construction projects at a cost much higher than contemplated when originally approved by Congress. They disagree with this practice and direct officials of the Department of Agriculture and the General Services Administration to prepare construction plans in the future on a basis which will allow for projected cost escalations and will permit full completion within the amount of funds provided in the first instance.

The Conferees concur in the feasibility studies requested by the Senate.

Amendments Nos. 4 and 5, plant and animal disease and pest control: Appropriate $85,802,000 instead of $84,028,000 as proposed by the House and $90,835,400 as proposed by the Senate and eliminate Senate language authorizing $1,150,000 for construction of facilities at Beltsville, which are postponed without prejudice. The increase of $1,774,000 over the House bill includes $1,000,000 for eradication of the imported fire ant; $50,000 for monitoring pest control; $250,000 for activities under the Federal Insecticide, Fungicide, Rodenticide Act; $50,000 for detection of trichinosis; $250,000 for activities under Virus-Serum-Toxin Act; $100,000 for plant quarantine and $74,000 for animal inspection at ports of entry. The Conferees have also agreed to $300,000 for pink bollworm control, to be financed from the contingency fund for emergency outbreaks.

The appropriation provides for enforcement of the Laboratory Animal Welfare Act at a cost not to exceed $1,200,000. Enforcement work in the field is to be handled by existing trained personnel as far as possible, and additional funds required are to be provided by transfer from lower priority work considered to be less essential.

Federal funds provided for fire ant eradication in the Southeast and pink bollworm control work in the Southwest should be matched by State and local funds.

Amendment No. 6, special foreign currency program: Appropriates $8,500,000 instead of $7,500,000 as proposed by the House and $15,400,000 as proposed by the Senate.

COOPERATIVE STATE RESEARCH SERVICE

Amendment Nos. 7 through 11, payments and expenses: Appropriate $63,113,000 as proposed by the House instead of $66,214,000 as proposed by the Senate. The amount agreed to includes $54,965,000 for Hatch Act funds, from which additional pay costs will be met. In addition, the following sums are provided: Cooperative forestry research, $3,485,000; contracts and grants, $2,000,000, of which $1,000,000 is earmarked for cotton research and $400,000 is earmarked for soybean research; grants for facilities, $2,000,000; penalty mail, $310,000; and Federal administration, $353,000.

FEDERAL EXTENSION SERVICE

Amendment Nos. 12 and 13, payments and expenses: Appropriate $81,917,500 as proposed by the House instead of $83,917,500 as proposed by the Senate. Of this amount, $2,000,000 is made available for additional pay costs.

FARMER COOPERATIVE SERVICE

Amendment No. 14, salaries and expenses: Appropriates $1,304,000 instead of $1,204,000 as proposed by the House and $1,404,000 as proposed by the Senate.

SOIL CONSERVATION SERVICE

Amendment No. 15, conservation operations: Appropriates $113,500,000 instead of $113,053,000 as proposed by the House and $113,995,000 as proposed by the Senate.

Amendments Nos. 16 and 17, watershed planning: Appropriate $6,000,000 as proposed by the Senate instead of $6,377,000 as proposed by the House, and eliminate Senate language limiting new planning starts to 80. The Conferees intend that the funds appropriated provide 100 new planning starts.

Amendments Nos. 18 and 19, watershed protection: Include Senate language providing for the use of $5,000,000 for watershed loans, and eliminate Senate language limiting new construction starts to 80. The Conferees intend that the funds appropriated provide 80 new construction starts.

Amendment No. 20, flood prevention: Includes Senate language providing for the use of $1,000,000 for flood prevention loans.

Amendment No. 21, Great Plains conservation program: Appropriates $16,336,000 as proposed by the House instead of $18,504,300 as proposed by the Senate.

Amendments Nos. 22 through 25, resource conservation and development: Appropriate $6,129,000 instead of $6,000,000 as proposed by the House and $7,629,000 as proposed by the Senate, and authorize the use of $1,500,000 for resource conservation and development loans.

ECONOMIC RESEARCH SERVICE

Amendment No. 26, salaries and expenses: Appropriates $12,421,000 as proposed by the House instead of $13,021,000 as proposed by the Senate. Within the funds provided, the Department is expected to carry out the additional studies on farm labor and land and water resources proposed for fiscal year 1968.

STATISTICAL REPORTING SERVICE

Amendment No. 27, salaries and expenses: Appropriates $13,830,500 instead of $13,821,750 as proposed by the House and $13,864,000 as proposed by the Senate. The amount agreed to includes $8,750 for agricultural statistics in Hawaii.

CONSUMER AND MARKETING SERVICE

Amendment No. 28, consumer protective, marketing, and regulatory programs: Appropriates $89,310,000 instead of $89,010,000 as proposed by the House and $89,522,000 as proposed by the Senate. The increase over the House bill includes $156,000 for meat inspection, $80,000 for poultry inspection, and $64,000 for market news services in Arizona, Wyoming, and Nebraska.

Amendment No. 29, payments to States and possessions: Appropriates $1,750,000 as proposed by the House instead of $1,900,000 as proposed by the Senate.

Amendment No. 30, special milk program: Provides $104,000,000, to be transferred from section 32 funds as proposed by the House. The Conferees are agreed that hereafter the Bureau of the Budget should provide for this program from the general fund of the Treasury by direct appropriation.

Amendments Nos. 31 through 36, school lunch program: The conference agreement provides a total of $227,825,000 for this program, $182,825,000 by direct appropriation and $45,000,000 by transfer from section 32 funds, as follows:

Cash payments to States	$157,150,000
Commodity procurement	59,325,000
Operating expenses	2,100,000
Special cash assistance	5,000,000
Pilot school breakfasts	3,500,000
Nonfood assistance	750,000
Total	227,825,000

Amendment No. 31 is reported in technical disagreement. The managers on the part of the House will offer a motion to recede and agree to an appropriation of $182,825,000. Amendment No. 32 provides not less than $14,325,000 for section 6 purchases as proposed by the Senate. Amendment No. 33 provides $5,000,000 for special assistance to needy schools as proposed by the House. Amendment No. 34 provides $3,500,000 for the pilot school breakfast program instead of $2,000,000 as proposed by the House and $5,000,000 as proposed by the Senate. Amendment No. 35 provides $750,000 for nonfood assistance as proposed by the House. Amendment No. 36 for State administrative expenses has been deleted.

Amendment No. 37, food stamp program: Reported in technical disagreement. The managers on the part of the House intend to offer a motion which will provide $185,000,000 for this program, $23,200,000 from prior year balances and $161,800,000 by direct appropriation. Of the amount provided, $5,000,000 may be used in needy areas in this program where it may be required to meet problems resulting from the need for special consideration for extremely low-income families.

FOREIGN AGRICULTURAL SERVICE

Amendment No. 38, salaries and expenses: Appropriates $22,141,500 instead of $21,441,500 as proposed by the House and $22,612,000 as proposed by the Senate. The increase of $700,000 over the House is provided for market development activities, including trade fair promotion in Japan. The Conferees are agreed that it is essential that additional attention be given to market development activities in those areas which provide the largest dollar markets for U.S. agricultural commodities.

The creation of the European Common Market has centralized in E.E.C. officials in Brussels, Belgium, the policy decisions affecting U.S. trade and trade dealings with its six member countries. With Western Europe our greatest cash market for agricultural commodities, which in turn are our greatest dollar earners, the Conferees agree that it is essential that U.S. representation of this agency at Brussels be strengthened by the addition of technical experts who are qualified as to language, scientific and trade knowledge.

The work of such additional staff should be coordinated with our regular Foreign Agricultural Service as well as other U.S. representatives to the Common Market. Such a staff is essential to the negotiation of agreements as to terms and conditions of trade, including proposed standards on pesticide residues, and to provide a means for settlement of differences as to grade, quality, disputed claims, or other factors concerning U.S. commodities. This is believed by the Conferees to be much more important at the present time than attache posts in some of the smaller countries where trade for dollars, now and in the foreseeable future, is relatively insignificant.

The Conferees have agreed to an additional transfer from the Commodity Credit Corporation of not to exceed $84,125 for ocean transportation assistance and administration of the barter program.

AGRICULTURAL STABILIZATION AND CONSERVATION SERVICE

Amendments Nos. 39 and 40, expenses, ASCS: Appropriate $137,935,400 as proposed by the House instead of $144,285,400 as proposed by the Senate, and authorize the trans-

fer of $58,608,600 from the Commodity Credit Corporation as proposed by the Senate instead of $64,728,600 as proposed by the House.

Amendment No. 41, Sugar Act program: Appropriates $80,000,000 as proposed by the House instead of $81,500,000 as proposed by the Senate.

Amendment No. 42, cropland adjustment program: Appropriates $84,500,000 as proposed by the Senate instead of $80,000,000 as proposed by the House.

Amendment No. 43, cropland adjustment program: Reported in actual disagreement. The managers on the part of the House intend to insist upon their disagreement to the Senate amendment.

OFFICE OF THE INSPECTOR GENERAL

Amendment No. 44, salaries and expenses: Appropriates $11,993,000 as proposed by the Senate instead of $11,693,000 as proposed by the House.

PACKERS AND STOCKYARDS ADMINISTRATION

Amendment No. 45, Packers and Stockyards Act: Appropriates $2,569,300 as proposed by the House instead of $2,789,000 as proposed by the Senate.

OFFICE OF THE GENERAL COUNSEL

Amendment No. 46, salaries and expenses: Appropriates $4,325,000 as proposed by the House instead of $4,525,000 as proposed by the Senate.

NATIONAL AGRICULTURAL LIBRARY

Amendment No. 47, salaries and expenses: Appropriates $2,608,500 instead of $2,458,500 as proposed by the House and $2,758,500 as proposed by the Senate.

OFFICE OF MANAGEMENT SERVICES

Amendment No. 48, salaries and expenses: Appropriates $2,667,000 as proposed by the House instead of $2,707,000 as proposed by the Senate.

GENERAL ADMINISTRATION

Amendments Nos. 49 and 50, salaries and expenses: Appropriate $4,487,000 as proposed by the Senate instead of $4,457,000 as proposed by the House, and authorize $5,000 for employment of experts and consultants as proposed by the House instead of $10,000 as proposed by the Senate.

RURAL ELECTRIFICATION ADMINISTRATION

Amendments Nos. 51 through 54, loan authorizations: Provide $314,000,000 for electrification loans as proposed by the House instead of $324,000,000 as proposed by the Senate, provide $120,600,000 for telephone loans as proposed by the House instead of $135,000,000 as proposed by the Senate, and eliminate for the year 1968 the contingency reserves established for the electrification and telephone loan programs.

FARMERS HOME ADMINISTRATION

Amendment No. 55, participation sales authorization: Authorizes $750,000,000 instead of $800,000,000 as proposed by the House and $700,000,000 as proposed by the Senate.

Amendment No. 56, direct loan account: Reported in actual disagreement. The managers on the part of the House intend to offer a motion to insist on their disagreement.

The Conferees are in agreement with the amounts provided by the Senate for farm ownership and soil and water loans.

Amendment No. 57, rural water and waste disposal grants: Appropriates $30,000,000 as proposed by the House instead of $40,000,000 as proposed by the Senate. The Conferees are in full agreement as to the value of this program to rural areas and feel that additional funds above those recommended are fully justified. They call upon the Bureau of the Budget to restudy this program during the coming year with a view to including a more adequate estimate for this program in the 1969 budget.

Amendment No. 58, rural renewal: Appropriates $1,600,000 instead of $1,200,000 as proposed by the House and $2,000,000 as proposed by the Senate.

Amendment No. 59, rural housing for domestic farm labor: Appropriates $3,500,000 instead of $3,000,000 as proposed by the House and $4,000,000 as proposed by the Senate.

Amendment No. 60, salaries and expenses: Appropriates $55,988,000 instead of $54,988,000 as proposed by the House and $56,988,000 as proposed by the Senate.

FEDERAL CROP INSURANCE CORPORATION

Amendment No. 61, administrative and operating expenses: Appropriates $10,208,000 instead of $8,883,000 as proposed by the House and $11,533,000 as proposed by the Senate.

Amendment No. 62, Federal Crop Insurance Corporation fund: Authorizes the use of premium income in the amount of $2,850,000 instead of $4,100,000 as proposed by the House and $1,600,000 as proposed by the Senate.

COMMODITY CREDIT CORPORATION

Amendments Nos. 63 and 64, reimbursement for net realized losses: Amendment No. 63 is reported in actual disagreement. The managers on the part of the House intend to offer a motion to insist upon an appropriation of $1,400,000,000 as proposed in the 1968 Budget and approved by the House. Amendment No. 64 restores language earmarking funds for cotton research as proposed in the House report.

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Amendments Nos. 65 and 66: Appropriate $300,000,000 as proposed by the House instead of $370,000,000 as proposed by the Senate, and eliminate the word "surplus" as proposed by the Senate.

BARTERED MATERIALS FOR SUPPLEMENTAL STOCKPILE

Amendment No. 67: Reported in technical disagreement. The managers on the part of the House intend to offer an amendment which will provide $23,000,000 to liquidate existing contracts under this program. The Conferees seriously question the wisdom of negotiating any further contracts under this program, and no funds have been included for this purpose. They feel that, if this program is to be continued, each proposed contract should be reported to and approved by the appropriate committees of Congress prior to the incurring of any financial obligations.

GENERAL PROVISIONS

Amendment No. 68.—*Section 501.*—Provides for the purchase of five hundred thirty-seven (537) passenger motor vehicles as proposed by the House instead of five hundred sixty (560) as proposed by the Senate.

DIVERSION OF FUNDS WITHOUT CONGRESSIONAL REVIEW OR APPROVAL

The Conferees note with concern the growing practice in the Executive Branch of financing a portion of the cost of various special boards, councils, and commissions created by Executive action from assessments made against appropriations provided for specific programs and projects of the Department of Agriculture. In nine instances during the past year, funds appropriated by Congress for specific programs of the Farmers Home Administration, the Federal Extension Service, the Forest Service, the Consumer and Marketing Service, the Soil Conservation Service, the Economic Research Service, Agriculture Stabilization and Conservation Service, and the Rural Electrification Administration were transferred to finance such organizations as the President's Committee on Equal Opportunity, the President's Council on Youth Opportunity, the Interagency Committee on Mexican American Affairs, the National Advisory Commission on Rural Poverty, and the Citizens' Advisory Committee on Recreation and Natural Beauty. In addition, $25,700 in fiscal year 1966 and $450,000 in fiscal year 1967 was charged against funds appropriated to specific programs and projects of the various offices and agencies of the Department to establish 65 Federal Boards of Examiners throughout the United States under the Civil Service Commission. In the opinion of the Conferees, this practice results in duplication and overlapping, permits the establishment of less essential programs at the expense of more valuable activities, and therefore should be discontinued. Each such proposed diversion of funds should have prior review and approval of Congress.

JAMIE L. WHITTEN,
WILLIAM H. NATCHER,
W. R. HULL, Jr.,
THOMAS G. MORRIS,
GEORGE E. SHIPLEY,
GEORGE MAHON,
ROBERT H. MICHEL,
ODIN LANGEN,
WILLIAM H. HARRISON,
FRANK T. BOW,
Managers on the Part of the House.

Mr. WHITTEN (during the reading). Mr. Speaker, I ask unanimous consent that the further reading of the statement on the part of the managers of the House be dispensed with.

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

There was no objection.

CALL OF THE HOUSE

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

The SPEAKER. Evidently a quorum is not present.

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

A call of the House was ordered.

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

[Roll No. 299]

Anderson, Tenn.	Foley	Rarick
Ashley	Fountain	Reinecke
Baring	Fulton, Tenn.	Resnick
Blatnik	Green, Oreg.	St Germain
Bray	Hansen, Idaho	St. Onge
Broomfield	Hansen, Wash.	Sikes
Byrnes, Wis.	Holifield	Stratton
Celler	Jonas	Sullivan
Culver	King, N.Y.	Utt
Dent	Leggett	Vigorito
Diggs	Lukens	White
Downing	Moorhead	Williams, Miss.
Everett	Myers	Willis
Flood	O'Neill, Mass.	
	Pike	

The SPEAKER. On this rollcall 392 Members have answered to their names, a quorum.

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

DEPARTMENT OF AGRICULTURE AND RELATED AGENCIES APPROPRIATION, 1968 — CONFERENCE REPORT

The SPEAKER. The gentleman from Mississippi [Mr. WHITTEN] is recognized for 1 hour.

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

Mr. Speaker, as chairman of the Appropriation Subcommittee on Agriculture, I bring you today a bill which exceeds the House bill primarily in only one instance—the food stamp program, which is offset by returning $195,000,000 additional section 32 funds to the Treasury. This, as you will recall, was included by the House committee prior to final passage of legislation and was eliminated on point of order in the House. The 1968 budget proposed to provide the funds by transfer from section 32.

Subsequent to that, Congress approved the authorizing legislation requiring an appropriation instead of the use of section 32 funds. The Senate then added $195,000,000, including an appropriation of $172,500,000, plus a carryover of prior year funds of $22,500,000.

The conferees agreed to $185,000,000 for this purpose, $161,800,000 by appropriation and $23,200,000 by carryover. Except for this amount which, again, is offset by the return of the $195,000,000 of section 32 funds to the Treasury, our conference report would be $229,951,700 below the budget and $1,991,384,089 below the Senate bill. It would be only $20,564,750 above the House bill for the many programs and activities of the Department of Agriculture.

Every appropriation and loan fund in the bill is at or below the budget amounts, though we would have liked to have increased the amount for water and sewer grants. We have asked the Bureau of the Budget to restudy the need in this area.

The total appropriations agreed to in the conference report are $4,952,945,700, of which $1,797,249,700 is for regular operations, the remainder for price support and Public Law 480 and other programs. This is under the Senate by $1,829,584,089. Considering the food stamp program, it is under the Senate by $1,991,384,089.

The report is under the budget by $68,151,700. Adjusted for the food stamp program, it is under the budget by $229,951,700.

The bill is over the House by only $20,564,750, aside from the food stamp appropriation of $161,800,000, which is more than offset by return of section 32 funds to the Treasury, as I have pointed out.

There are three items in actual disagreement on which I propose to ask for a separate record vote to sustain your House conferees.

The first is on the cropland adjustment program. The bill carries the full appropriation amount needed to meet existing contracts. However, Senate amendment No. 43 provides a $52.2 million authorization to enter into agreements to take 2,000,000 additional acres out of production. The House conferees recommend the elimination of this language in view of the need for adequate reserves and in order to meet the demands of various export programs.

The second is for operating loans of the Farmers Home Administration. Senate amendment No. 56 adds $25,000,000 above the budget for these loan funds. While the conferees are in full agreement as to the need for these extra funds, the House conferees felt the Bureau of the Budget should submit a budget estimate for the increased amount, otherwise we would be above the budget.

The third item is for restoration of capital impairment of the Commodity Credit Corporation. You will recall that that the House bill carried the full budget estimate of $1.4 billion for this item. Senate amendment No. 63 raises this amount to nearly $3.0 billion, an increase of approximately $1.6 billion, all above the budget. The House conferees recommend that the House insist upon its position on this item, pending a budget request, which can be submitted should demands upon the Commodity Credit Corporation require it.

At this point I enter a table which shows the amounts for each appropriation and authorization:

COMPARATIVE STATEMENT OF APPROPRIATIONS FOR 1967, ESTIMATES AND AMOUNTS APPROVED FOR 1968

Item	Appropriations and authorizations, 1967	Budget estimates, 1968	House bill	Senate bill	Conference action	Difference between conference action and—			
						Appropriations and authorization, 1967	Budget estimate	House bill	Senate bill
TITLE I—GENERAL ACTIVITIES									
Agricultural Research Service:									
Salaries and expenses:									
Research	$125,997,500	$136,983,000	$135,587,500	$143,354,800	$136,775,500	+$10,778,000	−$207,500	+$1,188,000	−$6,579,300
Transfer from sec. 32	(25,000,000)	(15,000,000)	(15,000,000)	(15,000,000)	(15,000,000)	(−10,000,000)			
Total	(150,997,500)	(151,983,000)	(150,587,500)	(158,354,800)	(151,775,500)	(+778,000)	(−207,500)	(+1,188,000)	(−6,579,300)
Plant and animal disease and pest control	82,665,900	85,852,000	84,028,000	90,835,400	85,802,000	+3,136,100	−50,000	+1,774,000	−5,033,400
Special fund (reappropriation)	(2,000,000)	(2,000,000)	(2,000,000)	(2,000,000)	(2,000,000)				
Total, salaries and expenses	208,663,400	222,835,000	219,615,500	234,190,200	222,577,500	+13,914,100	−257,500	+2,962,000	−11,612,700
Salaries and expenses (special foreign currency program)	4,500,000	15,400,000	7,500,000	15,400,000	8,500,000	+4,000,000	−6,900,000	+1,000,000	−6,900,000
Total, Agricultural Research Service	213,163,400	238,235,000	227,115,500	249,590,200	231,077,500	+17,914,100	−7,157,500	+3,962,000	−18,512,700
Total, including transfers	(240,163,400)	(255,235,000)	(244,115,500)	(266,590,200)	(248,077,500)	(+7,914,100)	(−7,157,500)	(+3,962,000)	(−18,512,700)
Cooperative State Research Service: Payments and expenses	58,776,000	63,113,000	63,113,000	66,214,000	63,113,000	+4,337,000			−3,101,000
Extension Service:									
Payments to States and Puerto Rico	78,652,500	81,917,500	81,917,500	83,917,500	81,917,500	+3,265,000			−2,000,000
Retirement costs for extension agents	8,305,500	8,818,500	8,818,500	8,818,500	8,818,500	+513,000			
Penalty mail	3,113,000	3,113,000	3,113,000	3,113,000	3,113,000				
Federal Extension Service	2,728,000	2,753,000	2,753,000	2,753,000	2,753,000	+25,000			
Total, Extension Service	92,799,000	96,602,000	96,602,000	98,602,000	96,602,000	+3,803,000			−2,000,000
Farmer Cooperative Service	1,204,000	1,404,000	1,204,000	1,404,000	1,304,000	+100,000	−100,000	+100,000	−100,000
Soil Conservation Service:									
Conservation operations	112,430,200	113,995,000	113,053,000	113,995,000	113,500,000	+1,069,800	−495,000	+447,000	−495,000
Watershed planning	6,342,000	6,377,000	6,377,000	6,000,000	6,000,000	−342,000	−377,000	−377,000	
Watershed protection	70,130,700	70,403,000	70,403,000	70,403,000	70,403,000	+272,300			
Flood prevention	25,695,400	25,753,000	25,753,000	25,753,000	25,753,000	+57,600			
Great Plains conservation program	18,504,300	16,336,000	16,336,000	18,504,300	16,336,000	−2,168,300			−2,168,300
Resource conservation and development	4,664,600	7,629,000	6,000,000	7,629,000	6,129,000	+1,464,400	−1,500,000	+129,000	−1,500,000
Total, Soil Conservation Service	237,767,200	240,493,000	237,922,000	242,284,300	238,121,000	+353,800	−2,372,000	+199,000	−4,163,300

COMPARATIVE STATEMENT OF APPROPRIATIONS FOR 1967, ESTIMATES AND AMOUNTS APPROVED FOR 1968—Continued

Item	Appropriations and authorizations, 1967	Budget estimates, 1968	House bill	Senate bill	Conference action	Difference between conference action and—			
						Appropriations and authorization, 1967	Budget estimate	House bill	Senate bill
TITLE I—GENERAL ACTIVITIES—Continued									
Economic Research Service: Salaries and expenses	$12,421,000	$13,646,000	$12,421,000	$13,021,000	$12,421,000		−$1,225,000		−$600,000
Statistical Reporting Service: Salaries and expenses	13,821,750	13,864,000	13,821,750	13,864,000	13,830,500	+$8,750	−33,500	+$8,750	−33,500
Consumer and Marketing Service:									
Consumer protective, marketing, and regulatory programs	86,072,000	89,522,000	89,010,000	89,522,000	89,310,000	+3,238,000	−212,000	+300,000	−212,000
Payments to States and possessions	1,750,000	1,750,000	1,750,000	1,900,000	1,750,000				−150,000
Special milk program	51,000,000			104,000,000		−51,000,000			−104,000,000
Transfer from sec. 32	(53,000,000)	(104,000,000)	(104,000,000)	( )	(104,000,000)	(+51,000,000)			(+104,000,000)
Total, special milk	(104,000,000)	(104,000,000)	(104,000,000)	(104,000,000)	(104,000,000)				
School lunch program	168,605,000	198,735,000	198,735,000	190,825,000	182,825,000	+14,220,000	−15,910,000	−15,910,000	−8,000,000
Transfer from sec. 32	(45,000,000)	(45,000,000)	(45,000,000)	(45,000,000)	(45,000,000)				
Total, school lunch	(213,605,000)	(243,735,000)	(243,735,000)	(235,825,000)	(227,825,000)	(+14,220,000)	(−15,910,000)	(−15,910,000)	(−8,000,000)
Food stamp program	110,000,000			172,500,000	161,800,000	+51,800,000	+161,800,000	+161,800,000	−10,700,000
Reappropriation	(30,000,000)			(22,500,000)	(23,200,000)	(−6,800,000)	(+23,200,000)	(+23,200,000)	(+700,000)
Transfer from sec. 32		(195,000,000)					(−195,000,000)		
Total, food stamp	(140,000,000)	(195,000,000)	(1)	(195,000,000)	(185,000,000)	(+45,000,000)	(−10,000,000)	(+185,000,000)	(−10,000,000)
Total, Consumer and Marketing Service	417,427,000	290,007,000	289,495,000	558,747,000	435,685,000	+18,258,000	+145,678,000	+146,190,000	−123,062,000
Total, including transfers and reappropriations	(545,427,000)	(634,007,000)	(438,495,000)	(626,247,000)	(607,885,000)	(+62,458,000)	(−26,122,000)	(+169,390,000)	(−18,362,000)
Foreign Agricultural Service:									
Salaries and expenses	21,441,500	22,612,000	21,441,500	22,612,000	22,141,500	+700,000	−470,500	+700,000	−470,500
Transfer from sec. 32	(3,117,000)	(3,117,000)	(3,117,000)	(3,117,000)	(3,117,000)				
Total	(24,558,500)	(25,729,000)	(24,558,500)	(25,729,000)	(25,258,500)	(+700,000)	(−470,500)	(+700,000)	(−470,500)
Commodity Exchange Authority	1,434,000	1,491,000	1,491,000	1,491,000	1,491,000	+57,000			
Agricultural Stabilization and Conservation Service:									
Expenses, Agricultural Stabilization and Conservation Service	129,952,000	152,665,400	137,935,400	144,285,400	137,935,400	+7,983,400	−14,730,000		−6,350,000
Transfer from CCC	(76,406,500)	(52,488,600)	(64,728,600)	(58,608,600)	(58,608,600)	(−17,797,900)	(+6,120,000)	(−6,120,000)	
Total available	(206,358,500)	(205,154,000)	(202,664,000)	(202,894,000)	(196,544,000)	(−9,814,500)	(−8,610,000)	(−6,120,000)	(−6,350,000)
Sugar Act program	80,000,000	86,500,000	80,000,000	81,500,000	80,000,000		−6,500,000		−1,500,000
Agricultural conservation program	220,000,000	220,000,000	220,000,000	220,000,000	220,000,000				
Cropland adjustment program (expenses)	62,000,000	90,000,000	80,000,000	84,500,000	84,500,000	+22,500,000	−5,500,000	+4,500,000	
Authorization for 1968 CAP program	(80,000,000)	(52,200,000)	( )	(52,200,000)	( )	(−80,000,000)	(−52,200,000)	( )	(−52,000,000)
Conservation reserve program	140,650,000	125,000,000	123,000,000	123,000,000	123,000,000	−17,650,000	−2,000,000		
Emergency conservation measures	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000				
Cropland conversion program	7,500,000					−7,500,000			
Total, Agricultural Stabilization and Conservation Service	645,102,000	679,165,400	645,935,400	658,285,400	650,435,400	+5,333,400	−28,730,000	+4,500,000	−7,850,000
Total, including transfers	(721,508,500)	(731,654,000)	(710,664,000)	(716,894,000)	(709,044,000)	(−12,464,500)	(−22,610,000)	(−1,620,000)	(−7,850,000)
Rural Community Development Service	652,000	450,000	450,000	450,000	450,000	−202,000			
Office of Inspector General	11,504,000	12,323,000	11,693,000	11,993,000	11,993,000	+489,000	−330,000	+300,000	
Packers and Stockyards Act	2,569,300	2,789,000	2,569,300	2,789,000	2,569,300		−219,700		−219,700
Office of General Counsel	4,325,000	4,740,000	4,325,000	4,525,000	4,325,000		−415,000		−200,000
Office of Information	1,882,000	1,928,000	1,928,000	1,928,000	1,928,000	+46,000			
National Agricultural Library	2,458,500	2,900,000	2,458,500	2,758,500	2,608,500	+150,000	−291,500	+150,000	−150,000
Office of Management Services	2,667,000	2,749,000	2,667,000	2,707,000	2,667,000		−82,000		−40,000
General administration	4,052,000	4,563,000	4,457,000	4,487,000	4,487,000	+435,000	−76,000	+30,000	
Total, title I, general activities	1,745,466,650	1,693,074,400	1,641,109,950	1,957,752,400	1,797,249,700	+51,783,050	+104,175,300	+156,139,750	−160,502,700
Total, including transfers and reappropriations	(1,979,990,150)	(2,109,680,000)	(1,874,955,550)	(2,103,978,000)	(2,048,175,300)	(+68,185,150)	(−61,504,700)	(+173,219,750)	(−55,802,700)
TITLE II—CREDIT AGENCIES									
Rural Electrification Administration:									
Loan authorizations:									
Electrification	(375,000,000)	(314,000,000)	(314,000,000)	(324,000,000)	(314,000,000)	(−61,000,000)			(−10,000,000)
Telephone	(117,000,000)	(120,600,000)	(120,600,000)	(135,000,000)	(120,600,000)	(+3,600,000)			(−14,400,000)
Total, loan authorizations	(492,000,000)	(434,600,000)	(434,600,000)	(459,000,000)	(434,600,000)	(−57,400,000)			(−24,400,000)
Salaries and expenses	12,425,800	12,457,000	12,457,000	12,457,000	12,457,000	+31,200			
Total, Rural Electrification Administration	12,425,800	12,457,000	12,457,000	12,457,000	12,457,000	+31,200			

Farmers Home Administration:									
Participation sales authorization	(600,000,000)	(800,000,000)	(800,000,000)	(700,000,000)	(750,000,000)	(+150,000,000)	(−50,000,000)	(−50,000,000)	(+50,000,000)
Payment of sales insufficiencies	(3,209,000)	13,268,000	13,268,000	13,268,000	13,268,000	+13,268,000			
Direct loan account:									
Real estate loans	(90,000,000)	(110,000,000)	(110,000,000)	(110,000,000)	(110,000,000)	(+20,000,000)			
Operating loans	(350,000,000)	(300,000,000)	(300,000,000)	(325,000,000)	(300,000,000)	(−50,000,000)			(−25,000,000)
Total, direct loan account	(440,000,000)	(410,000,000)	(410,000,000)	(435,000,000)	(410,000,000)	(−30,000,000)			(−25,000,000)
Rural housing direct loan account	(15,000,000)	(15,000,000)	(15,000,000)	(15,000,000)	(15,000,000)				
Rural water and waste disposal grants	26,000,000	30,000,000	30,000,000	40,000,000	30,000,000	+4,000,000			−10,000,000
Rural renewal	1,200,000	2,000,000	1,200,000	2,000,000	1,600,000	+400,000	−400,000	+400,000	−400,000
Rural housing for domestic farm labor	3,000,000	4,000,000	3,000,000	4,000,000	3,500,000	+500,000	−500,000	+500,000	−500,000
Salaries and expenses	52,457,000	58,090,000	54,988,000	56,988,000	55,988,000	+3,531,000	−2,102,000	+1,000,000	−1,000,000
Transfer from agriculture credit insurance fund	(2,250,000)	(2,250,000)	(2,250,000)	(2,250,000)	(2,250,000)				
Miscellaneous transfer	(500,000)	(500,000)	(500,000)	(500,000)	(500,000)				
Total	(55,207,000)	(60,840,000)	(57,738,000)	(59,738,000)	(58,738,000)	(+3,531,000)	(−2,102,000)	(+1,000,000)	(−1,000,000)
Total, Farmers Home Administration	82,657,000	107,358,000	102,456,000	116,256,000	104,356,000	+21,699,000	−3,002,000	+1,900,000	−11,900,000
Total, title II, credit agencies:									
Loan authorizations	(947,000,000)	(859,600,000)	(859,600,000)	(909,000,000)	(859,600,000)	(−87,400,000)			(−49,400,000)
Direct appropriation	95,082,800	119,815,000	114,913,000	128,713,000	116,813,000	+21,730,200	−3,002,000	+1,900,000	−11,900,000
TITLE III—CORPORATIONS									
Federal Crop Insurance Corporation: Administrative and operating expenses:									
Appropriation	8,692,000	11,533,000	8,883,000	11,533,000	10,208,000	+1,516,000	−1,325,000	+1,325,000	−1,325,000
Premium income	(4,100,000)	(1,600,000)	(4,100,000)	(1,600,000)	(2,850,000)	(−1,250,000)	(+1,250,000)	(−1,250,000)	(+1,250,000)
Total	(12,792,000)	(13,133,000)	(12,983,000)	(13,133,000)	(13,058,000)	(+266,000)	(−75,000)	(+75,000)	(−75,000)
Commodity Credit Corporation:									
Reimbursement for net realized losses	3,555,855,000	1,400,000,000	1,400,000,000	2,984,856,389	1,400,000,000	−2,155,855,000			−1,584,856,389
Limitation on administrative expenses	(34,300,000)	(31,500,000)	(31,500,000)	(31,500,000)	(31,500,000)	(−2,800,000)			
Public Law 480	1,617,000,000	1,772,500,000	1,605,500,000	1,675,500,000	1,605,500,000	−11,500,000	−167,000,000		−70,000,000
Bartered materials for supplemental stockpile		24,000,000		24,000,000	23,000,000	+23,000,000	−1,000,000	+23,000,000	−1,000,000
Total, title III, corporations	5,181,547,000	3,208,033,000	3,014,383,000	4,695,889,389	3,038,708,000	−2,142,839,000	−169,325,000	+24,325,000	−1,657,181,389
TITLE IV—RELATED AGENCIES									
Farm Credit Administration: Limitation on administrative expenses	(3,133,000)	(3,224,000)	(3,224,000)	(3,224,000)	(3,224,000)	(+91,000)			
National Advisory Commission on Food and Fiber	475,000	175,000	175,000	175,000	175,000	−300,000			
Total, title IV, related agencies	475,000	175,000	175,000	175,000	175,000	−300,000			
Total appropriations:									
Title I—General activities	1,745,466,650	1,693,074,400	1,641,109,950	1,957,752,400	1,797,249,700	+51,783,050	+104,175,300	+156,139,750	−160,502,700
Title II—Credit agencies	95,082,800	119,815,000	114,913,000	128,713,000	116,813,000	+21,730,200	−3,002,000	+1,900,000	−11,900,000
Title III—Corporations	5,181,547,000	3,208,033,000	3,014,383,000	4,695,889,389	3,038,708,000	−2,142,839,000	−169,325,000	+24,325,000	−1,657,181,389
Title IV—Related agencies	475,000	175,000	175,000	175,000	175,000	−300,000			
Grand total	7,022,571,450	5,021,097,400	4,770,580,950	6,782,529,789	4,952,945,700	−2,069,625,750	−68,151,700	+182,364,750	−1,829,584,089
Food stamp program							−161,800,000	−161,800,000	−161,800,000
Adjusted total							−229,951,700	+20,564,750	−1,991,384,089

[1] Eliminated on House floor on point of order.

Mr. SMITH of Iowa. Mr. Speaker, will the gentleman yield?

Mr. WHITTEN. I am happy to yield to the distinguished gentleman from Iowa.

Mr. SMITH of Iowa. Mr. Speaker, I wish to stand in support of the future of the cropland adjustment program, and to have it made a part of the RECORD that the House, in declining to appropriate funds for that program in 1968, does not wish in any way to jeopardize the longer term future of the program. We recognize the need for reducing expenditures at present, in view of the pressures of defense and other critical needs. But we would like to make it clear that the CAP should be continued and expanded when the situation permits.

The limited program approved for 1967—while it removed around 2 million acres from unneeded crops and—was far below the demand from farmers. Requests were far in excess of the ability of the Department of Agriculture to complete agreements because of the limited funds. But the program has proved to be popular with farmers and with conservationists. It has proved to be a valuable and worthwhile program that brings cropland adjustment at less cost than the annual programs—and at the same time contributes to other values.

The cropland adjustment program is of special value as a "people" program—providing unique opportunities for rural people, especially older farmers and those just starting out. For the older couples who can no longer carry on a full farming operation, but want to continue living on the place where the family may have farmed for generations, CAP is a godsend. For the younger family which wants to move onto a farm and gradually expand its farming activity, while the breadwinner continues to carry on a job in town, CAP is a golden opportunity.

I have also seen, in my home State of Iowa, the contributions that CAP is making to public recreation. There are, I believe, 20 Greenspan projects in my home State—most of them representing agreements with school districts' county conservation boards to provide recreation areas for smaller cities and towns. This program, the public entity aspect of CAP, has enabled local governments to acquire surplus cropland with Government help. The result in only 2 years is

139 Greenspan agreements. These agreements—usually involving only a few thousand dollars of Federal funds—have proved to be real catalysts in getting local recreation projects started and brought to fruition.

Another aspect of CAP that is important to nonfarm people is the opening of many private farms to public recreation. In a number of States, farmers shifting land from crops under long-term CAP agreements have opened their lands to public access without charge. With the incentive of a small additional Government payment, these farmers now give the public free access for hunting, fishing, hiking, or trapping. Under this provision, farmers have signed up for "free public access" something in the neighborhood of a million acres of farmland.

All in all, the cropland adjustment program represents the most modern and progressive concept of land use, developed with the help and support of conservation organizations and enthusiasts all over the country. It recognizes that in the foreseeable future at least, we should not and cannot make full use for crop production all of the cropland resources that we have. It recognizes that we must consider other land use needs, and at the same time protect and develop our reserve capacity for the future that we cannot foresee. Therefore—although the House does not see fit to fund the program for 1968—I want it recognized that CAP continues to be a vital tool in our future land policy, and I would like this fact made a part of the RECORD.

As I said, I think some good has come of this program. It is my opinion that it has done some good in the past years and that it can do good in the future. I understand the pressure that is on this budget and the reasoning which the gentleman from Mississippi uses. However, I want to ask this question: I assume that this being eliminated this year, would not preclude the revival of the program next year or the year after, with the program standing on its own each year?

Mr. WHITTEN. It would not, may I say to my colleague. May I point out that, although we have some problems that are somewhat different than we have had in the past, this does not preclude the reinstitution of the program. This action has been taken in view of our present situation.

Mr. SMITH of Iowa. I thank the distinguished gentleman from Mississippi.

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

Mr. WHITTEN. Yes, I yield to the gentleman from Illinois.

Mr. FINDLEY. Mr. Speaker, I wonder if the gentleman can tell me if the figure which the Senate sought to place in the appropriation bill for the Commodity Credit Corporation would restore fully the impairment of the capital that was sustained in the previous year?

Mr. WHITTEN. It is my understanding that it would have.

Mr. FINDLEY. Could the gentleman give us any assurances that the figure of $1.4 billion, which the House wishes to insist upon, would be adequate to see the Corporation through the coming year?

Mr. WHITTEN. Insofar as assurances are concerned, the gentleman is aware of the obligations that are imposed on the Commodity Credit Corporation by law. It is our information that this amount in the conference bill will be ample to meet the needs as outlined to us by the Department of Agriculture. However, it is the feeling of the subcommittee that if more money is required, the Budget Bureau should submit a budget request. Otherwise we will be blamed around the country for exceeding the budget.

However, again I repeat that we are convinced this will be ample to meet the needs of the Commodity Credit Corporation. Should it prove insufficient then the Bureau of the Budget could submit such a request as might be necessary.

Mr. FINDLEY. I am sure the gentleman well recalls supplemental requests which we have received from the Commodity Credit Corporation soon after New Year's Day in past years. Is there any indication that such a supplemental request will be made next year?

Mr. WHITTEN. No, I have none. I have every reason to believe this will be ample.

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

Mr. WHITTEN. Yes, I yield to the gentleman from Illinois.

Mr. MICHEL. To further supplement the remarks of the chairman concerning the statement by the gentleman from Illinois, I believe it should be pointed out specifically here in connection with the insistence of the House conferees that even with this amount of $1.4 billion for restoration of capital impairment of the Commodity Credit Corporation, there will be at the end of 1968 an unused borrowing authority of more than $2.75 billion, which is more than adequate for the current fiscal year.

Mr. WHITTEN. I thank my colleague for that information.

Mr. ROGERS of Florida. Mr. Speaker, will the gentleman yield?

Mr. WHITTEN. Yes, I yield to the gentleman from Florida.

Mr. ROGERS of Florida. I wonder if the gentleman could explain what the conference committee has done with the Laboratory Animal Welfare Act in this bill?

Mr. WHITTEN. We provide the following language:

> The appropriation provides for enforcement of the Laboratory Animal Welfare Act at a cost not to exceed $1,200,000. Enforcement work in the field is to be handled by existing trained personnel as far as possible, and additional funds required are to be provided by transfer from lower priority work considered to be less essential.

Mr. ROGERS of Florida. But it is the intention to fund this at the figure of $1,200,000?

Mr. WHITTEN. If required.

Mr. ROGERS of Florida. I thank the gentleman for yielding.

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

Mr. WHITTEN. Yes, I yield to the gentleman from New York.

Mr. CAREY. Mr. Speaker, faced as we are with the necessity to look with a keen and almost atavistic eye at any items that are not necessary, and so that we can get down to the barebones in appropriations and in expenditures, there are those in the Nation who are becoming more perspicacious, and eloquent when we take out items that do not fall within this definition of barebones. Then I look in the report and see that the conferees agreed with the Senate in the construction of a genetic stock center for bees in the sum of $135,000, and also for the construction of a tobacco research laboratory at Oxford, N.C., for $150,000. I would say to the gentleman that these are all within the barebones definition, I take it?

Mr. WHITTEN. May I say to the gentleman, I do not know that I have ever seen a bill brought in here as much below the Senate and as much below the budget recommendations as this bill is. Within the funds that were available, we are far below the Bureau of the Budget and far below the Senate. In this bill we have tried to include those items we believe essential for the Congress to recommend.

But with all due deference, the project in North Carolina is underway and it would be unwise not to complete it.

So far as the bees are concerned, I think all of our standards of living are tied up with pollination provided by these insects. So we have within this barebones total, certain amounts rearranged in line with our recommendations to the Congress as to how those items would be distributed.

Mr. CAREY. I thank the gentleman for yielding and would thank him for yielding further. It is just that when last week we sent back to conference the health and education appropriations, all of which in the minds of the conferees represented worthwhile expenditures on ongoing programs for the health and welfare of Americans, it would seem that we are not willing to cut anything where bees, butts, and tobacco are concerned. Yet we will cut even further and forestall some of those projects, which go into research on how to keep life going where health authorities believe they can contribute something to all Americans.

Mr. WHITTEN. May I say to my colleagues that there is this distinction: Your conferees attempted to follow the attitudes expressed by the House and you will find funds for research in this bill considerably below the budget and far below the amount included in the other body. So we have followed the record vote that the House had last week.

May I say further, I am sure that when the continuing resolution comes, it shall be my desire to see that whatever action the Committee on Appropriations recommends, it will be across the board and all segments will be treated fairly and equitably.

Mr. CAREY. I thank the gentleman.

Mr. WHITTEN. Mr. Speaker, I yield to the gentleman from Illinois [Mr. MICHEL].

Mr. MICHEL. Mr. Speaker, I do not know that there is any need to elaborate to any great extent on what the chairman has said with reference to the conference report.

I certainly support it and I think the

subcommittee did an outstanding job in upholding the position of the House and I am most happy that on the three specific items that the chairman made reference to that we are bringing them back in disagreement and that we can have a vote here and make it unmistakably clear to the other body that we intend to hold fast to those figures.

Mr. WHITTEN. Mr. Speaker, I hope that my colleagues will bear with me in asking for record votes on the three items that were referred to earlier so that we may show the strength of our position on this side and thereby hopefully avoid a further conference. In each of the three instances, I ask that you stand by us as we insist on our cuts back to the budget. I wish to make that explanation so that my colleagues understand the reason for the record votes to follow.

Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The SPEAKER. The question is on the conference report.

The conference report was agreed to.

The SPEAKER. The Clerk will report the first amendment in disagreement.

The Clerk read as follows:

Senate Amendment No. 9: On page 7, line 7, strike out "$2,500,000" and insert "$4,000,000".

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 9 and concur therein with an amendment, as follows: In lieu of the sum proposed, insert "$2,000,000".

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 31: On page 17, line 19, strike out "$198,735,000" and insert "$190,825,000".

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 31 and concur therein with an amendment, as follows: In lieu of the sum proposed, insert "$182,825,000".

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 37: On page 18, line 11, insert:

"FOOD STAMP PROGRAM

"For necessary expenses of the food stamp program pursuant to the Food Stamp Act of 1964, as amended, $172,500,000, and in addition $22,500,000 appropriated under this head in Public Law 89-556, approved September 7, 1966, shall be merged with this appropriation."

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 37 and concur therein with an amendment, as follows: In lieu of the matter proposed, insert:

"FOOD STAMP PROGRAM

"For necessary expenses of the food stamp program pursuant to the Food Stamp Act of 1964, as amended, $161,800,000, and in addition $23,200,000 appropriated under this head in Public Law 89-556, approved September 7, 1966, shall be merged with this appropriation.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 43: Page 25, line 1, insert:

"*Provided*, That agreements entered into during the fiscal year 1968 shall not require payments during the calendar year 1968 exceeding $52,200,000."

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House insist on its disagreement to the amendment of the Senate numbered 43.

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

Mr. WHITTEN. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 377, nays 8, not voting 47, as follows:

[Roll No. 300]

YEAS—377

Abbitt	Burton, Utah	Duncan
Abernethy	Bush	Dwyer
Adair	Button	Eckhardt
Adams	Byrne, Pa.	Edmondson
Addabbo	Byrnes, Wis.	Edwards, Ala.
Albert	Cabell	Edwards, Calif.
Anderson, Ill.	Cahill	Edwards, La.
Andrews, Ala.	Carey	Eilberg
Andrews, N. Dak.	Carter	Erlenborn
Annunzio	Casey	Esch
Arends	Cederberg	Eshleman
Ashbrook	Chamberlain	Evins, Tenn.
Ashley	Clancy	Fallon
Ashmore	Clark	Farbstein
Aspinall	Clausen Don H.	Fascell
Ayres	Clawson, Del	Feighan
Barrett	Cleveland	Findley
Bates	Cohelan	Fino
Battin	Collier	Fisher
Belcher	Colmer	Flynt
Bell	Conable	Ford, Gerald R.
Bennett	Conte	Ford, William D.
Berry	Conyers	Frelinghuysen
Betts	Corbett	Friedel
Bevill	Corman	Fulton, Pa.
Biester	Cowger	Fuqua
Bingham	Cramer	Galifianakis
Blackburn	Cunningham	Gallagher
Blanton	Curtis	Gardner
Boggs	Daddario	Garmatz
Boland	Daniels	Gathings
Bolton	Davis, Ga.	Gettys
Bow	Davis, Wis.	Giaimo
Brademas	Dawson	Gibbons
Brasco	de la Garza	Gilbert
Brinkley	Delaney	Gonzalez
Brock	Dellenback	Goodell
Brooks	Denney	Goodling
Brotzman	Derwinski	Gray
Brown, Calif.	Devine	Green, Pa.
Brown, Mich.	Dickinson	Griffiths
Brown, Ohio	Dingell	Gross
Broyhill, N.C.	Dole	Grover
Broyhill, Va.	Donohue	Gude
Buchanan	Dorn	Gurney
Burke, Fla.	Dow	Hagan
Burke, Mass.	Dowdy	Haley
Burleson	Dulski	Hall
Halleck	Mathias, Md.	Roush
Halpern	Matsunaga	Roybal
Hamilton	May	Rumsfeld
Hammerschmidt	Mayne	Ruppe
Hanley	Meeds	Ryan
Hanna	Meskill	Sandman
Hardy	Michel	Satterfield
Harrison	Miller, Calif.	Saylor
Harsha	Miller, Ohio	Schadeberg
Harvey	Mills	Scherle
Hathaway	Minish	Scheuer
Hawkins	Mink	Schneebeli
Hays	Minshall	Schweiker
Hébert	Mize	Schwengel
Hechler, W. Va.	Monagan	Scott
Heckler, Mass.	Montgomery	Selden
Helstoski	Morgan	Shipley
Henderson	Morris, N. Mex.	Shriver
Herlong	Morse, Mass.	Sisk
Hicks	Morton	Skubitz
Holland	Mosher	Slack
Horton	Moss	Smith, Calif.
Hosmer	Multer	Smith, N.Y.
Howard	Murphy, Ill.	Smith, Okla.
Hull	Murphy, N.Y.	Snyder
Hungate	Natcher	Springer
Hunt	Nedzi	Stafford
Hutchinson	Nelsen	Staggers
Ichord	Nichols	Stanton
Irwin	Nix	Steed
Jacobs	O'Hara, Ill.	Steiger, Ariz.
Jarman	O'Hara, Mich.	Steiger, Wis.
Joelson	O'Konski	Stephens
Johnson, Calif.	Olsen	Stubblefield
Johnson, Pa.	O'Neal, Ga.	Stuckey
Jones, Ala.	Ottinger	Taft
Jones, Mo.	Passman	Talcott
Jones, N.C.	Patten	Taylor
Karsten	Pelly	Teague, Calif.
Karth	Perkins	Teague, Tex.
Kazen	Pettis	Tenzer
Kee	Philbin	Thompson, Ga.
Keith	Pickle	Thompson, N.J.
Kelly	Pike	Thomson, Wis.
King, Calif.	Pirnie	Tiernan
Kirwan	Poage	Tuck
Kleppe	Poff	Tunney
Kluczynski	Pollock	Udall
Kornegay	Pool	Ullman
Kupferman	Price, Ill.	Van Deerlin
Kyros	Price, Tex.	Vander Jagt
Laird	Pryor	Vanik
Landrum	Pucinski	Waggonner
Langen	Purcell	Waldie
Latta	Quie	Wampler
Lennon	Quillen	Watkins
Lipscomb	Railsback	Watson
Lloyd	Randall	Watts
Long, La.	Rees	Whalen
Long, Md.	Reid, Ill.	Whalley
McCarthy	Reid, N.Y.	Whitener
McClure	Reifel	Whitten
McCulloch	Reuss	Widnall
McDade	Rhodes, Ariz.	Wiggins
McDonald, Mich.	Rhodes, Pa.	Williams, Pa.
McEwen	Riegle	Wilson, Charles H.
McFall	Rivers	Winn
McMillan	Roberts	Wolff
Macdonald, Mass.	Robison	Wright
Machen	Rodino	Wyatt
Madden	Rogers, Colo.	Wydler
Mahon	Rogers, Fla.	Wylie
Mailliard	Ronan	Wyman
Marsh	Rooney, N.Y.	Yates
Martin	Rooney, Pa.	Young
Mathias, Calif.	Rosenthal	Zablocki
	Rostenkowski	Zion
	Roth	Zwach
	Roudebush	

NAYS—8

Bolling	Fraser	Smith, Iowa
Burton, Calif.	Kastenmeier	Walker
Evans, Colo.	Kyl	

NOT VOTING—47

Anderson, Tenn.	Green, Oreg.	Patman
Baring	Gubser	Pepper
Blatnik	Hansen, Idaho	Rarick
Bray	Hansen, Wash.	Reinecke
Broomfield	Holifield	Resnick
Celler	Jonas	St Germain
Culver	King, N.Y.	St. Onge
Dent	Kuykendall	Sikes
Diggs	Leggett	Stratton
Downing	Lukens	Sullivan
Everett	McClory	Utt
Flood	MacGregor	Vigorito
Foley	Moore	White
Fountain	Moorhead	Williams, Miss.
Fulton, Tenn.	Myers	Willis
	O'Neill, Mass.	Wilson, Bob

So the motion was agreed to.

The Clerk announced the following pairs:

Mr. Foley with Mr. McClory.
Mr. O'Neill of Massachusetts with Mr. Broomfield.
Mr. Leggett with Mr. Moore.
Mr. Celler with Mr. Reinecke.
Mr. Fountain with Mr. Utt.
Mr. Blatnik with Mr. Bob Wilson.
Mr. Dent with Mr. Gubser.
Mr. St. Onge with Mr. Jonas.
Mr. Holifield with Mr. MacGregor.
Mr. St Germain with Mr. Bray.
Mr. Moorhead with Mr. Hansen of Idaho.
Mr. Vigorito with Mr. King of New York.
Mrs. Sullivan with Mr. Myers.
Mr. Pepper with Mr. Lukens.
Mrs. Green of Oregon with Mr. Kuykendall.
Mr. Sikes with Mr. Stratton.
Mr. Resnick with Mr. Diggs.
Mr. Williams of Mississippi with Mr. Baring.
Mr. Anderson of Tennessee with Mr. Culver.
Mr. Flood with Mr. Everett.
Mr. Fulton of Tennessee with Mr. Patman.
Mrs. Hansen of Washington with Mr. Rarick.
Mr. White with Mr. Downing.

Mr. ADAMS changed his vote from "nay" to "yea."

The result of the vote was announced as above recorded.

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

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

There was no objection.

Mr. MAHON. Mr. Speaker, I would like to state for the record a few facts in regard to the present situation. There is no doubt in my mind but that the additional sum of $25 million for Farmers Home Administration will be needed by farmers next year for the 1968 crop. A greater sum than this may well be needed.

The President did not request the additional $25 million in his budget and there is no indication at this time that he would release the additional funds for use.

My position is that it would be more effective strategy to delete these above-the-budget funds at this time and reopen the issue early next year. We could then urge the President to send up a budget estimate at that time for the funds needed, whether the sum is higher or lower than the present figure. More information would then be available and the chance of securing Presidential and budget approval would be better at that time.

Mr. Speaker, I trust that these remarks will clarify the situation which now confronts the House. I shall do all in my power to be helpful to farmers in need of Farmers Home Administration loans when we can see more clearly what the actual requirements may be.

The SPEAKER pro tempore (Mr. ALBERT). The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 56: On page 31, line 18, strike out "$300,000,000" and insert "$325,000,000".

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House insist on its disagreement to the amendment of the Senate numbered 56.

Mr. WHITTEN. Mr. Speaker, the House has just voted on one of the three proposals where we have asked the House to stand by your conferees. There are two others, one where we ask you to stand by the conferees and hold to the budget figure on the Farmers Home Administration. The other has to do with the Commodity Credit Corporation where the other body added something like $1,600,000,000 and we ask that you support your conferees in their recommendation as to that item.

Mr. Speaker, I make this comment at this point for the information of my colleagues and I shall ask for a division on this vote. If Members will cooperate so that the record will show a good standing vote on these two items, we will avoid the time-consuming action of having to ask for a rollcall vote.

So, Mr. Speaker, on the pending motion, I ask for a division.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Mississippi [Mr. WHITTEN].

The question was taken; and on a division (demanded by Mr. WHITTEN) there were—ayes 171, noes 5.

Mr. ANDREWS of North Dakota. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. The Chair will count. Two hundred and four Members are present, not a quorum.

The Doorkeeper will close the doors, the Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 362, nays 24, not voting 46, as follows:

[Roll No. 301]

YEAS—362

Abbitt	Buchanan	Derwinski
Abernethy	Burke, Fla.	Devine
Adair	Burke, Mass.	Dickinson
Adams	Burleson	Dingell
Addabbo	Burton, Utah	Dole
Albert	Bush	Donohue
Anderson, Ill.	Button	Dorn
Andrews, Ala.	Byrne, Pa.	Dow
Annunzio	Byrnes, Wis.	Dowdy
Arends	Cabell	Dulski
Ashbrook	Cahill	Duncan
Ashley	Carey	Dwyer
Ashmore	Carter	Eckhardt
Aspinall	Casey	Edmondson
Ayres	Cederberg	Edwards, Ala.
Barrett	Chamberlain	Edwards, Calif.
Bates	Clancy	Edwards, La.
Battin	Clark	Ellberg
Belcher	Clausen, Don H.	Erlenborn
Bell	Clawson, Del	Esch
Bennett	Cleveland	Eshleman
Betts	Collier	Fallon
Bevill	Colmer	Farbstein
Biester	Conable	Fascell
Bingham	Conte	Feighan
Blanton	Corbett	Findley
Boggs	Corman	Fino
Boland	Cowger	Fisher
Bolton	Cramer	Flynt
Bow	Cunningham	Ford, Gerald R.
Brademas	Curtis	Ford, William D.
Brasco	Daddario	Frelinghuysen
Brinkley	Daniels	Friedel
Brock	Davis, Ga.	Fulton, Pa.
Brooks	Davis, Wis.	Fuqua
Brotzman	Dawson	Galifianakis
Brown, Calif.	de la Garza	Gallagher
Brown, Mich.	Delaney	Gardner
Brown, Ohio	Dellenback	Garmatz
Broyhill, N.C.	Denney	Gathings
Broyhill, Va.	Dent	Gettys
Buchanan	Derwinski	Giaimo
Burke, Fla.	Devine	Gibbons
Burke, Mass.	Dickinson	Gilbert
Burleson	Dingell	Gonzalez
Burton, Utah	Dole	Goodell
Bush	Donohue	Goodling
Button	Dorn	Gray
Byrne, Pa.	Dow	Green, Pa.
Byrnes, Wis.	Dowdy	Griffiths
Cabell	Dulski	Gross
Cahill	Duncan	Grover
Carey	Dwyer	Gubser
Carter	Eckhardt	Gude
Casey	Edmondson	Gurney
Cederberg	Edwards, Ala.	Hagan
Chamberlain	Edwards, Calif.	Haley
Clancy	Edwards, La.	Hall
Clark	Ellberg	Halleck
Clausen, Don H.	Erlenborn	Halpern
Clawson, Del	Esch	Hamilton
Cleveland	Eshleman	Hammer-schmidt
Collier	Fallon	Hanley
Colmer	Farbstein	Hanna
Conable	Fascell	Hansen, Wash.
Conte	Feighan	Hardy
Corbett	Findley	Harrison
Corman	Fino	Harsha
Cowger	Fisher	Harvey
Cramer	Flynt	Hays
Cunningham	Ford, Gerald R.	Hébert
Curtis	Ford, William D.	Heckler, Mass.
Daddario	Frelinghuysen	Helstoski
Daniels	Friedel	Henderson
Davis, Ga.	Fulton, Pa.	Herlong
Davis, Wis.	Fuqua	Hicks
Dawson	Galifianakis	Holland
de la Garza	Gallagher	Hosmer
Delaney	Gardner	Howard
Dellenback	Garmatz	Hull
Denney	Gathings	Hungate
Dent	Gettys	Hunt
Derwinski	Giaimo	Hutchinson
Devine	Gibbons	Ichord
Dickinson	Gilbert	Irwin
Dingell	Gonzalez	Jacobs
Dole	Goodell	Jarman
Donohue	Goodling	Joelson
Dorn	Gray	Johnson, Calif.
Dow	Green, Pa.	Johnson, Pa.
Dowdy	Griffiths	Jones, Ala.
Dulski	Gross	Jones, Mo.
Duncan	Grover	Jones, N.C.
Dwyer	Gubser	Karsten
Eckhardt	Gude	Karth
Edmondson	Gurney	Kazen
Edwards, Ala.	Hagan	Kee
Edwards, Calif.	Haley	Keith
Edwards, La.	Hall	Kelly
Ellberg	Halleck	King, Calif.
Erlenborn	Halpern	Kirwan
Esch	Hamilton	Kluczynski
Eshleman	Hammer-schmidt	Kornegay
Fallon	Hanley	Kupferman
Farbstein	Hanna	Kuykendall
Fascell	Hansen, Wash.	Kyros
Feighan	Hardy	Laird
Findley	Harrison	Landrum
Fino	Harsha	Langen
Fisher	Harvey	Latta
Flynt	Hays	Lennon
Ford, Gerald R.	Hébert	Lipscomb
Ford, William D.	Heckler, Mass.	Lloyd
Frelinghuysen	Helstoski	Long, La.
Friedel	Henderson	Long, Md.
Fulton, Pa.	Herlong	McCarthy
Fuqua	Hicks	McClure
Galifianakis	Holland	McCulloch
Gallagher	Hosmer	McDade
Gardner	Howard	McDonald, Mich.
Garmatz	Hull	McEwen
Gathings	Hungate	McFall
Gettys	Hunt	McMillan
Giaimo	Hutchinson	Macdonald, Mass.
Gibbons	Ichord	MacGregor
Gilbert	Irwin	Machen
Gonzalez	Jacobs	Madden
Goodell	Jarman	Mahon
Goodling	Joelson	Mailliard
Gray	Johnson, Calif.	Marsh
Green, Pa.	Johnson, Pa.	Martin
Griffiths	Jones, Ala.	Mathias, Calif.
Gross	Jones, Mo.	May
Grover	Jones, N.C.	Mayne
Gubser	Karsten	Meeds
Gude	Karth	Meskill
Gurney	Kazen	Michel
Hagan	Kee	Miller, Ohio
Haley	Keith	Mills
Hall	Kelly	Minish
Halleck	King, Calif.	Mink
Halpern	Kirwan	Minshall
Hamilton	Kluczynski	Mize
Hammer-schmidt	Kornegay	Monagan
Hanley	Kupferman	Montgomery
Hanna	Kuykendall	Morgan
Hansen, Wash.	Kyros	Morris, N. Mex.
Hardy	Laird	Morse, Mass.
Harrison	Landrum	Mosher
Harsha	Langen	Moss
Harvey	Latta	Multer
Hays	Lennon	Murphy, Ill.
Hébert	Lipscomb	Murphy, N.Y.
Heckler, Mass.	Lloyd	Natcher
Helstoski	Long, La.	Nedzi
Henderson	Long, Md.	Nelsen
Herlong	McCarthy	Nichols
Hicks	McClure	Nix
Holland	McCulloch	O'Hara, Ill.
Hosmer	McDade	O'Hara, Mich.
Howard	McDonald, Mich.	O'Konski
Hull	McEwen	Olsen
Hungate	McFall	O'Neal, Ga.
Hunt	McMillan	Ottinger
Hutchinson	Macdonald, Mass.	Passman
Ichord	MacGregor	Patman
Irwin	Machen	Patten
Jacobs	Madden	Pelly
Jarman	Mahon	Perkins
Joelson	Mailliard	Pettis
Johnson, Calif.	Marsh	Philbin
Johnson, Pa.	Martin	Pickle
Jones, Ala.	Mathias, Calif.	Pike
Jones, Mo.	May	Pirnie
Jones, N.C.	Mayne	Poage
Karsten	Meeds	Poff
Karth	Meskill	Pollock
Kazen	Michel	Pool
Kee	Miller, Ohio	Price, Ill.
Keith	Mills	Price, Tex.
Kelly	Minish	Pryor
King, Calif.	Mink	Pucinski
Kirwan	Minshall	Purcell
Kluczynski	Mize	Quie
Kornegay	Monagan	Quillen
Kupferman	Montgomery	Railsback
Kuykendall	Morgan	Reid, Ill.
Kyros	Morris, N. Mex.	Reid, N.Y.
Laird	Morse, Mass.	Reuss
Landrum	Mosher	Rhodes, Ariz.
Langen	Moss	Rhodes, Pa.
Latta	Multer	Riegle
Lennon	Murphy, Ill.	Rivers
Lipscomb	Murphy, N.Y.	Roberts
Lloyd	Natcher	Robison
Long, La.	Nedzi	Rodino
Long, Md.	Nelsen	Rogers, Colo.
McCarthy	Nichols	Rogers, Fla.
McClure	Nix	Ronan
McCulloch	O'Hara, Ill.	Rooney, N.Y.
McDade	O'Hara, Mich.	Rooney, Pa.
McDonald, Mich.	O'Konski	Rosenthal
McEwen	Olsen	Rostenkowski
McFall	O'Neal, Ga.	Roth
McMillan	Ottinger	Roudebush
Macdonald, Mass.	Passman	Roush
MacGregor	Patman	Roybal
Machen	Patten	Rumsfeld
Madden	Pelly	Ruppe
Mahon	Perkins	Ryan
Mailliard	Pettis	Sandman
Marsh	Philbin	Satterfield
Martin	Pickle	Saylor
Mathias, Calif.	Pike	Schadeberg
May	Pirnie	Scherle
Mayne	Poage	Scheuer
Meeds	Poff	Schneebeli
Meskill	Pollock	Schweiker
Michel	Pool	Schwengel
Miller, Ohio	Price, Ill.	Scott
Mills	Price, Tex.	Selden
Minish	Pryor	Shipley
Mink	Pucinski	Shriver
Minshall	Purcell	Skubitz
Mize	Quie	Slack
Monagan	Quillen	Smith, Calif.
Montgomery	Railsback	Smith, N.Y.
Morgan	Reid, Ill.	Smith, Okla.
Morris, N. Mex.	Reid, N.Y.	Snyder
Morse, Mass.	Reuss	Springer
Mosher	Rhodes, Ariz.	Stafford
Moss	Rhodes, Pa.	Staggers
Multer	Riegle	Stanton
Murphy, Ill.	Rivers	Steed
Murphy, N.Y.	Roberts	Steiger, Ariz.
Natcher	Robison	Steiger, Wis.
Nedzi	Rodino	Stephens
Nelsen	Rogers, Colo.	Stubblefield
Nichols	Rogers, Fla.	Stuckey
Nix	Ronan	Talcott
O'Hara, Ill.	Rooney, N.Y.	Taylor
O'Hara, Mich.	Rooney, Pa.	Teague, Calif.
O'Konski	Rosenthal	Teague, Tex.
Olsen	Rostenkowski	Tenzer
O'Neal, Ga.	Roth	Thompson, Ga.
Ottinger	Roudebush	Thompson, N.J.
Passman	Roush	Thomson, Wis.
Patman	Roybal	Tiernan
Patten	Rumsfeld	Tuck
Pelly	Ruppe	Tunney
Perkins	Ryan	Udall
Pettis	Sandman	Ullman
Philbin	Satterfield	Van Deerlin
Pickle	Saylor	Vander Jagt
Pike	Schadeberg	Vanik
Pirnie	Scherle	Waggonner
Poage	Scheuer	Waldie
Poff	Schneebeli	Walker
Pollock	Schweiker	Wampler
Pool	Schwengel	Watkins
Price, Ill.	Scott	Watson
Price, Tex.	Selden	Watts
Pryor	Shipley	Whalen
Pucinski	Shriver	Whalley
Purcell	Skubitz	Whitener
Quie	Slack	Whitten
Quillen	Smith, Calif.	Wiggins
Railsback	Smith, N.Y.	Williams, Pa.
Reid, Ill.	Smith, Okla.	Wilson, Charles H.
Reid, N.Y.	Snyder	Winn
Reuss	Springer	Wolff
Rhodes, Ariz.	Stafford	Wright
Rhodes, Pa.	Staggers	Wyatt
Riegle	Stanton	Wydler
Rivers	Steed	Wylie
Roberts	Steiger, Ariz.	Wyman
Robison	Steiger, Wis.	Yates
Rodino	Stephens	Young
Rogers, Colo.	Stubblefield	Zablocki
Rogers, Fla.	Stuckey	Zion
Ronan	Talcott	Zwach
Rooney, N.Y.	Taylor	
Rooney, Pa.	Teague, Calif.	
Rosenthal	Teague, Tex.	
Rostenkowski	Tenzer	
Roth	Thompson, Ga.	
Roudebush	Thompson, N.J.	
Roush	Thomson, Wis.	
Roybal	Tiernan	
Rumsfeld	Tuck	
Ruppe	Tunney	
Ryan	Udall	
Sandman	Ullman	
Satterfield	Van Deerlin	
Saylor	Vander Jagt	
Schadeberg	Vanik	
Scherle	Waggonner	
Scheuer	Waldie	
Schneebeli	Walker	
Schweiker	Wampler	
Schwengel	Watkins	
Scott	Watson	
Selden	Watts	
Shipley	Whalen	
Shriver	Whalley	
Skubitz	Whitener	
Slack	Whitten	
Smith, Calif.	Wiggins	
Smith, N.Y.	Williams, Pa.	
Smith, Okla.	Wilson, Charles H.	
Snyder	Winn	
Springer	Wolff	
Stafford	Wright	
Staggers	Wyatt	
Stanton	Wydler	
Steed	Wylie	
Steiger, Ariz.	Wyman	
Steiger, Wis.	Yates	
Stephens	Young	
Stubblefield	Zablocki	
Stuckey	Zion	
Talcott	Zwach	
Taylor		
Teague, Calif.		
Teague, Tex.		
Tenzer		
Thompson, Ga.		
Thompson, N.J.		
Thomson, Wis.		
Tiernan		
Tuck		
Tunney		
Udall		
Ullman		
Van Deerlin		
Vander Jagt		
Vanik		
Waggonner		
Waldie		
Walker		
Wampler		
Watkins		
Watson		
Watts		
Whalen		
Whalley		
Whitener		
Whitten		
Wiggins		
Williams, Pa.		
Wilson, Charles H.		
Winn		
Wolff		
Wright		
Wyatt		
Wydler		
Wylie		
Wyman		
Yates		
Young		
Zablocki		
Zion		
Zwach		

NAYS—24

Andrews, N. Dak.	Hathaway	Moore
Berry	Hawkins	Morton
Bolling	Hechler, W. Va.	Randall
Burton, Calif.	Horton	Rees
Cohelan	Kastenmeier	Reifel
Conyers	Kleppe	Sisk
Evans, Colo.	Kyl	Smith, Iowa
Evins, Tenn.	Mathias, Md.	
	Matsunaga	

NOT VOTING—46

Anderson, Tenn.	Diggs	Holifield
Baring	Downing	Jonas
Blackburn	Everett	King, N.Y.
Blatnik	Flood	Leggett
Bray	Foley	Lukens
Broomfield	Fountain	McClory
Celler	Fraser	Miller, Calif.
Culver	Fulton, Tenn.	Moorhead
Dent	Green, Oreg.	Myers
	Hansen, Idaho	O'Neill, Mass.

Pepper	Sikes	White
Rarick	Stratton	Widnall
Reinecke	Sullivan	Williams, Miss.
Resnick	Taft	Willis
St Germain	Utt	Wilson, Bob
St. Onge	Vigorito	

So the motion was agreed to.

The Clerk announced the following pairs:

Mr. O'Neill of Massachusetts with Mr. Taft.
Mr. Foley with Mr. Widnall.
Mr. St. Onge with Mr. Jonas.
Mr. Sikes with Mr. Bob Wilson.
Mr. Flood with Mr. Reinecke.
Mr. Dent with Mr. Utt.
Mr. Blatnik with Mr. Broomfield.
Mr. Miller of California with Mr. McClory.
Mr. Vigorito with Mr. Bray.
Mrs. Sullivan with Mr. King of New York.
Mr. Leggett with Mr. Myers.
Mr. Moorhead with Mr. Hansen of Idaho.
Mr. Fountain with Mr. Lukens.
Mr. St Germain with Mr. Diggs.
Mr. Everett with Mr. Rarick.
Mr. Culver with Mr. Celler.
Mr. Fulton of Tennessee with Mr. Resnick.
Mr. Holifield with Mr. Stratton.
Mr. Downing with Mr. Baring.
Mr. White with Mr. Anderson of Tennessee.
Mr. Willis with Mr. Williams of Mississippi.
Mrs. Green of Oregon with Mr. Fraser.
Mr. Pepper with Mr. Blackburn.

Mr. CONYERS and Mr. RANDALL changed their vote from "yea" to "nay."

The result of the vote was announced as above recorded.

The doors were opened.

The SPEAKER pro tempore (Mr. ALBERT). The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 63: On page 34, line 16: Strike out "$1,400,000,000" and insert "$2,984,856,389".

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House insist on its disagreement to the amendment of the Senate numbered 63.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Mississippi.

Mr. WHITTEN. Mr. Speaker, the House provided the full budget estimate of $1,400,000,000 in capital restoration for the Commodity Credit Corporation. The Senate increased this by approximately $1.6 billion above the budget recommendation.

We are asking here that the Members stay with the recommendation of the House conferees, which is $1.6 billion below the Senate recommendation and stays with the budgeted amount.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Mississippi that the House insist on its disagreement to the amendment of the Senate numbered 63.

The question was taken; and on a division (demanded by Mr. WHITTEN) there were—ayes 225, noes 3.

Mr. GERALD R. FORD. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 391, nays 3, not voting 38, as follows:

[Roll No. 302]

YEAS—391

Abbitt	Edmondson	Kluczynski
Abernethy	Edwards, Ala.	Kornegay
Adair	Edwards, Calif.	Kupferman
Adams	Edwards, La.	Kuykendall
Addabbo	Eilberg	Kyl
Albert	Erlenborn	Kyros
Anderson, Ill.	Esch	Laird
Andrews, Ala.	Eshleman	Landrum
Annunzio	Evans, Colo.	Langen
Arends	Evins, Tenn.	Latta
Ashbrook	Fallon	Lennon
Ashley	Farbstein	Lipscomb
Ashmore	Fascell	Lloyd
Aspinall	Feighan	Long, La.
Ayres	Findley	Long, Md.
Barrett	Fino	McClory
Bates	Fisher	McClure
Battin	Flynt	McCulloch
Belcher	Ford, Gerald R.	McDade
Bell	Ford, William D.	McDonald, Mich.
Bennett	Fraser	McEwen
Berry	Frelinghuysen	McFall
Betts	Friedel	McMillan
Bevill	Fulton, Pa.	Macdonald, Mass.
Biester	Fuqua	MacGregor
Bingham	Galifianakis	Machen
Blanton	Gallagher	Madden
Boggs	Gardner	Mahon
Boland	Garmatz	Mailliard
Bolton	Gathings	Marsh
Bow	Gettys	Martin
Brademas	Giaimo	Mathias, Calif.
Brasco	Gibbons	Mathias, Md.
Brinkley	Gilbert	Matsunaga
Brock	Gonzalez	May
Brooks	Goodell	Mayne
Brotzman	Goodling	Meeds
Brown, Calif.	Gray	Meskill
Brown, Mich.	Green, Pa.	Michel
Brown, Ohio	Griffiths	Miller, Calif.
Broyhill, N.C.	Gross	Miller, Ohio
Broyhill, Va.	Grover	Mills
Buchanan	Gubser	Minish
Burke, Fla.	Gude	Mink
Burke, Mass.	Gurney	Minshall
Burleson	Hagan	Mize
Burton, Calif.	Haley	Monagan
Burton, Utah	Hall	Montgomery
Bush	Halleck	Moore
Button	Halpern	Morgan
Byrne, Pa.	Hamilton	Morris, N. Mex.
Byrnes, Wis.	Hammer-schmidt	Morse, Mass.
Cabell	Hanley	Morton
Cahill	Hanna	Mosher
Carey	Hansen, Wash.	Moss
Carter	Hardy	Multer
Casey	Harrison	Murphy, Ill.
Cederberg	Harsha	Murphy, N.Y.
Celler	Harvey	Natcher
Chamberlain	Hathaway	Nedzi
Clancy	Hawkins	Nelsen
Clark	Hays	Nichols
Clausen, Don H.	Hébert	Nix
Clawson, Del	Hechler, W. Va.	O'Hara, Ill.
Cleveland	Heckler, Mass.	O'Hara, Mich.
Cohelan	Helstoski	O'Konski
Collier	Henderson	Olsen
Colmer	Herlong	O'Neal, Ga.
Conable	Hicks	Ottinger
Conte	Holland	Passman
Corbett	Horton	Patman
Corman	Hosmer	Patten
Cowger	Howard	Pelly
Cramer	Hull	Perkins
Culver	Hungate	Pettis
Cunningham	Hunt	Philbin
Curtis	Hutchinson	Pickle
Daddario	Ichord	Pike
Daniels	Irwin	Pirnie
Davis, Ga.	Jacobs	Poage
Davis, Wis.	Jarman	Poff
Dawson	Joelson	Pollock
de la Garza	Johnson, Calif.	Pool
Delaney	Johnson, Pa.	Price, Ill.
Dellenback	Jones, Ala.	Price, Tex.
Denney	Jones, Mo.	Pryor
Derwinski	Jones, N.C.	Pucinski
Devine	Karsten	Quie
Dickinson	Karth	Quillen
Dingell	Kastenmeier	Railsback
Dole	Kazen	Randall
Donohue	Kee	Rees
Dorn	Keith	Reid, Ill.
Dow	Kelly	Reid, N.Y.
Dowdy	King, Calif.	Reifel
Dulski	King, N.Y.	Reuss
Duncan	Kirwan	Rhodes, Ariz.
Dwyer	Kleppe	Rhodes, Pa.
Eckhardt		

Riegle	Skubitz	Vanik
Rivers	Slack	Waggonner
Roberts	Smith, Calif.	Waldie
Robison	Smith, Iowa	Walker
Rodino	Smith, N.Y.	Wampler
Rogers, Colo.	Smith, Okla.	Watkins
Rogers, Fla.	Snyder	Watson
Ronan	Springer	Watts
Rooney, N.Y.	Stafford	Whalen
Rooney, Pa.	Staggers	Whalley
Rosenthal	Stanton	Whitener
Rostenkowski	Steed	Whitten
Roth	Steiger, Ariz.	Widnall
Roudebush	Steiger, Wis.	Wiggins
Roush	Stephens	Williams, Miss.
Roybal	Stubblefield	Williams, Pa.
Rumsfeld	Stuckey	Wilson, Bob
Ruppe	Taft	Wilson, Charles H.
Ryan	Talcott	Winn
Sandman	Taylor	Wolff
Satterfield	Teague, Calif.	Wright
Saylor	Teague, Tex.	Wyatt
Schadeberg	Tenzer	Wydler
Scherle	Thompson, Ga.	Wylie
Scheuer	Thompson, N.J.	Wyman
Schneebeli	Thomson, Wis.	Yates
Schweiker	Tiernan	Young
Schwengel	Tuck	Zablocki
Scott	Tunney	Zion
Selden	Udall	Zwach
Shipley	Ullman	
Shriver	Van Deerlin	
Sisk	Vander Jagt	

NAYS—3

Andrews, N. Dak.	Bolling	Conyers

NOT VOTING—38

Anderson, Tenn.	Fountain	Purcell
Baring	Fulton, Tenn.	Rarick
Blackburn	Green, Oreg.	Reinecke
Blatnik	Hansen, Idaho	Resnick
Bray	Holifield	St Germain
Broomfield	Jonas	St. Onge
Dent	Leggett	Sikes
Diggs	Lukens	Stratton
Downing	McCarthy	Sullivan
Everett	Moorhead	Utt
Flood	Myers	Vigorito
Foley	O'Neill, Mass.	White
	Pepper	Willis

So the motion was agreed to.

The Clerk announced the following pairs:

Mr. O'Neill of Massachusetts with Mr. Myers.
Mr. Foley with Mr. Hansen of Idaho.
Mr. Dent with Mr. Utt.
Mr. Leggett with Mr. Jonas.
Mr. St. Onge with Mr. Reinecke.
Mr. Sikes with Mr. Bray.
Mrs. Sullivan with Mr. Broomfield.
Mr. Blatnik with Mr. Lukens.
Mr. Vigorito with Mr. Blackburn.
Mr. Flood with Mr. Holifield.
Mr. Pepper with Mr. Moorhead.
Mr. McCarthy with Mr. Baring.
Mr. Resnick with Mr. Diggs.
Mr. White with Mr. Anderson of Tennessee.
Mr. Fountain with Mr. Willis.
Mr. Purcell with Mr. Rarick.
Mr. St Germain with Mr. Everett.
Mr. Downing with Mrs. Green of Oregon.
Mr. Stratton with Mr. Fulton of Tennessee.

Mr. COHELAN changed his vote from "nay" to "yea." The result of the vote was announced as above recorded.

The SPEAKER pro tempore (Mr. ALBERT). The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 67: On Page 36, line 14, insert the following:

"BARTERED MATERIALS FOR SUPPLEMENTAL STOCKPILE

"For the expenses during fiscal year 1968 and unrecovered prior years' costs related to strategic and other materials acquired as a result of barter or exchange of agricultural commodities or products and transferred to the supplemental stockpile pursuant to the Act of May 28, 1956, as amended (7 U.S.C.

1856), $24,000,000, to remain available until expended."

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 67 and concur therein with an amendment, as follows: In lieu of the sum named in said amendment, insert "$23,000,000".

The motion was agreed to.

A motion to reconsider the votes by which action was taken on the conference report and on the several motions was laid on the table.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Arrington, one of its clerks, announced that Mr. PASTORE, Mr. MONRONEY, and Mrs. SMITH were appointed as additional conferees on the bill (H.R. 11456) entitled "An act making appropriations for the Department of Transportation for the fiscal year ending June 30, 1968, and for other purposes."

PRIVILEGE OF THE HOUSE—IN THE MATTER OF FRANCIS R. SMITH, ET AL. AGAINST JOSEPH J. SCANLON, ET AL. (CASE NO. 117)

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

The SPEAKER. The gentleman from Pennsylvania will state the question of privilege.

Mr. BARRETT. Mr. Speaker, I have been subpenaed by the court of common pleas of the county of Philadelphia, in the Commonwealth of Pennsylvania, to testify on Tuesday, October 10, 1967, at 2:30 p.m., and on Monday, October 16, 1967, at 10 a.m., in the matter of Francis R. Smith, and others against Joseph J. Scanlon, and others—case No. 117—and on the earlier date to bring with me certain papers.

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

Mr. Speaker, I send the subpenas to the desk.

The SPEAKER. The Clerk will read the subpenas.

The Clerk read as follows:

[Subpena No. 35031]

SUBPENA: COURT OF COMMON PLEAS, COMMONWEALTH OF PENNSYLVANIA, COUNTY OF PHILADELPHIA, OCTOBER TERM, 1967, No. 117

In the matter of: Francis R. Smith, individually and as Chairman of the Philadelphia Democratic Executive Committee; Peter J. Camiel, individually and as First Vice Chairman of the Philadelphia County Democratic Executive Committee, etc., et al., Plaintiff, v. Joseph J. Scanlon, William A. Barrett and Herbert J. McGlinchey, each individually and as members of the Philadelphia County Democratic Executive Committee, Defendant.

To: William A. Barrett, 2324 Reed Street, Philadelphia, Pa. 19146.

1. You are ordered by the court to come to Room 653, City Hall, at Philadelphia, Pennsylvania, on October 16, 1967, at 10:00 o'clock A.M.

Date October 6, 1967.

By the Court:

D. BARLOW BURKE,
Prothonotary.
Pro D. DALTON,
Clerk.

[SUBPENA No. 35035]

SUBPENA: COURT OF COMMON PLEAS, COMMONWEALTH OF PENNSYLVANIA, COUNTY OF PHILADELPHIA, OCTOBER TERM, 1967, No. 117

In the matter of: Francis R. Smith, individually and as Chairman of the Philadelphia County Democratic Executive Committee; Peter J. Camiel, individually and as First Vice-Chairman of the Philadelphia County Democratic Executive Committee on behalf of themselves and all other officers, et al., Plaintiffs, v. Joseph J. Scanlon, William A. Barrett, and Herbert J. McGlinchey, each individually and as members of the Philadelphia County Democratic Executive Committee, Defendant.

To: Hon. William A. Barrett, Finance Bldg. (19102).

1. You are ordered by the court to come to the offices of Freedman, Borowsky and Lorry, Lafayette Bldg., 5th & Chestnut Streets, at Philadelphia, Pennsylvania, on Tuesday, October 10, 1967, at 2:30 o'clock P.M. to testify on behalf of Plaintiff in the above case, and to remain until excused.

2. And bring with you the following: All written material related to the above captioned controversy including but not limited to: (a) All memoranda, notes, documents and/or minutes of the meeting of September 15, 1967, held at the Bellevue Stratford commencing at or about 2:00 p.m. in which the alleged purpose of said meeting was the recall or ouster of Francis R. Smith and others as officers of the Philadelphia Co. Democratic Executive Committee; (b) all written or other records of proxy votes cast at that meeting; (c) all roll calls taken at said meeting; (d) all other papers related to said meeting which are in the possession of deponent.

Date October 9, 1967.

By the Court:

D. BARLOW BURKE,
Prothonotary.
Pro D. DALTON,
Clerk.

POSTAL REVENUE AND FEDERAL SALARY ACT OF 1967

Mr. BOLLING. Mr. Speaker, by direction of the Committee on Rules I call up House Resolution 939, and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 7977) to adjust certain postage rates, and for other purposes. After general debate, which shall be confined to the bill and shall continue not to exceed two hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Post Office and Civil Service, the bill shall be read for amendment under the five-minute rule. It shall be in order to consider without the intervention of any point of order the amendment in the nature of a substitute recommended by the Committee on Post Office and Civil Service now printed in the bill, and such substitute for the purpose of amendment shall be considered under the five-minute rule as an original bill, and read by titles instead of by sections. At the conclusion of such consideration, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and any Member may demand a separate vote in the House on any amendment adopted in the Committee of the Whole to the bill or committee amendment in the nature of a substitute. The previous question shall be considered as ordered on the bill and amendments thereof to final passage without intervening motion except one motion to recommit with or without instructions.

The SPEAKER. The gentleman from Missouri is recognized for 1 hour.

Mr. BOLLING. Mr. Speaker, I yield 30 minutes to the gentleman from Illinois, [Mr. ANDERSON], and pending that I yield myself such time as I may consume.

Mr. Speaker, this rule calls for 2 hours of general debate for consideration of the bill H.R. 7977, the Postal Revenue and Federal Salary Act of 1967.

The rule is not a usual rule in that it makes in order that the committee substitute shall be considered as an original bill which has, for all practical purposes, the purpose of making any amendments adopted to that substitute subject to rollcalls in the House.

It also waives points of order, which has the effect of making it impossible for a person to make a point of order against that portion of the bill which deals with salary increases, otherwise if these two factors had not been present in the rule it would have been possible to knock out the salary increase as not germane to a rate bill.

It also provides that the bill be read for amendment by titles instead of by sections.

There are two ways one could describe that process. One could say that it made for a more orderly procedure, or one could say that it would expedite the reading. I believe both would be accurate.

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

Mr. BOLLING. I yield to the gentleman from Texas.

Mr. POOL. I would ask the gentleman whether under this rule, under title I, which I believe is the title that has to do with the postal rates, it can be amended at any point? Is that the rule?

Mr. BOLLING. That is correct. The rule is entirely open with the exception of the kinds of modifications I have just suggested.

Mr. POOL. I have an amendment on first-class mail to reduce it from 6 cents back to 5 cents, like it is at present, and that could be considered at that time? I take it that is the recognized procedure?

Mr. BOLLING. The present speaker will not be the occupant of the chair.

Mr. POOL. I understand.

Mr. BOLLING. And will not be able to prejudge any rulings of the Chair.

Mr. POOL. But that is the way the rule reads now?

Mr. BOLLING. The rule is an open rule, I will say to the gentleman, and any germane amendment I would believe would be in order.

Mr. HECHLER of West Virginia. Mr. Speaker, will the gentleman yield?

Mr. BOLLING. Yes, I yield to the gentleman from West Virginia.

Mr. HECHLER of West Virginia. Mr.

Speaker, I support this rule with some reservations. I feel that when the bill gets into the Committee of the Whole it can be improved considerably through raising the rates on third-class mail, and in particular the rates on bulk commercial mail which I believe should be set at 4.5 cents a piece, instead of the 3.8-cent rate contained in the pending bill.

I have two amendments that I will offer when the bill is considered in Committee of the Whole.

One is to provide for a three-tenths of 1 cent surcharge per copy on issues of publications circulating more than 500,000 through the mails. The second amendment is to provide for certain increases in third-class mail rates. One of the important features is to provide a 4.5 cent rate for bulk commercial mail.

Mr. Speaker, I ask unanimous consent that the text of these two amendments be included at this point in the RECORD.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

The amendments referred to are as follows:

On page 23, line 14, strike out the double quotation marks, the semicolon, and the word "and".

On page 23, immediately following line 14, insert the following:

"(f) In addition to the rates of postage otherwise prescribed by this section, there shall be a charge of 0.3 cent per copy, when more than 500,000 copies per issue of any publication are mailed at the rates prescribed by this section, payable only on—

"(1) each copy in excess of 500,000 copies per issue mailed at the original point of entry; and

"(2) each copy mailed at other than the original point of entry; and".

On page 24, strike out line 15 and all that follows down through the second period in line 14 on page 25, and insert in lieu thereof the following:

"THIRD-CLASS MAIL

"SEC. 107. (a) (1) Subsections (a) and (b) of section 4452 of title 39, United States Code, are amended to read as follows:

"'(a) Except as otherwise provided in this section, the postage rates on third-class mail are as follows:

"Type of mailing	Rates: Mailed prior to Jan. 7, 1968 (cents)	Rates: Mailed on and after Jan. 7, 1968 (cents)	Unit
(1) Individual piece	6	6.0	First 2 ounces or fraction thereof.
	2	2.0	Each additional ounce or fraction thereof.
(2) Bulk mailings under subsection (e) of this section of—			
(A) Books and catalogs of 24 pages or more, seeds, cuttings, bulbs, roots, scions and plants.	12	18.0	Each pound or fraction thereof.
(B) Other matter	18	24.0	Do.
(C) Minimum charge of—			
(i) Regular	2⅞	4.5	Per piece.
(ii) Qualified nonprofit organizations	1.25	2.25	Do.

"'(b) Matter mailed in bulk under subsection (e) of this section is subject to a minimum charge for each piece. The minimum charge for each piece on such matter is the minimum charge prescribed by this section, as applicable.'."

(2) Subsection (e) of section 4452 of title 39, United States Code, prescribing the annual permit fee for third-class bulk mailings, is amended by striking out "$30" and inserting in lieu thereof "$40".

Mr. ANDERSON of Illinois. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I think the distinguished gentleman from Missouri, my colleague on the Committee on Rules, has adequately explained the technicalities of the rule under which the House will consider this bill which started out as a Postal Revenue Act of 1967 and which through the adoption subsequently of a committee amendment or substitute has become something quite different. And because we have relatively a short period of time today to debate this intricate and complex bill—and incidentally a very expensive bill if it is adopted, and because necessarily those 2 hours must be used by members of the Committee on Post Office and Civil Service, I should like to take just a few brief minutes this afternoon to discuss some of the reservations I have with respect to this legislation.

Incidentally, they bear on the remarks just made by the preceding speaker, the gentleman from West Virginia who has announced that he is not satisfied with some of the provisions of this bill as they relate to third-class mail and he has at least two amendments that he will offer.

It is not out of disrespect to the members of the Committee on Post Office and Civil Service that I make this observation that I think despite their diligence and despite the fact that they worked hard and have tried to bring forth a good bill that this bill is nothing less than a concession to political expediency. I say that because we have combined under a single head and we have commingled two matters which ought to have stood separately on their own feet.

We have not considered separately a postal rate increase bill. There is not any question but that the Post Office Department will operate this year at a deficit of over $1 billion and over the next 2 years at a deficit of something like $2¼ billion, and that a postal rate increase is needed. I would be the last one to dispute that.

I also feel that the dedicated and conscientious workers in the postal service and in the classified civil service deserve the consideration from Congress on their just wage demands.

But I find no excuse whatever and I find no justification whatsoever other than political expediency for bringing out on this floor today a bill which combines those two matters, which makes it very difficult for the Members of the Congress who might agree with the one proposition with respect to an increase in salary, to vote against the bill even though other provisions deal with rates that are inequitable. Or the very opposite of that situation might be true, depending on how you happen to feel with respect to this bill.

So I think it is unfortunate that we start with a bad bill in that respect.

I want to take a few minutes to talk a little bit about the provisions of this bill as they relate to third-class mail. You know right away we get into something very emotional when you mention third-class mail. For some reason the epithet "junk mail" comes very quickly to people's lips and they kind of look down their noses at anyone who happens to use third-class mail.

Let me just cite an example. There are 40,000 little businessmen in this country who operate Western Auto stores and 57 percent of their advertising today goes to postage, using direct mail to advertise through their circulars or catalogs the products that they have for sale. I think they resent this epithet of junk mail.

I have a list here that just involves the organizations, in one city alone—in one city alone in the United States for the period of January 1, 1967, through October 5, 1967. It is 15 pages long and I will not take the time to read the list of organizations that use bulk rates provided under third-class mail. But let me just very quickly read a few of them.

There is the Aldersgate Methodist Church, the Amalgamated Meat Cutters & Butchers Workmen of North America, the American Cancer Society, the American Federation of Government Employees, and the American Legion Department of Arizona.

I could go on with 15 pages of organizations of that kind, profitable, nonprofitable, charitable, and otherwise. I think they would justifiably feel some resentment at having their use of the U.S. mail referred to as junk mail.

What does this bill do with respect to the third-class user? It provides that in one fell swoop, in January of 1968, he is going to have to absorb a 32-percent increase in the cost of his mail. That means, to translate it into the actual cost of doing business for the small businessman, a 12-percent increase in the selling cost.

You talk about a full 5-percent wage increase having an undesirable impact upon the economy or an undesirable impact on one of our great industries like the automobile industry; what about the impact of a 12-percent increase on the little fellow, the small businessman who uses the third-class bulk rate of the mails of the U.S. mails to advertise his product?

That is bad enough in and of itself, but when you stop to compare that with the treatment that is given to the second-class user, the fellow who after these rates are adopted will still be paying only 42 percent of the cost of handling his particular product through the mail, this fellow will get only a 21-percent increase. Will he get it all at once? Will it land on him on the 7th of January, 1968? Oh, no. His treatment is far more tender. Only in three stages, the first of which begins in 1968, will we proceed to admin-

ister that 21-percent increase; whereas we would tell the little fellow who uses the third-class mails, "You take a 32-percent increase right on the chin, and you take it in one fell swoop in January 1968."

You know, I am here arguing for more than the fact that there are legitimate users of the bulk rates under third-class mail. I am arguing for one of the biggest and most important industries in this country. And those of you from New York and New Jersey might be interested in this. The second largest industry in your particular region is the printing industry of America.

I wish you would go back to the hearings on this bill and I wish you would find the testimony of Dr. Nobel, who is the head of an association of the printing industry in the metropolitan New York area, who was speaking for the printing industry of America, telling what the impact of this rate increase will be on that industry. These are the people that print the circulars, that print the catalogs that go to the third-class user of the mails and that he in turn distributes. These are the people who are writing me, as one did in my district the other day, and said that it was absolutely inconceivable that this Congress could legislate this kind of inequitable legislative monstrosity. He said:

> There is one business after another that will simply go under because they cannot absorb this kind of increase just in one single blow in January of next year.

Let me remind you of one thing, and it is a pretty important point: This very Congress adopted the Postal Policy Act of 1958. And what did Congress say at that time? It said that Congress henceforth, in legislating any increases in postal rate, shall consider the impact that those rates will have upon business in this country.

When the appropriate time comes, when this bill is ready for amendment, I shall therefore offer an amendment which will do this. I am not going to ask you to roll back the 32-percent increase, even though I think it is inequitable, even though under this committee bill your Aunt Minnie will totter down to the post office with her Christmas card and find that even though she does not seal the envelope, she must pay 6 cents instead of a nickel to send her relatives a Christmas card. But I am going to leave it alone. I will leave it at 32 percent because I realize, as I said at the beginning, that the post office needs revenue in view of the deficit it is facing. But I am asking you to do simple equity.

When the time comes, I am going to offer an amendment that will simply stagger that increase over a 3-year period, as we have done in this bill for the second-class mail users. I am going to ask for the same simple justice and simple equity for the small businessman, and the printing industry of this country, and the people who use bulk-rate or third-class mail. I am going to ask that we do for them what we have done for the people who use second-class mail privileges.

I might mention in passing that this includes some of the very wealthy news magazines in this country who get expedited handling. They do not just throw the magazines in, as they do the third-class mail, and let them sit around. The magazines get special expedited treatment.

I brought out some of these points when the distinguished chairman of the committee, whom I see in the Chamber now, was before the Committee on Rules a few days ago. I asked him why it was, when deficiencies on revenue attributed to second-class mail users are greater than those attributed to third-class mail users, why is it that we do not treat the second-class mail users and users of third-class mail more nearly alike. He said, "I could stand up and make the very same speech you have made before the Committee on Rules here today," I will yield now to the gentleman from New York for an affirmation of the remark I just made.

Mr. DULSKI. Mr. Speaker, I agree with the gentleman from Illinois. We should have three phases on the third-class mail. I supported the gentleman's position in our committee, but the committee did not agree.

Mr. ANDERSON of Illinois. Mr. Speaker, I thank the gentleman for that assurance.

I hope when the time comes we do not get confused about all the rhetoric on third-class mail. Let us just remember that most of the people who use it are legitimate advertisers who cannot afford to take in one swoop the increase in this bill.

I hope the Members will support the amendment I offer, rather than any others that will be proposed by the gentleman from West Virginia.

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

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

Mr. CUNNINGHAM. Mr. Speaker, the biggest giveaway is in the second-class mail section as the gentleman has said. This is the newspaper-magazine section. They have those extremely low rates which were set 160 years ago, when there was no other way of getting the news out. They have lobbied long and effectively to retain these low rates. There are many, many other ways of disseminating the news today so this favored treatment should end.

They not only get a low rate, as the gentleman said, but they get first-class high priority treatment. They not only get a ridiculously low rate to begin with, but that mail is handled as first-class priority mail. I had an amendment adopted in the subcommittee that imposed a surcharge on these newspapers and magazines who get this favored treatment, charging them an additional 25 percent for this special handling they receive. When it went to the full committee, that was knocked out. It can be reinstated by amendment and I hope such an amendment, in all fairness to the taxpayer will pass.

There is one newspaper in this country that is sent out largely by mail—about 95 percent of its circulation someone has said is through the mail. It is estimated the subsidy they get from the American taxpayer per year is in the neighborhood of $20 million. This is the Wall Street Journal, which is one of the wealthiest papers in the country. They get the subsidy because of the low rates enjoyed by newspapers and who have a very potent lobby to keep them from paying adequate rates. We know of instances when postmen have had to delay going on their routes, waiting for trains or planes to come in with the out-of-town newspapers, before the postmen go out on their routes. It is really a sad situation. These powerful newspapers and magazines, mostly all of which cry out for economy and continually downgrade public officials to enjoy the biggest subsidy enjoyed by any class in the postal service.

The rumor has it that the users of second-class mail would get only a slight increase in rates—very slight I might say—if they would support the postal rate increase bill. This deal was supposedly made between the newspapers and the Post Office Department officials. I hope this would not be true—but sure enough, they did appear and did support the bill, so draw your own conclusions.

Mr. ANDERSON of Illinois. Mr. Speaker, I thank the gentleman for his remarks. I simply affirm what I have said. If we pass this bill as it is reported to the floor today, we are going to be not only perpetuating an inequity, but creating a new one.

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

Mr. Speaker, I yield 5 minutes to the gentleman from Iowa [Mr. GROSS].

Mr. GROSS. Mr. Speaker, in view of the debate on spending, deficits, inflation, and tax increase proposals that has been the center of attention in the House for the past 3 weeks, it seems to me that it takes an inordinate amount of something or other—I will not call it "gall"—for the Democrat leaderhip to even permit this legislation to come to the House floor today.

It is at one and the same time a tax stamp bill, designed to reach out with one hand and take an estimated $884,000,000 from already hardpressed citizens and taxpayers, and with the other hand dish out $2,600,000,000 in pay increases to the bloated Federal bureaucracy.

In other words, with only 2 hours of general debate, the House is being asked to make a levy of $3,500,000,000 on the public for increased postal rates and for Federal pay raises.

It is difficult to believe, but not once since this session of Congress convened has the full Post Office and Civil Service Committee had the opportunity to question the Postmaster General concerning postal rates and postal service, nor did the full committee ever have the opportunity to question the Postmaster General or any other departmental or agency head concerning the necessity for or the funding of pay increases.

A subcommittee of 10 of the 26 members brought a postal increase proposal to the full committee and promptly proceeded to disavow most of its own recommendations.

We are already hearing this afternoon, not yet having disposed of the rule, that

the committee is now ready to accept still another amendment to the bill. The gentleman from Illinois [Mr. ANDERSON] is completely right, in that equity ought to prevail in this bill, but there was the opportunity when the bill was considered in the subcommittee and in the full committee to provide equitable treatment for all users of the mails.

Mr. Speaker, there is no justification whatever, as this bill provides, for an increase in first class and airmail which is now showing a profit. Under the pending bill first-class mail will pay 23 percent more than its allocated costs—in other words, it would produce $518,000,000, or more than half the total increased postal revenues. It would mean that first-class letter mail rates had been increased 50 percent within a 4-year period. This, I say again, is thoroughly unjustified, especially when there is not the slightest indication this additional revenue will be used to improve the mail service.

In our report accompanying this bill, we of the minority expressed our agreement with Senator MONRONEY, chairman of the Senate Post Office and Civil Service Committee, when he said on February 24, 1967:

> If we are going to increase the price of the first-class stamp by 20 percent, then the American public is entitled to a similar percentage increase in service.

The minority views also note that on September 21, 1967, the same day the committee approved postal rate increases, the Postmaster General announced the expenditure of nearly $300,000,000 in the next 9 months for hardware and mechanized equipment, including 16 closed-circuit TV systems in an attempt to discover faulty mail-handling operations.

On June 1, 1961, Deputy Postmaster General Brawley, ridiculing the Eisenhower administration for similar expenditures, said this:

> It does little or no good to move a batch of mail through a post office on conveyor belts—to have it sorted by electronic eyes and canceled by automatic devices—if, at the end of its breathless and eye-catching journey it must wait overnight for the train or plane which will carry it on its way toward its ultimate destination.

Yes, Mr. Speaker, let us be done with gimmickry and politics in the Post Office Department and get the mail moved, especially before saddling Mr. and Mrs. Average American and their children with a 23-percent premium on their letters and cards.

Again, I thoroughly agree with the gentleman from Illinois [Mr. ANDERSON] that this legislation ought to have been considered separately. We ought to have had a postal rate increase bill considered separately from the pay bill.

The SPEAKER. The time of the gentleman from Iowa has expired.

Mr. GROSS. Mr. Speaker, will the gentleman yield me 3 or 4 additional minutes?

Mr. ANDERSON of Illinois. Mr. Speaker, I yield the gentleman from Iowa 4 additional minutes.

Mr. GROSS. Mr. Speaker, in the matter of pay increases as provided in this combined bill, it will be most interesting to watch the maneuvering of the Democrat leadership in view of their claimed opposition in recent days to any delegation of authority to the Executive.

Under this bill a Commission would be created, effective in 1969, to recommend to the President the pay, allowances, and expenses for Members of Congress, Federal judges, heads and assistant heads of the executive departments and agencies, and other officials. Based upon the Commission's findings, the President would include in his budget his own recommendation to Congress with respect to exact rates of pay and the exact amounts and kinds of expenses and allowances for the Federal officials just listed.

Using the old, familiar back-door approach, the President's recommendations would become effective 30 days after transmittal of his budget unless Congress rejected his proposals.

But this is only half the story. Under the terms of this bill, three of the six pay increases are completely undefined and the authority to determine the amounts of three of the increases is delegated to the President without congressional approval. Nowhere in existing law is there provision for a delegation of powers such as are provided in this monstrosity.

This is blank-check spending and authority at its worst. In view of a Federal debt now standing at nearly $340,000,000,000, and an upcoming deficit estimated at around $30,000,000,000, to project pay increases into the uncertain future of a year and a half from now is not only the height of irresponsibility—it is fiscal insanity.

Mr. Speaker, this supposedly veto-proof legislation represents a masterful job of buckpassing between the administration and the majority members of the committee—with the American public a suffering victim.

Let me say in conclusion that I have had pending since Congress convened months ago bills that would take the Post Office Department out of politics, and transform it into the service organization for which it was intended. For some reason best explained by the majority, the legislation for this purpose languishes in committee.

Mr. Speaker, these combined bills before us ought to be rejected. I urge the House to send these ill-advised proposals back to the committee.

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

Mr. GROSS. I yield to the gentleman.

Mr. HALLECK. I feel constrained to say to my friend from Iowa and to my good friend from Illinois that the joining of these two matters in this bill is not new. Now, possibly it is wrong. I do not think so. If it is, though, then I could not sit here without saying that in the Republican Congress in which I was the majority leader we combined a postal rate increase bill and a postal pay increase bill. For whatever it is worth, I might say to the gentleman from Iowa that at that time the representatives of the postal employees were very much against that arrangement. They came to see me, some 15 or 20 representatives from different States, and they said to me, "We do not think you ought to raise the rates in the Post Office along with our pay." I said, "Why not?" They said, "Well, if you do that, then the people who use the Post Office are going to blame us for the increase in rates." I said, "Well, who is supposed to take that responsibility?"

I only want to point out to the gentleman from Iowa that in the Post Office, as in every business in this country, there is a relationship between wages and prices. You have long heard and I have heard people say that there is no relationship between them. We have that going on now in the strike in Detroit. As far as I am concerned, I am not going to complain about joining these two. They are separate titles, and whatever equity there is in either one of them can be considered and debated in the committee, and it can be corrected if it is wrong. I think that is right. On the other hand, I do think we ought to have these things considered because they are not related. I would not want to see the day come, although it could happen, when some people here would vote for the pay increase but against the rate increases. That would be the easy way out.

The SPEAKER. The time of the gentleman from Iowa has again expired.

Mr. ANDERSON of Illinois, Mr. Speaker, I yield the gentleman from Iowa 1 additional minute.

Mr. GROSS. Mr. Speaker, I fail to comprehend what relationship there is between a postal rate increase and a pay increase for hundreds of thousands of Federal employees outside the postal service.

Mr. HALLECK. For what?

Mr. GROSS. For Class Act workers.

Mr. HALLECK. Oh, well——

Mr. GROSS. Well, just a minute.

Mr. HALLECK. Well, we do have the Class Act. If you want to take that out and consider it separately, OK.

Mr. GROSS. That is what I thought. I do not see any relationship between a postal rate increase and an increase in this same bill for Class Act workers and for any number of employees in the executive branch of the Government.

Mr. HALLECK. Well, if the gentleman will yield further, does the gentleman see any relationship between the increase in pay of the postal workers and the increase in rates?

Mr. GROSS. I do not see any such relationship.

Mr. HALLECK. Well, let us stay on that.

Mr. GROSS. No; I do not see any relationship. A rate increase ought to be based upon merit and a pay increase ought to be justified on the same basis. No other department of government charges fees for the purpose of paying its employees.

Mr. HALLECK. Well, I disagree.

Mr. GROSS. The gentleman can disagree if he wants to. That is his privilege, I do not believe the pay of postal workers should be predicated on revenue raised by the Post Office Department.

Mr. ANDERSON of Illinois. Mr. Speaker, I yield 1 minute to the distinguished gentleman from Pennsylvania [Mr. FULTON].

Mr. FULTON of Pennsylvania. Mr. Speaker, I strongly favor the passage of

this rule on H.R. 7977, the Postal Revenue and Federal Salary Act of 1967.

I favor bringing back into some balance the debate now raging over the postal rate provisions of this bill, with the equally, and to me more important, provisions of the bill. These important provisions provide the necessary and long-overdue pay raise for our good U.S. postal workers, and for the Federal employees.

The U.S. Congress must not let action drag on these pay raises, as this has caused these people to be always following much behind the U.S. economy, instead of having the U.S. Government service become an outstanding service where people want to work for the Government. The U.S. Government is operated by these loyal postal workers and Federal employees. Congress ought to pay employees in accordance with these responsibilities and necessary services. The American people need good service and in order to obtain it we in the U.S. Congress are going to have to keep the U.S. pay raises moving right along with the U.S. economy.

Mr. Speaker, I am tired of hearing all the time about the poor postal workers being treated as second-class citizens. I believe in paying all postal workers and Federal employees who are doing a fine job, a good day's pay, for a good day's work.

The U.S. Congress by legislation in 1962 promised the U.S. postal workers and Federal employees full comparability with private business and industry in the U.S. economy. This is the solemn promise of the Congress, and I intend to fulfill that promise by voting for this rule and this bill.

Because of a personal interest, I will not vote on certain amendments on postal rates that would inure to my personal advantage.

However, I do support the increases in the postal rates on second-class and third-class mail which have been recommended by the House Committee on Post Office and Civil Service, and are contained in this bill as reported by the committee. As I have weekly newspapers, I am a large user of second-class and third-class mail. Therefore, I cannot vote on reducing these particular items through any amendments which I understand will be offered from the floor.

In conclusion, may I say that the second-class newspapers do render a public service by furnishing news to those in their area of coverage, so there is a valid reason for the difference in rates between small newspapers on second-class permits, and large third-class mail permits which render no community local service, and do not have the cost of covering local news, local pictures, and local events.

Mr. ANDERSON of Illinois. Mr. Speaker, I yield 2½ minutes to the gentleman from Wisconsin [Mr. STEIGER].

Mr. STEIGER of Wisconsin. Mr. Speaker, I appreciate the distinguished gentleman yielding time to me.

I take this time, because this rule as proposed in House Resolution 939 has overlooked an opportunity for this House to act on something which is now languishing in the Committee on Rules of the House of Representatives. That is the proposal to remove completely politics from the operation of the Post Office Department.

Mr. Speaker, during the consideration of title II of the bill, H.R. 7977, I propose to offer an amendment to remove the political basis on which a postmastership or a rural mail carrier appointment is made.

Mr. Speaker, postal employees should not be placed in the position where obtaining a job or their future in the postal service is determined by the size of or regularity of their political contributions.

The more modern European systems are operated strictly on a professional business basis. They have recognized that in order to give quality service, the operations of these agencies must be divorced from politics. This is in sharp contrast to our own system where postmasters need two paramount qualifications—they must belong to the right political party and they must curry favor with the right politicians. The rule, however, does waive points of order on this matter and, therefore, it may not be possible for the House to give full consideration to this problem, one which I feel is of great importance.

Mr. SPEAKER, there are some 33,000 post offices and 31,000 rural mail carriers in this country. By the adoption of H.R. 7977 without my amendment we will be doing postal employees a disservice and we will be doing the quality of our Post Office Department a disservice. Certainly, every employee coming into the postal service should have an opportunity to rise through the ranks and attain a top supervisory position. This is not the case today and the inequity will be continued unless we take action to stop the politics now played in the post office. The effort made in this bill to attract and hold employees by providing needed wage increases is a step in the right direction. Let us not stop, however, at that point. The American people deserve and are demanding quality postal service. This bill fails to provide adequate assurance of that kind of service even with the increased rates and better pay. One way to move toward better service would be to stop playing politics with postal service by adopting the amendment I shall offer tomorrow.

Mr. BROWN of Michigan. Mr. Speaker, will the gentleman yield?

Mr. STEIGER of Wisconsin. I yield to the gentleman from Michigan.

Mr. BROWN of Michigan. Mr. Speaker, I think this House of Representatives should have the opportunity to consider this matter. The situation which presently exists in the congressional district which it is my honor to represent is completely absurd. I have a postmaster who was nominated in each of the years, 1960 through 1967—including this year—nominated every year, and twice was the acting postmaster, but he never was confirmed by the Senate.

When this happens it contributes to complete instability in the postal system in each of our localities, and I believe is a bad situation so far as the postal system is concerned.

I certainly hope that the amendment which the gentleman from Wisconsin intends to offer will be considered by the House. An amendment which I intend to offer is very similar to it, and I would hope that this Congress would have the opportunity to consider one of them.

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

Mr. STEIGER of Wisconsin. Yes. I yield to the gentleman from Massachusetts.

Mr. CONTE. Mr. Speaker, I want to commend the gentleman from Wisconsin and want to associate myself with his remarks. I have filed similar legislation for several years and as the ranking Republican member on the Subcommittee on the Post Office and Treasury, and I have advocated this proposal to the Postmaster General, not only this one, but the previous Postmaster General. Certainly when the time comes for amendments I hope that such an amendment will be in order, and that it will receive the support of the Members of the House; it sure will have my support.

Mr. STEIGER of Wisconsin. I appreciate the gentleman's support.

Mr. ANDERSON of Illinois. Mr. Speaker, I yield 2½ minutes to the gentleman from Virginia [Mr. SCOTT].

Mr. SCOTT. Mr. Speaker, I regret the manner in which this bill is being brought before the House today, with the limited opportunity for debate. I am particularly concerned with title II of the bill, the Federal salary increases. The salary portion of the bill consists of pages 35 through 76. This portion of the bill was not considered by the full committee to the same extent as the postal rate increase. Time after time we had motions to cut off debate. The previous question was demanded before we had adequate time in the committee to consider various portions of the pay bill.

As the bill is being presented to the House it provides for a 6-percent increase for the postal workers, and a 4.5-percent increase for the classified employees and for all other civilian employees of the Government. It would be interesting to know when the military pay bill comes before this House whether it will be proposed to give the military a 6-percent increase in pay as is being proposed for the postal workers, or a 4.5-percent increase as is being suggested for all of our other employees.

I intend at the proper time to offer an amendment to provide for a 6-percent increase for all civilian employees the first year and for equality of treatment for the subsequent 2 years. It seems that it is fair and equitable to treat all Government employees in the same manner.

Mr. BOLLING. Mr. Speaker, I yield a minute to the gentleman from Illinois [Mr. ANDERSON].

GENERAL LEAVE TO EXTEND

Mr. ANDERSON of Illinois. Mr. Speaker, I ask unanimous consent that all Members who have spoken on the rule may have permission to revise and extend their remarks.

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

There was no objection.

Mr. BOLLING. Mr. Speaker, I yield 15 minutes to the gentleman from Arizona [Mr. UDALL].

Mr. UDALL. Mr. Speaker, I shall not take the entire 15 minutes. However, I do wish to make a few observations in light of the prior debate.

First, I will say that the best statement made today was made by the gentleman from Indiana [Mr. HALLECK], whose leadership I nearly always follow blindly, although occasionally he loses me. I was glad to know that there was precedent for combining a rate and pay bill.

I do not know what is so outrageous about this. I hear mumblings about it, but the gentleman from Indiana put the case precisely that this is the reasonable way to do it. We brought in an expensive pay bill. It happens to be $63 million over the President's budget. The rate bill that the gentleman from Montana [Mr. OLSEN], presented to raise postal rates is $59 million more than the President asked for.

One cannot be in favor of a big pay raise without being in favor of some means to pay for it. This is what our committee has proposed to do.

As I say, the gentleman from Montana is for it, and I am for it. We have the best pay bill and the best rate bill that has ever come down the pike in quite a long time.

Second, we married these bills, and you can divorce them in the course of the debate if you want to. All it takes is a simple motion to strike title I or title II—that is all that it takes. And if a majority of the Members favor a big pay raise, but do not favor a rate increase, then a simple motion will do that job.

But the second reason that I was finally in favor of joining them—and I opposed it at first—was that this is an assertion of congressional responsibility. Some of us are pretty tired of the Executive sending up every year a Federal pay raise and saying, "Boys, that is all, that is it. You cannot touch it one-tenth of 1 percent."

This is what happened to the Federal employees the last 2 years. We were told that a penny more than 2.9 percent and the whole Constitution was going to crumble. Then we were told that 3.6 percent was the guideline and that was all.

Those of us who have studied it year in and year out think that the Federal employees promise of comparability is long overdue, and that we should go a little bit further and raise some money on the additional rates to cover it within $4 million on the $600 million pay bill; we are within $4 million of covering the excess over the President's budget by these additional revenues.

I want to say that I was a little bit shocked about the gentleman from Iowa. Perhaps he has left the floor—but I saw a magazine just the other day that was put out by one of the Federal employee organizations and his picture was there as one of the heroes—there was the word "hero" under the picture, as fighting in the committee for more of a pay raise than the chairman of the subcommittee wanted to give and that the majority of the committee wanted to give. We were trying to be responsible and to hold down a pay raise to reasonable limits and we, apparently, are to be considered as enemies of the postal clerks and the gentleman from Iowa was listed as one of the heroes.

It seems to me today and I was going to make an inquiry—apparently he is against them now—they are part of this bloated bureaucracy, and now he is against a pay raise for them.

I hope he will have an opportunity to clarify his position as the debate goes on because this has disturbed me quite considerably.

I suggest to the House that this is a good bill—it is a good pay bill and rate bill. It is a responsible piece of legislation. The House is going to have the chance in the next couple of days to work its will and we encourage any of you who think you have amendments that may improve the bill to come forward and help us. But we have a good bill here and I would like to get on with the debate here and see if we cannot resolve this matter this week.

Mr. BROWN of Michigan. Mr. Speaker, will the gentleman yield?

Mr. UDALL. I yield to the gentleman.

Mr. BROWN of Michigan. Mr. Speaker, if the gentleman is in favor of marrying the two bills on postal rates and salaries, do you not think that this would be a good bill also to divorce politics from the Post Office Department?

Mr. UDALL. I will tell the gentleman that I have always favored the nonpolitical appointment of postmasters. Some of my colleagues favor this; many do not. But if this subject is germane to the bill, it can be debated and that is why we have the rule we have.

If that is germane, then it is something that should be considered in the course of the deliberations. My personal opinion is that the gentleman's position is right. I think the majority of our committee probably disagrees and I know many of my friends probably disagree, but I am not going to argue with the gentleman and I suggest we adopt the rule and get on with the business of the debate.

Mr. BOLLING. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

Mr. DULSKI. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 7977) to adjust certain postage rates, 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 consideration of the bill H.R. 7977, with Mr. PRICE of Illinois in the chair.

The Clerk read the title of the bill.

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

The CHAIRMAN. Under the rules, the gentleman from New York [Mr. DULSKI] will be recognized for 1 hour and the gentleman from Pennsylvania [Mr. CORBETT] will be recognized for 1 hour.

The Chair recognizes the gentleman from New York.

Mr. DULSKI. Mr. Chairman, I yield myself such time as I shall require.

Mr. Chairman, the committee amendment to the text of H.R. 7977 is the most important, and the most comprehensive, single legislative measure ever reported from the Committee on Post Office and Civil Service.

Title I provides the largest increase in postal revenues—$884 million—that has been brought before this House. Title II represents a highly significant—and long overdue—updating of Federal civilian salaries that affects nearly 2 million employees. Title III writes into Federal statutes new and effective measures to protect postal patrons from pandering advertisements sent through the mails.

Titles I and II, in particular, are carefully worked out and finely balanced revisions in the postal rate and civilian pay structures which are the chief substantive matters in the jurisdiction of our committee. Together with title III, they make up an excellent bill—a bill this body may be proud to approve.

As usual with legislation of such breadth and scope, it has been impossible to write a bill that fully satisfies everyone. Nor have our committee deliberations been a completely happy experience. A number of the provisions of the bill are controversial in at least some regard. But the committee bill represents an honest and realistic compromise, in the truest sense of the word, of the many proposals made by the administration, by users of the mails, by employee groups, and by Members of Congress.

I am especially grateful for the courtesy extended by our committee members to their new chairman throughout the long and difficult sessions in our committee and its subcommittees—and for their extraordinary devotion of time and attention to committee business. Their diligence, perseverance, and constructive cooperation in developing this complex legislation have been most commendable. Few measures are more controversial—more subject to conflicting pressures and opinions—than across-the-board, postal-rate increases. The pressures were further aggravated by the always sensitive problem of fixing salaries for postal and other Federal employees.

Mr. Chairman, there are those who may allege today that our committee gave inadequate consideration to this bill. Any such charge is wholly without foundation in fact. Never have postal rates and Federal pay received more intensive and objective study than was the case this year in our committee. The work of four standing subcommittees has gone into this bill.

The Subcommittee on Postal Rates received testimony covering 838 printed pages in 21 days of public hearings, over the period from May 9 to June 28, and met in seven executive sessions to report postal rate recommendations.

The Subcommittee on Compensation received testimony covering 380 printed pages in 13 days of public hearings, from April 25 to June 22, and wrote the salary provisions of title II on the basis of the wealth of evidence developed there. The salary hearings were supplemented by 9 days of public hearings before the Subcommittee on Position Classification on more than 200 bills to reclassify lower-level postal positions—and give the employees average 15-percent pay raises.

The Subcommittee on Postal Operations conducted public hearings in Washington and in the field on the continuing problem of obscene matter moving through the mails, as a foundation for title III.

The full Committee on Post Office and Civil Service then met together in 18 executive sessions, over a period of 38 days, before reporting H.R. 7977 with the committee amendments now before us.

POSTAL RATES

Title I will increase postal income by $884 million annually when all of the rate adjustments are in effect. This added income is critically needed to avoid enlargement of the already heavy postal deficit and of the $29 billion Federal budget deficit forecast for the current fiscal year.

The committee proposal carries out the postal recommendations of the President in most major respects, but will provide $60 million more revenue than the President's proposal.

The President's major postal rate recommendations were for a one cent increase on first-class and airmail letters and cards; an average 22-percent increase, phased over a 3-year period, on all categories of second-class mail; a single increase averaging 28 percent on all third-class mail; an average 21-percent increase on preferential-rate fourth-class mail—mainly books and records; and a special charge on odd-sized envelopes that cannot be machine processed.

Only two material reductions are made by the bill in those recommendations. The committee has delayed action on the odd-sized envelope charge for further study, and has provided lesser increases on solicitations and other mailings by nonprofit organizations engaged in charitable, religious, or health work.

Although 1967 postal expenses exceeded revenues by $1.148 billion, all of this is not chargeable as postal deficit. In accordance with the Postal Policy Act of 1958, "public service" costs of approximately $557 million are excluded, leaving a net postal deficit of $591 million. The additional $884 million provided by our committee bill will cover this deficit as well as a major part of such other increased costs as can be expected in the near future.

EMPLOYEES' PAY

The President recommended a general 4.5-percent civilian salary increase effective in October of 1967 and, also, that the Congress take the additional steps necessary to achieve full comparability of Federal and private enterprise salary rates over a 2-year period.

The committee adopted the 4.5-percent recommendation for all except postal employees. Postal employees will receive 6 percent in October, followed by another 5 percent in July of 1968. The other employees at that time will receive increases closing one-half of the amounts by which their pay lags behind private enterprise rates. Then, in April 1969, both postal and other employees will receive third-phase adjustments to bring their pay to a par with private enterprise pay rates.

The committee pay recommendations are substantially below many employee group requests, but represent a generous salary "package" that will finally achieve the salary comparability guaranteed by the 1962 Federal Salary Reform Act. The raises are only moderately more liberal than those recommended by the President.

PANDERING ADVERTISEMENTS

Title III is the final product of at least 4 years of dedicated work by our Postal Operations Subcommittee, in response to general public demand for legislative action to afford parents the means to protect their children from advertisements for obscenity and pornography sent through the U.S. mails.

SUMMARY

Mr. Chairman, the vital importance of early enactment of H.R. 7977, with our committee amendments, cannot be overemphasized. The postal rate increases are desperately needed, not only to keep postal incomes reasonably related to expenses but, also, to provide a sound fiscal base for modernization of the postal plant and equipment to give the public the first-rate postal service to which it is entitled. The salary provisions are equally necessary, not only in fairness to the employees but to enable the Government to recruit and retain the high caliber of personnel required for the conduct of our great Government programs.

One further comment on Federal salaries is in order. It is a most regrettable fact that both the administration and the Congress have reneged grievously on their joint commitment to equate Government salaries with those in private enterprise. This policy was written into the Federal Salary Reform Act of 1962 with great fanfare and acclaim on both ends of Pennsylvania Avenue, but it has been honored more in the breach than in the observance. Initial enthusiasm of postal and other employees has turned to disappointment, frustration, and enduring bitterness as year after year, for 5 years, has witnessed a breach of our solemn trust.

And let there be no mistake as to the false economy—should the 1968 and 1969 pay adjustments be removed from the bill. This would be penny wise and pound foolish, and would practically guarantee another, far more costly and bitterly contended, pay bill next year—an election year.

Mr. Chairman, I urge the Committee of the Whole House to vote down all amendments to our committee amendments and to give this outstanding legislation overwhelming approval.

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

Mr. DULSKI. I am happy to yield to the gentleman from Mississippi.

Mr. ABERNETHY. Is there a provision in the bill authorizing the President or some executive officer to fix the salaries of Federal employees in one section of the country at a different level from that applied in other sections?

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

Mr. DULSKI. I am happy to yield to the gentleman from Montana.

Mr. OLSEN. There is no such provision.

Mr. ABERNETHY. I believe I read of such a report in a newspaper a few days ago. The committee did not include such?

Mr. OLSEN. We did not. We did not include any sectionalizing of postal pay increase or salaries.

I understand an amendment may be offered in that regard, but it is not in the bill.

Mr. ABERNETHY. Let me read this. It says:

> The House unit's pay bill also contains a provision allowing the Post Office Department to pay higher starting salaries for letter carriers and clerks in cities where recruitment for those positions is difficult.

Mr. OLSEN. That is a correct statement.

Mr. ABERNETHY. It is? Then there is a provision in the bill that will allow the Post Office Department to pay higher salaries in some areas than other areas?

Mr. OLSEN. Yes, when they find those facts to be prevalent.

Mr. ABERNETHY. Who will make that determination?

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

Mr. DULSKI. I yield to the gentleman from Arizona.

Mr. UDALL. The determination is made under present law by the Civil Service Commission. We had a provision in the bill that was knocked out in the final markup. An attempt will be made to put it back in, I am told, to delegate that power to the Postmaster General.

That power exists right now. It exists in the hands of the Civil Service Commission.

Mr. ABERNETHY. Who will make the determination under this provision of the bill?

Mr. UDALL. The Civil Service Commission, under the provision now in the bill, has the power to make this determination.

Mr. ABERNETHY. Are they doing so now?

Mr. UDALL. Under the present law.

Mr. ABERNETHY. Are they doing so now?

Mr. UDALL. They have been doing very little, if anything, in the postal service. This is Governmentwide authority which they have exercised occasionally in the classified service, for nurses or technicians of a special kind.

Mr. ABERNETHY. This bill carries a special provision for such authority as related to postal employees?

Mr. UDALL. It does not.

Mr. ABERNETHY. It carries general authority?

Mr. UDALL. There is already general authority in the law for the Civil Service Commission to do that.

Mr. ABERNETHY. What is the differ-

ence between the provisions in the bill and the present law on this point?

Mr. UDALL. There is one minor change in the present law in this bill. Under the present law if they find a scarcity of employees such as nurses, radar technicians, or in a special category, they can hire them, instead of in the first step of the grade, in the seventh step. This bill would change that seventh step to the maximum step. They could go up to the 10th or 11th, or whatever the maximum was, and start the fellow at the highest step.

Mr. ABERNETHY. Who will make that decision?

Mr. UDALL. The Civil Service Commission.

Mr. ABERNETHY. That is the authority which is carried in this bill?

Mr. UDALL. It is already in the law. This bill does not change the Presidential authority, which he has delegated to the Civil Service Commission.

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

Mr. DULSKI. I yield. This is very interesting.

Mr. ABERNETHY. I go back to my statement. I just read a paragraph from a column written by one of the Federal employee columnists. He said there was such a provision in this bill. The gentleman from Montana agreed. I am trying to find out. Is there such a provision? If so, where is it in the bill?

Mr. UDALL. If the gentleman will yield one more time, the gentleman from Mississippi should not believe everything he reads in these Yankee newspapers.

Mr. ABERNETHY. I know. In fact, there is very little in them I do believe, especially if it is about me.

Mr. UDALL. In the draft bill, which I originally sponsored and had drafted as a compromise, we had a provision on that. That is what they are talking about. The amendment was knocked out, and it is not in the bill.

Mr. ABERNETHY. The gentleman means they took out the Udall proposal?

Mr. UDALL. It wounded my pride, but it is gone.

Mr. ABERNETHY. It is not in the bill now?

Mr. UDALL. That is right.

Mr. ABERNETHY. There is no change in the law now?

Mr. UDALL. The change is from the seventh step to the maximum step.

Mr. ABERNETHY. Would the gentleman advise me of the total amount of revenue that would be raised by this bill?

Mr. DULSKI. It is $884 million.

Mr. OLSEN. That is correct.

Mr. ABERNETHY. Eight hundred and eighty-four million dollars. How much would the bill pay out in salary increases for postal and Federal employees?

Mr. DULSKI. I yield to the gentleman from Montana [Mr. OLSEN].

Mr. ABERNETHY. Did the gentleman say $884 million?

Mr. DULSKI. That is the total revenue.

Mr. OLSEN. The total increase in revenue is $884 million.

Mr. ABERNETHY. Yes.

Mr. OLSEN. The total in pay increases will be $330 million. At the end of the third year the total is $628 million.

Mr. ABERNETHY. Will the gentleman yield for one more question?

Mr. DULSKI. I yield to the gentleman.

Mr. ABERNETHY. I read some place the other day that the bill would raise about $880 million.

Mr. OLSEN. That is correct.

Mr. ABERNETHY. And I also read that the outgo the first year would be $865 million, leaving a net of only $15 million, approximately. How accurate is that?

Mr. OLSEN. I misspoke myself and I want to correct it now. You understand when we talk about postal rate increases that we are talking about $884 million. That is earlier in the report. However, when we are talking about the employment cost increases, we have to look at page 61.

Mr. ABERNETHY. All right.

Mr. OLSEN. On page 61 the increase in 1968 is $250 million.

Mr. ABERNETHY. For what?

Mr. OLSEN. Postal employees.

Mr. ABERNETHY. Federal employees?

Mr. OLSEN. Postal employees?

Mr. ABERNETHY. Postal employees?

Mr. OLSEN. Yes. I do not think you can compare any other salaries than postal salaries with the postal rate increase. In 1969 the increase is $649 million. In 1970 the increase in pay is $711 million.

Mr. ABERNETHY. That is postal also?

Mr. OLSEN. Yes. And, of course, the rate increase is $884 million.

Mr. ABERNETHY. Will the gentleman yield for one more question?

Mr. DULSKI. I do not want to consume all of the time. There are others who want to speak.

Mr. ABERNETHY. I just want to ask one more question. How much does this bill raise the salaries over and above the recommendation made by the President?

Mr. UDALL. If the gentleman will yield?

Mr. DULSKI. I yield to the gentleman.

Mr. UDALL. No. The President recommended a total pay raise of something like $558 million for the executive branch. This bill is a total of $621 million in this fiscal year for the same employees. We are about $63 million over the President's recommendation which we raised, but the gentleman from Montana raised $59 million more in rates than the President asked for. We closed some loopholes and put on some extra rates, so we are within $4 million when you balance them off of being right on the President's budget—right on the nose.

Mr. ABERNETHY. I thank the gentleman.

Mr. CORBETT. Mr. Chairman, I yield 2 minutes to the gentleman from Illinois [Mr. DERWINSKI].

Mr. DERWINSKI. Mr. Chairman, my purpose in asking for time at this point is to pick up the discussion that the gentleman from Mississippi raised and clarify some innocent misconceptions that may have been left by majority members of the committee. In the fiscal year 1968 the pay cost in this bill will come to approximately $630 million, because they are retroactive to October 1, but because of the slow legislative pace the rate revenues will not reach $884 million, but will be somewhat less than $440 million. It is not accurate to use annual figures because the rate bill will not take effect until January as far as most rates are concerned that is the point that the gentleman was getting at.

Mr. ABERNETHY. Will the gentleman yield?

Mr. DERWINSKI. I yield to the gentleman.

Mr. ABERNETHY. Then the bill produces a deficit?

Mr. DERWINSKI. The bill produces more than $450 million less revenue than the paper figure of $884 million because of the delayed nature of the rate increase. However, in relationship to just the postal deficit, even assuming the most liberal increase in rates will be $400 million, the pay increase for post office employees in fiscal year 1968 will be $250 million. So $150 million, in effect would be a reduction in the post office deficit, still leaving the post office deficit in excess of $1 billion for fiscal year 1968.

I would also point out to the Members of the House that if they will look at page 61 and check the charts contained thereon, the total cost in this package comes to $2.6 billion by fiscal year 1970, which means we are saddling the President of the United States with over $2 billion in additional budget expenditures for which he has not asked.

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

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

Mr. Chairman, many years ago the chairman of a particular committee came before this body and spoke for about 30 minutes detailing the provisions of a bill which was then under consideration. As he was about to conclude his general statement, a colleague asked him to yield, which he did. The colleague asked the chairman would he please, before he concluded, tell the body whether he was for or against the bill.

Mr. Chairman, I feel somewhat the same way today.

If I went through this bill, section by section, and completely bored everyone, it is my opinion that I would still come out at the end saying that I am not just too certain whether I am for this bill or against it.

Mr. Chairman, there are many features of the bill which I thoroughly disapprove. There are many features of the bill that I thoroughly support.

Now, then, it is my hope that as the Committee of the Whole House on the State of the Union works its will certain portions of this bill will be improved.

It is my further belief that the other body will make some adjustments in it that will be wholesome.

Finally, Mr. Chairman, I am quite confident that the main features of the bill will be written in the conference committee and that when the conference has reported, I hope that we will have a bill that all of us can support with pride and justification.

Mr. Chairman, with reference to the

question of raising salaries and rates being considered under the same title, as the distinguished gentleman from Indiana pointed out, this did happen when the gentleman was the majority leader of the House of Representatives. At that time I opposed it. Normally, I would continue to oppose it because, frankly, there should be no dependence of salaries upon rates. They are distinctly different matters.

What is fair and adequate compensation for postal employees is one thing. What is a fair and proper rate to be charged to the users of the mail is a distinctly different thing.

Now, then, that brings us right to the topic of "deficit." We have heard a lot of talk about brainwashing around here for the last few months. Well, for many, many years certain competitors have hurt other competitors by pointing out the large and growing postal deficit. Now, I think it ought to be told, and told plainly, it ought to be known by everyone that it is no more correct to speak about a deficit in the Post Office Department than it is to talk about a deficit in the Department of Agriculture, a deficit in the Department of Commerce, a deficit in the Department of Interior and Insular Affairs or a deficit in the Department of Labor, or anywhere else. The revenue from the sale of stamps or services does not go to the Post Office Department. It goes strictly to the General Treasury.

And we as a body here appropriate money for the conduct of the postal field service.

So I believe it should be made very clear that this service of the Government, which is probably the finest service rendered by any department, is paid for with appropriated money, and the ascertainment and determination of rates and salaries should not be based on the difference between what is taken in from the sale of stamps and what is spent as a result of appropriations.

We might as well know this clearly, also, that title I of this bill is a stamp tax, purely and simply, and I would be remiss if I did not say that I had a great deal to do with the writing of that policy act of 1958, and it has stood quite unchallenged since that day, and one of the features of that policy statement is that in the determination of rates, the impact of the new rates should be a factor under consideration. If you are going to hit one group of users of the mails with a $300 million increase, certainly you have got to know and understand to some degree how many people that is going to put out of work, how many companies are going to go bankrupt because they cannot afford the increased costs. And here is a cost which the industry has no control over whatsoever. They can control and bargain about labor costs, they can bargain about the cost of materials, but they cannot bargain with the Post Office Department when we say "the cost of your postage shall be x dollars, or x cents." This is an unpredictable and unnegotiable cost, and the impact therefore ought to be very carefully considered.

The gentleman from Illinois said that as regards the 32-percent increase in third-class rates that he is going to move to amend to phase that out in three steps, as the bill does with second-class, as it does with the salaries, if you please—almost everything in this bill is put in phases—because of the fact that we do not want a heavy impact coming at one time. Therefore, I am very happy that the gentleman is going to introduce that amendment, and I am going to support it. That is one of the improvements that can happen in this bill to make it much more palatable, and to make it much less dangerous to an important segment of our economy.

Mr. Chairman, this committee has been at work, as one of the staff members just informed me, for 3 months longer than it took the authors of our Constitution to write our Constitution. Now, that ought to be about enough time. But I do hope that we can proceed here in the next little while and get this bill passed and send it over to the Senate, and hope and strive to come out with a bill eventually that will be highly satisfactory to all of us and to the people who have to pay the bill.

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

Mr. CORBETT. We will have time under the 5-minute rule for that. As for now I have a lot of time to pass out.

The CHAIRMAN. The gentleman has consumed 9 minutes.

Mr. DULSKI. Mr. Chairman, I yield 5 minutes to the gentleman from North Carolina [Mr. HENDERSON].

Mr. HENDERSON. Mr. Chairman, the gentleman from New York [Mr. DULSKI] has ably summarized the chief purposes of this bill. Aside from the major rate and salary proposals, I will touch briefly on some of the excellent improvements in postal activities that will be made by the bill.

In the area of preferred rates for second-class publications of qualified nonprofit organizations, section 104 applies the realistic principle of separate rate treatment for the advertising and the editorial portions of these publications. A schedule of zone-based rates, to be applied in six annual steps, is prescribed for the advertising portions. The minimum charge per piece for nonadvertising portions is increased in three steps, in proportion to increases provided elsewhere for regular, or commercial, publications.

This same section gives desirable consideration to the value of agricultural publications by continuing per pound rates on advertising portions of such publications mailed for delivery in the first two zones outside the county of publication, for publications devoted to promoting the science of agriculture. This rate will apply only when at least 70 percent of the total annual copies go to subscribers in rural areas.

It is noteworthy that sections 103 and 104 continue the traditional policy of the Congress by maintaining a moderately preferential rate structure for small and locally oriented newspapers which are so important in the economic, educational, cultural, and social affairs of rural and small-town America.

Section 112 provides needed relief from present limitations on marks and enclosures permitted on second-class mailings. Subsection (d) will permit messages and notices of a civic or public-service nature to be placed on envelopes or wrappers in which copies of publications are mailed, under regulations prescribed by the Postmaster General, if no extra charge is made for the messages or notices.

In many cases it would be in the public interest for a publication to issue a special edition in honor of a centennial or anniversary celebration of a community, and to have a message or notice identifying the event on the cover or wrapper. Under present law, such a publication would be nonmailable at second-class rates. Also, enforcement of the present law is difficult and an unnecessary administrative burden. There are no similar restrictions on other classes of mail.

Finally, section 118 will give the Postmaster General the means to protect the public from solicitations or orders for services which are prepared by the mailers so as to mislead the addressee into believing they actually are bills for goods and services previously delivered or rendered.

The section makes any such solicitation nonmailable, and prohibits its carriage or delivery through the mails, if it is in the form of, and reasonably could be interpreted or construed as, a bill, invoice, or statement of account due, unless it bears on its face, in conspicuous and legible type, a notice that it actually is a solicitation for an order of goods or services and is not a bill, invoice, or statement of account due.

The actual form of the notice to be imprinted on the solicitation may be prescribed by the Postmaster General.

Mr. Chairman, the practice of such solicitations by shady promoters has grown to alarming proportions. The chief postal inspector reports that his office is currently investigating numerous promotions of this type. The majority operate in and from Los Angeles, Calif., although the promoters will occasionally employ mail drop addresses in other cities throughout the country. There can be no doubt that numerous addressees who receive these forms by mail are deceived into the belief that the form represents a bill for a listing previously requested.

Investigations have disclosed such a serious situation that the State of California recently enacted a law requiring any person who solicits payment of money, by writing that could reasonably be interpreted as a statement or invoice for goods not yet ordered, to place on the matter in 30-point bold face type this warning:

> This is a solicitation for the order of goods or services and you are under no obligation to make payment unless you accept the offer contained herein.

I am also informed that the Federal Trade Commission is gathering evidence with respect to these promotional schemes for possible action under the Federal Trade Commission Act and the postal inspectors are cooperating with the Commission.

Many of you gentlemen may have read a recent article in the Washington Sunday Star describing how Washington

area business and professional men are being deluged with official-looking invoices that appear to be bills for listings in the "Yellow Pages" of the telephone directory. According to the article, addressees are paying up to $85 they do not owe under the impression that their listings in the classified pages have come up for renewal or that they neglected to pay for the original listing.

Mr. Chairman, H.R. 7977 is certainly the best bill that could be worked out in the very complex and sometimes controversial areas of postal rates and Federal pay. I hope it will be passed without major change.

Mr. CORBETT. Mr. Chairman, I yield 3 minutes to the gentleman from Iowa [Mr. GROSS].

Mr. GROSS. Mr. Chairman, I understand that while I was off the House floor a few minutes ago trying to help a constituent solve a problem, the gentleman from Arizona saw fit to make some remarks directed toward me. If the gentleman had exercised just a little patience, I would have been back. I suspect that I spend more time on the House floor by accident than the gentleman from Arizona does on purpose.

If the gentleman cares to do so, I would be pleased to hear what he had to say, and I will try to give him an answer.

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

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

Mr. UDALL. I think the gentleman knows that I have a great regard for his sincerity.

Mr. GROSS. Let us dispense with that, if the gentleman does not mind.

Mr. UDALL. No, I think, if the gentleman will yield, I want to say that when I began my remarks, I had observed the gentleman at the back rail, and then I had my attention drawn away. When I finished my first remark and looked around, he was not there, and in order to have any continuity in my thought, I had to finish the thought I began to express.

Very briefly, what I said was that in the gentleman's remarks earlier today he had referred to the salary increase as an outrage and going to a bloated bureaucracy. I remembered that phrase. I said that I had read a postal journal just the other day in which a picture of the gentleman from Iowa appeared under the label "hero" or "friend of the postal worker," and some of the rest of us were apparently labeled as enemies of the common people, the working people. I wondered if the gentleman from Iowa was for this salary bill. I was going to raise that question in light of his comment.

Mr. GROSS. Of course, the gentleman from Arizona, if he heard my remarks during consideration of the rule, knows very well that I am not for the salary provisions of this bill. I hope the gentleman gets this now loud and clear, so there can be no misunderstanding of that portion of his remarks or his question.

Mr. UDALL. I had wondered why, because the gentleman had been publicly announced as supporting a much larger salary increase, and I was kind of shocked in view of the gentleman's stand on economy.

Mr. GROSS. Of course, the gentleman knows better than that. The gentleman knows that I supported reclassification for postal employees. The gentleman, I am sure, knows why. Thousands of postal employees are virtually frozen in the middle levels of 4 and 5, and cannot move. Class Act employees can be promoted entire grades and all the steps in between, but a postal employee must serve out his time in the various steps on the ladder. The gentleman well knows this. I do not have to explain it to him. The postal employees under present conditions are entitled to reclassification. I so voted in the committee, so there will be no mystery about that.

As for the "hero" business, I suspect that the gentleman has had some publicity that he did not order in the newspapers in recent weeks. I cannot very well regulate this "hero" business or what goes into various publications.

Mr. UDALL. If the gentleman will yield once more——

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

Mr. UDALL. The other point I was going to make is that my friend apparently objects to the marriage of these bills, the rate bill and the pay bill. As I recall, a shotgun was held by the gentleman from Pennsylvania to the gentleman from Iowa which caused the gentleman to vote for the marriage of the Corbett amendment to the bill. I was confused on that question.

Mr. GROSS. No, the gentleman is mistaken. I am sure the record will show that I voted against the shotgun wedding of these two bills.

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

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

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

[Roll No. 303]

Ashley	Fulton, Tenn.	Rarick
Blatnik	Green, Oreg.	Reinecke
Bray	Hagan	Resnick
Broomfield	Hansen, Idaho	St. Onge
Dent	Hansen, Wash.	Sikes
Devine	Herlong	Stratton
Diggs	Holland	Sullivan
Dingell	Irwin	Utt
Downing	Jonas	White
Everett	Leggett	Williams, Miss.
Flood	Lukens	Willis
Foley	Moorhead	
Fountain	Myers	

Accordingly the Committee rose; and the Speaker pro tempore (Mr. ALBERT) having assumed the chair, Mr. PRICE of Illinois, 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. 7977, and finding itself without a quorum, he had directed the roll to be called, when 393 Members responded to their names, a quorum, and he submitted herewith the names of the absentees to be spread upon the Journal.

The Committee resumed its sitting.

Mr. CORBETT. Mr. Chairman, I yield myself 2 minutes.

The CHAIRMAN. The gentleman from Pennsylvania is recognized for 2 minutes.

Mr. CORBETT. Mr. Chairman, I wish to direct attention to a remark which I believe the gentleman from Arizona inadvertently made just before we were interrupted by the quorum call. As I recall, the gentleman said the reason the rate increase and salary bills are together is because of an amendment I offered in the full committee. Well, that is a very little bit of the truth. I did offer an amendment to reclassify the first five levels of postal workers, whereupon the gentleman from Arizona moved as a substitute for my amendment the salary bill. He prevailed because he had more votes over on his side.

However, I do want it thoroughly understood that I was not in favor of the marriage of the salary and rate increase bills. I was definitely in favor of reclassification. If that is not a correct picture, I would appreciate the gentleman from Arizona correcting me.

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

Mr. CORBETT. I yield to the gentleman from Arizona.

Mr. UDALL. The gentleman from Pennsylvania is honorable, of course, and always states the truth, and has just now. The difficulty is whether you call reclassification a pay increase. But the subject of giving more compensation by reclassification or pay increase was first raised by the gentleman's amendment. In self-defense the only thing I could do to defeat the gentleman's amendment, which I felt was unwise, was to offer the whole subcommittee pay package as a substitute for it. So I think we are agreed on the facts. We can draw different conclusions. If the gentleman does not want to be the minister who presided over this marriage or said the vows, I apologize.

Mr. CORBETT. I do not even want to be the best man.

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

Mr. CORBETT. Mr. Chairman, I yield 3 minutes to the gentleman from Illinois [Mr. DERWINSKI], a member of the committee.

Mr. DERWINSKI. Mr. Chairman, it is obvious that in 3 minutes I shall not have an opportunity to straighten out the complete confusion caused by the majority of the committee in producing this bill. I would like to point out to those of you who have the time that if you read page 74 and also start at page 77 of the committee report, you will see some minority views which I think are written with considerable clarity.

I would like to clarify one other item. This bill has a title "Postal Revenue and Federal Salary Act of 1967." Do not be misled for a moment to think that there is a fair relationship between the salary increases and the revenue. There is not. The salary increases over the 3 years will outstrip revenues. And do not be under the illusion that you are wiping out the postal deficit. You are not.

Also—and this I think is the main problem here—do not be under any illu-

sion that you are going to give the American public an improvement in postal service. There is nothing in this bill that will provide an improvement in postal service to the suffering American public. So when this bill is finally voted upon there should be no illusions over what is being done for the public.

Another point is that we will be offering amendments that may clarify some of the dubious provisions of the bill. I believe that the only way you can recruit better personnel to the Post Office Department, especially in the metropolitan areas, is to have a salary schedule based upon the cost of living. The Department pays lip service to this principle but does nothing to implement it. There is nothing in the bill to do it.

One more item I would like to point out to you is the fact that the gentleman from Iowa [Mr. GROSS] and the gentleman from Idaho [Mr. MCCLURE] pointed out in minority views that there is a great deal of confusion caused by the committee and the subcommittee.

There is no relationship between the bill as produced by the subcommittee of our committee and the bill before us. Very often when a committee brings a bill to the floor, there is a tendency of Members to join forces behind the hard-working committee. Our committee worked hard for 8 months, but we did not produce anything too effective, and I do not believe there is anything in this bill that merits blind and automatic support, so I would recommend we give thoughtful amendments very serious consideration, and hopefully we might make some progress in improving this bill.

There is a great deal of discussion about who put what packages together. The gentleman from Pennsylvania and the gentleman from Arizona have just exchanged polite platitudes about it. The fact of the matter is they are both wrong. I retract that. They are not wrong. They are both innocent. But they are both guilty of an old art called "buckpassing".

The facts of life are that the gentleman from Pennsylvania authored an amendment to the rate bill that brought up the pay issue. The gentleman from Arizona did not think he had enough votes to beat it head on, because the Department had not twisted enough arms on the majority side. So he came up with a substitute that was a bit more glamorous. It was a matter of strategy rather than fighting it head on. Unfortunately, the gentleman from Arizona felt that the Department had not twisted enough arms on his side. Then, in turn, the gentleman from Pennsylvania had some help on our side. The upshot of it was mass confusion, so the rate bill also became a pay bill, which is really an unhappy marriage, and we might consider separating them at the proper time in the amendment stage.

Mr. DULSKI. Mr. Chairman, I yield 10 minutes to the gentleman from Montana [Mr. OLSEN].

Mr. OLSEN. Mr. Chairman, I rise in support of the committee recommendations as included in the committee amendment to H.R. 7977, with one or two minor adjustments that have been brought to my attention since the committee action. I will discuss these amendments at the appropriate time when the bill is read for amendment.

At the outset, as chairman of the Subcommittee on Postal Rates, I want to thank each member of my subcommittee for his very active and faithful service, on both sides of the aisle.

I might say when we marked up this part of the bill in the subcommittee, we not only had attendance of all of the subcommittee on both sides of the aisle, but we had the ranking minority member, the gentleman from Pennsylvania [Mr. CORBETT], and the chairman, the gentleman from New York [Mr. DULSKI], with us when we marked it up in subcommittee, so we had close attention.

I sponsored H.R. 7, which is a great controversy in the pay business. I am really disappointed that it did not pass the committee. But, as in all committees—and we are all on committees—we do not have our own way, and I did not have my own way, and the gentleman from Arizona [Mr. UDALL] prevailed with a compromise. He did not have his way either. We ended up with a proposition that I think is fair and reasonable.

I would vote for a higher pay bill, but not today, because I have made my agreement with other members of my subcommittee and with my committee, so I am going to stay with what we call the Udall pay bill.

It is this same thing with the Postal Revenue Act, which the gentleman from Pennsylvania [Mr. CORBETT] wants to call the "Stamp Tax Act," and that is Mr. CUNNINGHAM's label too.

I know there is a kind of friendship for the proposition, because I think Members will agree with me that we have done about the best we could do, and we really worked at it hard and long. As a matter of fact, we worked at it for weeks and weeks. We had 21 days of hearings, and for 7 days in subcommittee and 17 days in full committee in markup, and we ended up with an increase in first class and cards of 1 cent.

THE POSTAL REVENUE ACT OF 1967

As chairman of the Subcommittee on Postal Rates, I wish to utilize the remainder of my time discussing with you the provisions of title I of the committee amendment.

Mr. Chairman, I believe our postal service to be the key link of the Nation's commerce. It is the personal communications network of our 200 million citizens. It must be responsive to the needs of the public and to the needs of the business community.

Unfortunately, and all too frequently, many of us here in the Congress, as well as officials of the executive branch, look only to postal revenues to finance modernization of buildings, high speed mail processing equipment, and fair and equitable pay for our postal employees.

This is not right. I may not be old fashioned, but I still believe that fair and equitable pay for postal employees should not be considered in the light of available postal revenues. I still believe in the declaration of policy spelled out by the Congress, in the Postal Policy Act of 1958—39 United States Code 2302(b)—"that the Post Office is a public service."

Today the postal revenues do not even cover normal operating costs. The only conclusion we can draw is that we must bring postal revenues into line with operating costs after giving due consideration to the public service features which Congress has specified.

The President included five major recommendations for postal rate adjustments in his message to the Congress, dated April 5, 1967:

First-class and airmail: A 1-cent increase for cards and letters.

Second-class publications: An average increase of 22 percent for all categories of second-class mail, phased over a 3-year period.

Third-class: An average increase of 28 percent for all categories of third-class mail.

Fourth-class: An average increase of 21 percent for special rate fourth-class mail, consisting mainly of books and records.

A special charge for odd-sized, nonmachinable mail.

The committee amendment adopts each of these recommendations with three major exceptions.

First, on nonmachinable mail, the committee eliminated all provisions on this matter and delayed for further study the recommendations of the President. While the recommendation was for a charge on mail which was "nonmachinable," we developed a proposal that would define "standard-size mail," but we felt that we should delay any recommendation for enactment of provisions on this subject pending a further study by the committee.

Second, the committee amendment proposes a 2-cent increase on airmail letters.

And third, the committee amendment applies lesser increases than those recommended by the President on the mailings by nonprofit organizations, particularly the mailings for charitable, religious, or general health purposes, and the mailings by nonprofit organizations which solicit funds for charitable, religious, or general health purposes.

The postal rate increases we are recommending, when fully effective, will add more than $884 million to postal revenues. The postal service operating deficit in fiscal year 1967 was $1.2 billion. The estimated public service cost was $557 million, leaving a postal deficiency of $591 million for fiscal year 1967.

The expected additional revenue of $884 million will be sufficient to reduce the estimated postal deficiency and cover such increased cost as can be expected to be incurred in the near future.

Mr. Chairman, the postal rate increases we are recommending recognize the accepted congressional policy of maintaining a historical cost-coverage relationship among the several classes of mail.

I believe in, and strongly support, the policy that has been followed by the Congress from the beginning of the postal service, of maintaining the proper relationship among the several classes of mail.

First-class mail constitutes a preferred service and therefore, the postage for first-class mail should be sufficient to cover the entire amount of the expenses allocated to first-class mail, plus an additional amount representing the quality and the character of the service

rendered in terms of priority, accuracy, security, and speed of transmission.

All other classes of mail, particularly second- and third-class mail, should have something substantially less than cost coverage, in that they provide a basis for communication of intelligence, the dissemination of information, the advancement of education and culture, the distribution of articles of commerce and industry, and contribute materially to the growth of many commercial enterprises, and to the national economy and public welfare.

Congress has recognized that all of these principles go to make up "the postal service as a public service."

In establishing any relationship between first-class mail and second- and third-class mail, we must recognize that mailers of second- and third-class mail are required to process and present their mailings as directed by the Postmaster General. We must recognize that the steps involved in the preparation by such mailers represent in most cases at least one-half the mail-handling steps that are performed by the postal employees in the case of first-class mail.

Just to give a major illustration, the mailers of second- and third-class mail must sack, bundle, and sort their mail, and deliver it to the post office, whereas we all recognize that first-class mail can be dropped in the corner mailbox and is picked up and sorted by the postal employees.

I just want to remind my colleagues to bear these policies in mind in the event amendments are offered when the bill is read for amendments to eliminate increases in first-class mail, on the basis that we now have close to 100-percent cost coverage, or to provide increase in second- and third-class mail to bring them close to 100-percent cost coverage.

SUMMARY OF PROPOSED RATE CHANGES

FIRST-CLASS AND AIRMAIL

The committee amendment provides an increase from 5 to 6 cents for first-class letters, and an increase from 4 to 5 cents for cards. We also provide an increase from 8 to 10 cents for airmail letters, and an increase from 6 to 8 cents for airmail cards. These increases will provide a cost coverage of 123.3 percent for first-class mail, and additional revenue of $518.4 million. The cost coverage for airmail will be 138.9 percent, and the additional revenue will be $49.7 million.

Following the rate increase of January, 1963, the revenue surplus from first-class mail dropped from $295 million in fiscal year 1964, to $68 million on a 1966 adjusted basis. Concurrently, cost average dropped from 116 percent to 103 percent. The decline in revenue surplus reflected rising costs, largely the result of salary increases and fringe benefits for postal employees, which represent over 80 percent of postal costs.

The modest surplus is earned mainly on heavier pieces. The 5-cent letter rate today fails to cover the cost on 1-ounce letters. It is the heavier first-class pieces that provide for the modest 3-percent cost-coverage surplus.

The annual volume growth between fiscal years 1958 and 1965 ranges between 0.2 percent and 3.2 percent. In 1966, however, volume surged upward more than 6 percent, reaching a high of 40.4 billion pieces of first-class mail.

Cost coverage for all airmail is currently 121 percent. However, after excluding the highly profitable air parcel post service, cost coverage on all other airmail is only 105 percent. In these circumstances, revenues from most 1-ounce airmail letters are insufficient to cover fully allocated costs.

The rates recommended in the committee bill will restore the cost coverage on first class and airmail to a higher percentage, where it belongs.

SECOND-CLASS MAIL

Within-county rates are increased as recommended by the Postmaster General, to a minimum charge per piece of 0.2 cents, and the pound rate is increased in three steps from 1.25 cents to 1.3 cents in 1968, 1.4 cents in 1969, and 1.5 cents in 1970. Also, the committee amendment discontinues the low per copy rates for publications mailed at post offices other than the original points of entry.

These are the rates that are applicable to small-town newspapers. On a current basis, fully allocated costs exceed revenue for these mailings by about $67 million. There were roughly 1½ billion pieces of mail matter mailed under these rates in fiscal year 1966.

I would like to point out that these newspapers will pay, even under the committee bill, only about 1 cent per piece. However, I would also like to point out that the mailers of second-class publications do perform a lot of the mail-handling steps for this type of mail that postal employees perform in the case of first-class mail.

REGULAR PUBLICATIONS

The committee amendment provides, in effect, for a 23-percent increase in this type of publication, effective in three steps. The existing policy of zone rates for the advertising portion will be maintained. The larger share of the second-class deficiency applies to this category of mail. Cost coverage is higher than second class as a whole—29.3 percent versus 23.3 percent, before public service credits. On a 1966 adjusted basis, the deficiency attributable to publications is $236 million.

When the rates provided by this bill have become fully effective, the cost coverage will be 36.2 percent.

NONPROFIT PUBLICATIONS

The committee amendment provides a new method of computing the postage rates on the advertising portion of nonprofit publications to make the rates more equitable with the rates paid on commercial advertising in other publications. At present, a flat rate of 1.8 cents per pound, with a minimum of 0.125 cent per piece, is charged. Under the amendment, the minimum charge per piece is increased to 0.2 of a cent. Rates on the nonadvertising portion are increased in three stages to 2.1 of a cent in 1970, and a six-step zone rate is provided for the advertising portions.

During fiscal year 1966, there were 2.3 billion pieces of nonprofit organization mail. The total cost to the postal service on this type of mail was over $100 million.

By changing the method of computing the rate on this type of mail, this loss to the postal service will be reduced substantially.

AGRICULTURAL PUBLICATIONS

A new category of second-class mail is adopted for agricultural publications, which retains the existing rate for the advertising portion of these publications mailed in the first and second zones. The current rate, which will be maintained, is 4.2 cents per pound.

CONTROLLED CIRCULATIONS

A three-phase increase in the pound rate and the minimum charge per piece is adopted for controlled circulations, as recommended by the Postmaster General.

THIRD-CLASS MAIL

SINGLE-PIECE RATES

The committee adopted a single-piece rate of 6 cents for the first 2 ounces, and 2 cents for each additional ounce. This rate compares with the 6 cents for 1 ounce in the case of first-class mail.

The annual mail volume in this category for fiscal year 1966 was 3.3 billion pieces, or 16 percent of all third-class mail. The cost coverage will be increased from 86.2 percent to 114.9 percent for this category of mail. The additional revenue involved is approximately $70 million.

BULK RATE REGULAR

The committee amendment provides a per-pound rate increase from 12 to 16 cents for books and similar items, and an increase from 18 to 22 cents per pound for the circular advertising material. The minimum charge per piece is increased from 2⅞ to 3.8 cents.

There were approximately 14 billion pieces of mail in this category in fiscal year 1966, with a revenue deficiency of approximately $277 million, and a cost coverage of 61 percent.

The rates recommended by the committee will provide a cost coverage of more than 80 percent, and additional postal revenue of $154 million.

Once again, I would like to point out that the cost-coverage figures do not take into consideration the many mail-handling steps that are performed by the mailers of this type of mail. If all of these were properly adjusted, the cost coverage under the committee proposal obviously would be 100 percent.

BULK NONPROFIT MAILINGS

The bulk nonprofit rates are 50 percent of the regular pound and minimum rates, except that the existing minimum rate of 1.25 cents per piece is increased only to 1.3 cents per piece for bulk nonprofit mailings of organizations with charitable, religious, or general health purposes, or when bulk mailings by qualified nonprofit organizations consist wholly of solicitations of funds to be used for charitable, religious, or general health purposes.

The revenue deficiency in this class of mail was nearly $100 million in 1966, and represents the mail of at least 82,000 nonprofit organizations which mailed about 2.9 billion pieces. The cost coverage will be increased from 27 percent to

33.4 percent, all of which is covered by a public service item.

SPECIAL RATE FOURTH-CLASS MAIL

The general rate for books, films, records, and other special items, which is now 10 cents for the first pound, and 5 cents for each additional pound, is increased to 16 cents for the first 2 pounds, and 6 cents for each additional pound. This category includes the tremendous mailings by the book and record clubs.

LIBRARY RATE

A special library rate, which is now 4 cents for the first pound, and 1 cent for each additional pound, is increased to 8 cents for the first 2 pounds, and 3 cents for each additional pound.

The postal deficiency in this category was $75 million in fiscal year 1966, and there were approximately 219 million pieces, of which 203 million were mailed at the general rate, and 16 million at the library rate. The cost coverage will be increased from 42.4 percent to 54.1 percent, and the additional revenue will be $12.3 million.

Mr. Chairman, I believe we have maintained the historical pricing policy of the Congress in recommending the postal rate increases in title I. I urge that they be approved here today without major changes.

The expected additional revenue, as I said, is $884 million. It will be sufficient to reduce the estimated postal deficit, and it will cover all of the additional costs for the additional pay increase.

A lot has been made of the figures in the newspapers, that the pay increase would exceed the rate increase. Well, the pay increase for all Federal employees would, yes, but when we talk about the postal rate business we have to relate that to postal pay or relate it to nothing. We cannot relate postal rates to the pay of all other Federal employees.

I say again that the postal rate increase will exceed by a very great deal the postal pay increase. The rest of the Federal employees ought to be and will be covered by the taxpayers.

The gentleman from Arizona [Mr. UDALL] will point this out better than I can, but the reason is that we have to attract and we have to retain the best kind of leadership we can in the Federal service. If we do not, then we will not remain the leading nation in the world.

Mr. Chairman, I should like to have the attention of everyone. I do want attention now for a few minutes. I am going to make this very short, so I ask Members please to let me have their complete attention.

What is the reason there is a lesser rate for second- and third-class mail? I know everyone wants to know what is the reason.

I have to my right a case of mail. This is called a case, on my right. It is a bunch of pigeonholes. There are 49 pigeonholes here. This is what is called the primary case in New York City. In any city of more than 50,000 population there is a prime area case.

In that case one sorts first to groups of States. I pick out one part in the lower part of this cabinet which is for Southern States; I believe Georgia, North and South Carolina, and Alabama. That is in the New York primary case. When envelopes get into that particular pigeonhole, this only means it has been sorted once.

It has to be sorted a second time to each of the several four States and then sorted a third time to the sectional centers in those four States. The same thing happens when we talk about a group of Western States who happen to be in these 49 pigeonholes. So, when we talk about first-class mail or when we talk about airmail, that is not sorted once. It is sorted at least three times in any major post office, and I am talking about a place of more than 50,000 people. In New York City, for example, it could be more than three times. However, in the case of second-class mail, which is newspapers and magazines, and in the case of third-class mail, which is business advertising circulars, those items never see this case. They are not sorted at the receiving post office at all. The New York Post Office does not see this case with respect to second- and third-class mail. Second- and third-class mail under present regulations they are required to sort, tie off, sack, and ship to the airlines, as the case my be in the case of some second-class mail, but ship to the railroads all other second-class mail and the entire third-class mail. They must all be taken to the railroads. The Post Office Department never sees this mail. At the receiving post office all the post office gets is a check. Of course, there are many, many views as to why and how they get that amount of money.

The sorting of second- and third-class mail is entirely in the delivery post office.

The CHAIRMAN. The time of the gentleman has expired.

Mr. DULSKI. Mr. Chairman, I yield 3 additional minutes to the gentleman from Montana [Mr. OLSEN].

Mr. OLSEN. In the delivery post office this mail, second- and third-class, is sorted for the mailman. Now we come to a new age in the Post Office Department. I will show tomorrow or maybe later tonight, if we get into that detailed debate, how in the case of some second-class and almost all of the third-class mail it is sorted at the place of embarkation for the postman the way he walks his route.

You can see that there is a great deal of saving for the Post Office Department because of the work done by second- and third-class. That is why we have this difference in rates.

We have some figures from the Post Office Department, and they are good figures for what they are thinking. They are talking about what they call a cost ascertainment system. However, this is not really a cost ascertainment system. More positively it is a cost allotment system. They are allotting the cost to one class or another. They tell us that it costs 5.3 cents to move an envelope in first-class weighing 1 ounce or less. Then they tell us that it costs 5.1 cents to move a third-class envelope that is 1 ounce or less. That could not possibly be so when all of these steps in packaging mail have been eliminated by third-class. It just could not possible be so that there is only 0.2 cent difference.

We are planning to go into that difference completely. We looked into it very deeply. We recommend as members of the committee that you take our word for it and that we have done the very best that can be done for the present on the different prices of mail and for the different classes of mail. We trust that the members of the Committee of the Whole House on the State of the Union will follow the lead of the gentleman from Pennsylvania [Mr. NIX], chairman of the Subcommittee on Postal Operations; the gentleman from Texas [Mr. POOL], chairman of the Subcommittee on Postal Facilities and Modernization; and, myself, chairman of the Subcommittee on Postal Rates. We plan to go more deeply into this question as to what it costs to sort letters. Now, permit me to continue for just a minute on this subject. At some places in the world a postal clerk is reputed to be able to sort, what we call "case" now, but what you and I would say "sort" into this case, 60 letters a minute all day long. However, I do not believe it. In this country they will "case" or "sort" about 39 letters a minute, or, perhaps, 30.

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

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

Mr. OLSEN. Now, Mr. Chairman, with reference to this question of cost ascertainment, have we really determined what it costs to handle a letter at the receiving post office and what it costs to handle a letter at the delivery post office? If we are able to do this, then we will be able to more nearly determine whether every class of mail is paying its own way.

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

Mr. OLSEN. I yield to the distinguished gentleman from Nebraska.

Mr. CUNNINGHAM. Mr. Chairman, in my congressional district we have the headquarters of the Columbian Fathers, a worldwide Catholic missionary society. They posed a question to me—and I propose this colloquy for the purpose of legislative history on this bill—and seek some clarification of section 103 dealing with qualified, nonprofit publications.

What I want to ask the gentleman is this: Is it the intention of the committee that house advertisers or, technically, nonpaid advertisers, the category into which this organization falls since they receive no revenue—they put it in there themselves—I ask is it the intent of the committee that this type of advertising for which they receive no revenue should be charged the new zone rates upon the advertising portion of their magazine?

Mr. OLSEN. I think the committee's conclusion was to that effect.

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

Mr. CORBETT. Mr. Chairman, I yield 2 minutes to the gentleman from Nebraska [Mr. CUNNINGHAM].

Mr. CUNNINGHAM. I wonder if the gentleman would care to comment upon that question?

Mr. OLSEN. I think we settled that in the committee to the effect that in-house advertising was not to be subjected to the increase in the rate for that class of mail.

Mr. CUNNINGHAM. It is my understanding that the department downtown decides what is advertising and what is not. I wanted to have the RECORD contain the statement to the effect that it is not the intention of the committee that this "house-type" advertising be subjected to the zone rates.

Mr. OLSEN. I agree with the gentleman absolutely.

Mr. CUNNINGHAM. Mr. Chairman, I have only a few moments left. On the matter of the display case the gentleman used I would like to pose this question:

It is true, as to what the gentleman said relative to second- and third-class mail—the only thing that the gentleman failed to mention is that even though second-class mailers do a lot of this work themselves, they still receive first-class treatment at the low, heavily subsidized second-class rates.

Mr. OLSEN. I think that in certain instances second-class mail receives first-class treatment. But I do think it is a kind of natural thing and I believe the gentleman agrees with me, because the second-class mail is prepared and it is ready for delivery by the mailman when it gets to the delivery post office.

And that is why it gets first class.

Mr. CUNNINGHAM. No, that is why it gets the low, low rate to begin with.

Mr. OLSEN. I agree with the gentleman.

Mr. CORBETT. Mr. Chairman, I yield 5 minutes to the gentleman from Idaho [Mr. MCCLURE].

Mr. MCCLURE. Mr. Chairman, the minority views to this bill begin with the understatement of the year in my opinion:

> We believe that the enactment of H.R. 7977 is not in the public interest.

I readily joined in that dissent because this is a rate bill that ignores the rate problem, a classification bill that ignores the problem of reclassification, and a pay bill that say in effect, "Let someone else make the decisions."

Title I lowers the postal deficit and title II raises it again. As the Queen said to Alice:

> It takes all the running you can do to keep in the same place. If you want to get somewhere else, you must run at least twice as fast as that.

If the purpose of increased rates is to make each piece of mail pay its own way, then why is second class paying 29 percent of its costs and third class paying only 82 percent of its costs and—I might add—first class paying 123 percent of its costs?

And why do we ask the users of first-class mail to make up the difference? If we are to subsidize second- and third-class mail users, it would be far preferable to let the taxpayers share that burden equally. The committee must plead guilty to knuckling under to pressures in its final product.

If, on the other hand, we are to assume that the purpose of increased rates is merely to reduce the postal deficit, the committee has failed again. The deficit was reduced only the time it took to add title II.

Perhaps all of this could have been excused had there been any assurance that mail service would be improved. But service never entered the picture. As a matter of fact, a very good case can be made for the fact that it is getting worse. I can refer to no better authority than the Postmaster General himself, who has referred to his Department as "a tottering structure," and has called postal service "self-destructive."

But of all the problems the committee faced in dealing with rates, the one that caused me the most anguish personally was in accepting the cost ascertainment figures supplied by the Post Office Department. I do not pretend to be an authority in this field, but I do not believe anyone else does either.

Time and again these figures were challenged by witnesses before the subcommittee.

That a problem exists is recognized by the United Federation of Postal Clerks, who passed a resolution urging an independent study be made of the mail distribution service.

When this resolution was brought to my attention last spring I asked the chairman of the committee about the value of such a study. He assured me that it was unneeded. Nevertheless, subsequent events have indicated that sufficient doubts persist in the minds of a sufficient number of people to warrant reconsideration of this proposal. If I am permitted to control all the facts used in any given discussion I can pretty well direct the conclusions which will be reached.

I cannot urge too strongly that the cost ascertainment system should be reviewed so we may determine whether or not our figures on the cost of providing service which we use in rate discussions are accurate. This the committee has failed to do.

I realize that the General Accounting Office is making a continued study of postal operations, but it has been some years now since their last report on cost ascertainment. Perhaps the President's Commission on Postal Reorganization will undertake such a study, although I have come to the reluctant conclusion that Presidential commissions as a rule are so much window dressing by which time is purchased against the time in which we must make solutions.

Suffice to say that, had such a study been made before the committee took up the rate bill, it is quite likely we would have a very different measure before us today.

It was the expectation of several of us on the committee that we would first go through the bill section by section and consider each rate category individually and then go back through the entire bill. This makes sense on a bill that deals with matters so intricately and extensively interrelated.

Our decision concerning one section to a very large extent depended on decisions to be made later in another section. Under the procedures adopted by our committee, we failed to go back. We did not give ourselves sufficient opportunity to give that full consideration of the bill.

With all the faults that I find in title I, they are but a ripple on the stream in comparison with my wave of objections to title II.

The procedures by which pay reclassification provisions were added to H.R. 7977 is deplorable. There were no witnesses and practically no discussion.

An average of 15 minutes was allowed for each amendment which was offered—scant time for 26 members to adequately consider such far-reaching proposals. Several members of the committee had amendments they wanted to offer and were denied the opportunity. The majority of the committee had decided in advance to ram through these features and there was little the rest of us could do. As far as I am concerned, it is impossible to say whether or not title II adequately deals with existing inequities in pay and classification. It may be that the Federal workers affected should have more. It may be they should have less. I honestly do not know. I am certain of one thing: When title II came in one door, representative government and free debate flew out the other.

The Subcommittee on Position Classification, who did have responsibility, held hearings on the reclassification bills, but it never did hold executive session or even discuss the testimony that was heard.

The Subcommittee on Compensation, which had no authority in this field, on the other hand, came out with a pay bill which incorporated in it some of the aspects of reclassification. It was this measure that became a part of H.R. 7977.

It seems to me that it is the responsibility of the Position Classification Subcommittee, not the Subcommittee on Compensation, to make these recommendations.

The most serious defect in title II comes in the abdication of congressional responsibility to decide future pay raises. If the bill passes in its present form, that matter will lie with the executive branch.

We have heard a great deal about the matter of congressional responsibility on the House floor lately, and I am really quite surprised to find that those who have been making the accusations should so quickly find that the shoe is on the other foot. The continual delegation of congressional authority to the Executive that has occurred over the years has come from Congresses controlled by the other party. This measure is further proof that they will never be satisfied until they have made the President judge and jury over every Government program in the book.

There is no doubt in my mind that this so-called vetoproof bill was prepared in collusion with the White House. Should this bill pass, a "reluctant" President will sign it into law. He will get the credit for raising salaries and Congress will get the blame for the added deficit.

Had the proponents of title II really been concerned about the postal worker, they would have insisted on an investigation into the opportunities for advancement within the postal field service, with a view toward finding a way by which the aggressive young fellow can be rewarded for his initiative. The present rigidity in the postal system, fostered by the unions and perpetuated by Congress, is a matter that we will eventually have to face up to.

In the end, we have here a bill that is

unfair to the users of the mail for not adequately coming to grips with the rate problem.

We have here a bill that is unfair to the Federal employee for not adequately coming to grips with the reclassification and pay problems.

We have here a bill that is unfair to Congress because it relinquishes our authority to decide matters of compensation.

It is probably the worst-written piece of legislation to come before the House this year, and I fervently hope it will be defeated.

Mr. DULSKI. Mr. Chairman, I yield 3 minutes to the gentleman from Pennsylvania [Mr. NIX].

Mr. NIX. Mr. Chairman, the only thing I think the Committee on the Post Office and Civil Service has to plead guilty to—and it is an honorable guilty plea—although in days gone by I never thought that any guilty plea was honorable, but as I say, the only thing they would have to plead guilty to would be to the following:

That they held hearings from May 9 to June 28—a total of 21 days.

That they were in executive sessions of the subcommittee for 7 days.

That they were in executive session in the full committee for 15 days on postal rates; and for 2 days on pay schedules.

That they heard over 100 witnesses.

So, Mr. Chairman, I would consider that an honorable guilty plea.

Mr. Chairman, in the time allotted to me, it is impossible for me to touch upon the matters in this bill which I think are of the greatest importance. So permit me to just mention a number of the portions of the bill.

Mr. Chairman, the committee amendment to the text is a remarkable achievement in that, for the first time in the history of the Post Office and Civil Service Committee, it will adjust postage rates for all major categories of mail to the levels recommended by the Postmaster General on the basis of his review of the postal rate structure.

I am not unaware that we may expect proposals today to impose excessive further charges on regular second-class mail. The history of previous rate legislation tells us this. I would earnestly recommend that problems or objections that may exist with respect to one or a few publications not unduly influence the consideration of general postage rates that are so critically important to America's publishing industry as a whole.

This bill provides substantial but fair increases in second-class rates—a total of 23 percent, in three phases—which compares favorably with the 20-percent first-class mail increase. The extensive evidence developed in our committee rate hearings convincingly demonstrated that the 23-percent increase is the maximum the traffic will bear in second-class rates. To go higher, or to add arbitrary surcharges, could be fatal to many fine publications—with the real loss suffered by the millions of readers who want them and order them.

No doubt the difference between the second- and third-class rates in the committee bill will be questioned. As the Postmaster General testified before our committee, the difference merely represents a restoration of the relationship that existed between these two classes of mail prior to the 1962 Rate Act. Both second- and third-class rates in the House-passed bill that year were sharply reduced in the other body. The committee of conference increased the second-class rates, but not the third-class rates, as written in the other body. The bill now before us corrects that distortion.

Mr. Chairman, the second-class rates in our committee amendment are eminently fair and will contribute substantially to increased postal revenues.

As chairman of the Postal Operations Subcommittee, I will discuss title III of H.R. 7977 which is the result of years of work on the part of Congresman CUNNINGHAM and the Subcommittee on Postal Operations. Bills on this subject have passed the House of Representatives in previous Congresses by votes of 360 to 16 and 360 to 19. The Senate Post Office and Civil Service Committee did not act on this type of legislation and the bills died. In this case however, the Post Office Department has supported the type of amendment we have in this bill and there is every indication that the Senate will take it up, both because of its inclusion in a postal rates bill and because of the support of the Post Office Department.

In the beginning of this session, two bills were introduced on the subject of obscene mail. One bill used the term "obscene mail" and the other adopted the term "pandering advertising." The pandering advertising formula was worked out by the Post Office Department and a bill introduced. Mr. CUNNINGHAM submitted title III as an amendment to the postal rates bill and the amendment had the advantage of combining the best features of both bills, and adopting the language "pandering advertising" which has been used with approval by the Supreme Court in the Ginzburg and Redrup cases.

The amendment is directed against "pandering advertising" a term first defined in the Ginzburg case by the U.S. Supreme Court. This amendment would allow a householder to return mail to the Postmaster with the request that this type of mail not be sent to his home again. The Postmaster General would make a judgment on the material returned to the Post Office Department by the postal patron as to whether or not the material is in fact pandering advertising. This is important in that most offensive material going through the mail consists of advertising rather than books or records.

The Postmaster General will issue an order to a mailer in an appropriate case, requiring that he cease annoying the mail patron with pandering materials. If this order is ignored, the Postmaster General can seek a contempt citation from a district court, which citation would be punishable by the court if it was ignored or violated by the mailer.

In the most recent pronouncement by the U.S. Supreme Court in the spring of this year, the Court took the position that a statute in the obscenity area must be based on a concern for either juveniles, or a concern for privacy, or a concern with pandering advertising. The amendment placed in this bill by the gentleman from Nebraska [Mr. CUNNINGHAM] is based on a concern for all three—juveniles, privacy, and pandering advertising. This title also brings this matter to the attention of the courts and the only enforceable action is taken by the courts; that is, punishment for contempt of court. I urge support of H.R. 7977 without change.

Mr. CORBETT. Mr. Chairman, I yield 5 minutes to the gentleman from Virginia [Mr. SCOTT], a member of the committee.

Mr. SCOTT. Mr. Chairman, in my limited time I would like to discuss title II of the bill relating to salaries of Federal employees.

This title, as it now exists, provides a pay increase of 6 percent for postal employees but only 4.5 percent for classified and most other civilian workers. Under the bill white-collar workers will not receive comparability until 1969.

Of course, nothing is provided for the military. The House will later have to decide whether to treat the military in the manner of the postal worker or the other white-collar worker. Certainly I am not suggesting any reduction for postal employees, for which I have the highest regard, but I do believe that we should treat the classified worker, the Foreign Service employee, the Veterans' Administration employee and others as fairly as we treat the postal employee.

A few years ago the Congress determined a policy that Government employees should have pay and working conditions similar to those in private industry. And I believe in this principle of comparability. In the interest of equity to all employees, I shall propose a straight 6-percent increase for all employees for this fiscal year, the same 5-percent increase for next year, as is being afforded for the postal workers, and necessary adjustments to realize comparability in April of 1969.

Mr. Chairman, only last week the Assistant Postmaster General for Personnel, Mr. Robert J. Murphy, testified before the Post Office and Civil Service Committee of the other body regarding this bill in its present form. I quote from page 9 of his prepared text:

> The single most glaring difference is its preferential treatment for Postal employees. Postal employees are given an average increase of 6 percent under the schedule to become effective at the beginning of the first pay period in October, while employees in the other statutory pay systems are given 4.5 percent as recommended by the President. I know of no logical justification for this disparity and cannot support it from the standpoint of the basic principle of equal pay, among employees under the various Federal salary systems, for equal work.

Also testifying before the other body, the Chairman of the Civil Service Commission, Mr. John W. Macy, Jr., referred to the bill now under consideration in the House and stated:

> The first and most important reservation is with respect to the 6 percent increase proposed for postal employees, followed in 1968 by a flat guarantee of another 5 percent, neither of which would apply to other Federal workers. There is no rational basis for discriminatory treatment, even temporarily,

between postal employees and all other personnel, military and civilian.

He added that postal salaries have already increased over the last 20 years significantly more than general schedule salaries. In 1945, city carrier salaries were slightly lower than those for GS–4, then CAF–4. They caught up with and generally moved ahead of GS–4, and in 1962 PFS–4 was linked with GS–5.

Mr. Chairman, these are the chief spokesmen for the administration. They recognize the unfairness of this proposed legislation, even though they are arguing for a straight 4.5-percent pay raise.

Because of the limitations of time, I will reserve comments regarding the merits of the 6-percent across-the-board increase rather than the straight 4½-percent increase until the amendment is offered.

However, Mr. Chairman, I would like to add that the committee staff has prepared the amendment under instructions to provide for identical treatment of all civilian workers.

The CHAIRMAN. The time of the gentleman has expired.

Mr. DULSKI. Mr. Chairman, I yield 3 minutes to the gentleman from Arizona [Mr. UDALL].

Mr. UDALL. Mr. Chairman, in 3 minutes I cannot discuss any of the details of this bill. Despite the criticisms that have been leveled, I can say to my colleagues in the House that this is the best rate bill of the last 10, 15, or 20 years, and this is the best pay bill I have been associated with during my 7 years on this committee.

They are both sound and forward looking, and they meet the problems we face, and they do it in a responsible manner.

The committee has been criticized today and will be criticized tomorrow, when amendments will be offered about the magazines and newspapers and the alleged favored treatment for some of the second- and third-class people. I first want to pay a little tribute to Congressman OLSEN of Montana and his subcommittee. They were diligent and have produced a sound bill.

To take just one example, if those who complain about second-class mail will look at the table at the top of page 17, they will find the highest cost coverage in that category since 1926 will go into effect if this bill is passed, if the committee's recommendations as to second-class mail are passed. The magazines are not very happy about this. They do not think they have been coddled or that they have gotten any very big break out of the committee.

If we look at the same table on the top of page 17, in spite of all the talk about third-class mail and great favoritism shown them, the third-class mailers do not feel they have been shown great favoritism. If we run down the column for third-class mail, you will find highest cost coverage in that class since 1926 will go into effect after passage of this bill.

So this committee has done a responsible job on rates. I will be opposed to the Hechler amendment as well as any amendment which will retreat from the position of the committee, which is about as fair and tough as third-class mailers can absorb. It will bring that class up essentially to 100 percent of coverage, and that is where it ought to be.

Let me say a word about the pay section of the bill. Every year we have these annual hassles about salaries. I think there ought to be a better system. We are shot at from all sides.

In this, we really deal with three forces. We deal with the Federal employees, who have families to feed and children to educate and all of their problems, and they see things a little bit differently sometimes than others do. They have serious problems and we listen to them. We deal with an administration which always has problems of budget or inflation or priorities, and they are not always too happy about what we do or want to do. Then, we deal with taxpayers—and I am one myself—who will have to pick up the tab for whatever decisions are made by the committee and ratified by the Congress.

It has been said that you can please some of the people some of the time—but in this case we often cannot please anybody. But we have done our best. We have done our best, and I think we have a piece of salary legislation that this House and Congress can be proud of, because it is a piece of legislation that will redeem the pledge of comparability which this Congress made many years ago. This Congress gave a promissory note to the Federal employees in 1962. We said to them, "We will pay you comparable salaries," but for 5 long years the Federal employees have waited for this promise to be kept. Each year there was inflation, or guidelines, or this or that, and we did not do anything about it. In this bill we take care of it.

This is a full comparability bill. We do it in three stages in order to take into account the problems the administration has and the problems the country has this year with the huge deficit. But this will be written into law and we can say to the Federal employees, "The promise has been redeemed. It is written into law." This three-phase pay raise is a fair and equitable pay raise.

Complaints have been made that we have 6 percent in the first phase for the postal employees and 4.5 percent in the first phase for classified employees. Let me tell you why we had to do this. It is part of this delicate compromise I have been describing. We had to do this because it was the judgment of this committee, and 220 Members of the House introduced bills saying the postal people were entitled to reclassification. It was obvious unless we did a little bit of reclassification, the committee decision we reached was going to be overturned on the House floor. So the difference between the two, the 1.5 percent in this first phase is reclassification—not much reclassification, but it is a step toward reclassification.

In the second and third steps, the classified people, who do not get as much of a raise and as much attention in the first phase, will be taken care of, and they will be brought to full comparability. These are people who by and large are in the upper grades and can afford to wait.

Mr. CORBETT. Mr. Chairman, I yield 4 minutes to the gentleman from Georgia [Mr. THOMPSON].

Mr. THOMPSON of Georgia. Mr. Chairman, this bill, of course, is a compromise bill. I certainly support the marriage we have between the rate bill and the pay bill.

I do this for several reasons.

One is I feel that the Post Office employees are entitled to more than a 4½-percent pay increase and without the marriage there is a danger of a veto. Frankly, I would have liked to see this come about through reclassification but this did not work out.

The reclassification which the gentleman from Arizona spoke about a moment ago, and which more than 200 Members introduced bills to bring about—I happened not to be one of them, although I support the concept and believe it needs to be done—was not reclassification in its entirety. It was reclassification of the lower levels.

The reason is, quite simply, that the postal employees in the lower levels are underpaid, and they are underpaid by more than any 6 percent.

It may surprise some Members to learn that it takes a Post Office employee, a clerk or a carrier, about 13 years to make as much money as a bus driver in Washington, D.C., makes the first day he goes to work. After 20 or 21 years he will make about $7,200 a year.

In my own city of Atlanta, Ga., last year there were more than 5,000 exams given for Post Office employees. Less than 10 percent, or fewer than 500 people, passed those particular exams. Why was this? Why did fewer than 500 out of 5,000 pass? The exam is not that difficult. The reason is, quite simply, that the pay being given to carriers and clerks is inadequate to attract the personnel needed by the Post Office Department.

We have one of the most efficient postal services anywhere in the world. If we take the total mail volume we have, and divide it by the number of employees, the average employee of the Post Office Department in the United States handles approximately twice as much as is handled by employees of any of the postal services in Europe.

The committee has done a good job. I am not satisfied with it in its entirety. There are many changes I would like to see. There will be amendments I shall certainly support.

There is one thing I am very firmly in favor of, which is that the postal employees, particularly those in the low grades, deserve and are entitled to more than the 4½-percent raise the President proposed. In fact, if we are going to maintain our postal service and provide the service for business that we should provide, it is going to be necessary that we do provide at least this 6-percent increase.

As to the so-called subsidies which are provided here, which have been talked about, people say, "Let us not have a postal deficit." Frankly, I support the concept that all classes of mail should pay their fair share. I believe this is only

just and reasonable. But I consider it totally wrong to say that we are going to penalize the employees by not paying them adequate wages.

It is simply not fair or just that we should penalize the employees of the postal service by saying that there is a postal deficit and, "We do not have enough money to pay you a decent wage, because the rates as established by this Congress are too low, and we are not establishing for second-class mail a rate which pays at least 50 percent of its cost."

I grant that it is not popular to propose higher rates for second-class mail. Those are the rates for the newspapers and the magazines, the people who are going to determine the publicity you will get and I will get to be reelected.

But I feel that we are going to have to, at some time, come face to face with this problem, and certainly it is not fair to the employees to say, "We have got a deficit and you cannot have a raise."

If we have a deficit and the people are doing the work, then the second-class rate should be raised.

Mr. CORBETT. Mr. Chairman, I yield 5 minutes to the gentleman from Pennsylvania [Mr. JOHNSON], a member of the committee.

Mr. JOHNSON of Pennsylvania. Mr. Chairman, I am rising today because I am the ranking minority member of the Subcommittee on Postal Rates. I am also one of the members of the Subcommittee on Compensation. I, too, attended all of the hearings. When the Subcommittee on Postal Rates was not sitting the Subcommittee on Compensation was sitting. We started early in May and we have kept going ever since to the month of October. So this problem has received tremendous study by all of the subcommittees and finally by the main committee.

Now, what were we faced with on postal rates? We were faced with this so-called cost-ascertainment report, wherein first-class mail was indicated as paying 103 percent of its way, second-class mail 29.3 percent and third-class mail 61.2 percent and fourth-class mail roughly 100 percent.

The bill that we considered in our markup sessions, after we held the hearings, was a subcommittee print which had no number on it. What did it do with regard to second-class mail? It made some 23 percent raise in second-class mail, which would take effect at once, the same as on third-class mail. Personally, after having heard the testimony, I felt that that was unfair to the magazine people and the newspapers in view of the fact that their subscriptions have been taken many years in advance. I am the one who made the motion in the subcommittee that second-class mail rates be phased out over a period of 3 years. The subcommittee sustained that. This also prevailed in the full committee. I thought surely when we got to third-class mail some 32 percent increase on third-class mail would rightfully, honestly, and fairly be phased out over a 3-year period also, just as the second-class. However, lo and behold, the long arm of somebody reached into that committee and, while seemingly at first we had support for phasing out the rates on third-class mail, suddenly the majority members of the committee froze, and today we are facing you, in my opinion, with an unfair discrimination, that is to say, third-class mail is going to take their rates all in one fell swoop whereas second-class mail is allowed to phase out over 3 years. Is that fair?

Do not get me wrong in this. I am not saying that it is wrong that second-class mail be allowed to take their increase over a 3-year period, because they have problems, but as we studied the third-class mail problem and saw the detailed work they do in preparing the mail and their contribution to the economy of this Nation and as we saw the wrapping and the sorting and the bagging and the other jobs they do, it certainly seemed fair that 32-percent raise in third-class mail rates should be phased out over the same period of time as the second-class mail.

I want to be fair here. I want to see the 32-percent increase come into full force within 3 years. In my opinion, the third-class mail then will be paying 100 percent of its way.

I am also on the Subcommittee on Compensation. We gave that a tremendous amount of study also. Yes, we studied H.R. 7 and the postal workers rightfully wanted to be raised from levels 4 to 5. I told some of the people who came to my office to see me that if the Classification Committee, after due deliberation, and the full committee after full deliberation and study released to this floor H.R. 7 or a bill just like it, I would support it, and that many of us would support it. I did not support a facsimile or watered down version of H.R. 7 in the subcommittee which I felt was hastily drawn. I do favor the Udall bill which we have here today on the floor before us.

What does that do? It creates a new level 5 for those who wanted it, but it is not a full level 5. It is about a 4.6.

Let me say here that the average letter carrier and postal clerk who might be in level 4 but in step 7 today has a salary of $6,387 a year. Under this bill his salary will be $7,117 next year. This is an increase of $730. Perhaps it should better be said that if the Classification Committee can study the problem of the postal workers and study H.R. 7 and bring a bill here in front of this committee which is feasible and sound and within the realm of the budget of this great Nation of ours. I am sure most of us will support it.

Mr. OLSEN. Mr. Chairman, I yield 1 minute to the gentleman from New Jersey [Mr. DANIELS].

Mr. DANIELS. Mr. Chairman, the 1-minute allocation of time is hardly enough during which to really go into the details of this bill. However, I do rise to urge my colleagues to support the committee amendments to this bill.

Mr. Chairman, this bill is truly a credit to all of our committee members and particularly to our chairman, the distinguished gentleman from New York [Mr. DULSKI], as well as to our subcommittee chairmen, the gentleman from Montana [Mr. OLSEN], and the gentleman from Arizona [Mr. UDALL].

Mr. Chairman, really, this bill represents a tribute to their unselfish dedication, their perseverance and their concern for Federal employees and the postal service.

Both subcommittee chairmen appeared here today and displayed to the Members of the House their ability and their knowledge on two very important facets of the bill, the postal rate increases and the proposed increase in compensation, which have been merged into one bill.

Mr. Chairman, I want to say that in my opinion this is a good bill and by far the best and most realistic and the fairest to all concerned.

Therefore, Mr. Chairman, I would hope that the rate of compensation for our postal employees as well as for our classified employees were larger. The salary increases in title II surely are small enough recognition of the dedicated services of our postal and other Federal employees.

Mr. Chairman, I urge the Members of the House to support this bill.

Mr. CORBETT. Mr. Chairman, I yield 3 minutes to the gentleman from Michigan [Mr. RUPPE].

Mr. RUPPE. Mr. Chairman, I would like to associate myself with those individuals who have risen in support of H.R. 7977. I am particularly impressed with the suggestion and arguments that the two bills be combined.

Mr. Chairman, in my opinion, today we are considering a number of worthwhile proposals—whether they be urban renewal, slum clearance, whether they be aid to Appalachia or further endeavors with reference to the Great Lakes programs—most of which have had to be discarded because of the deficit with which we are faced and the addition to that predicted $29 billion deficit further programs would entail.

Certainly, if we are going to pass a measure which calls for substantial pay increases as well as facility modernization, we have to raise the rates with which to pay for these services to our society.

I would like to say that the pay portion of the bill is a very wise one. I think it does justice to the Members and employees of the Post Office Department who have been promised comparability since 1962 and who, under this bill will finally be granted comparability in 1969.

Certainly, Mr. Chairman, some of the postal employees will receive a more substantial wage increase, than that which is proposed for the general service employees.

On the other hand, Mr. Chairman, these people have been stratified for a great many years at levels 4 and 5, and the opportunity for them to gain stature in the postal service is very limited.

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

Mr. RUPPE. I am glad to yield to the distinguished gentleman from Montana.

Mr. OLSEN. As a matter of fact the postal workers are frozen at level 4, for the most part, for their entire lives.

Mr. RUPPE. In effect; yes. They are very limited in their opportunities to get ahead. They do not have a challeng-

ing career in the postal service based upon past operations of the service. On the other hand, the GS people, while they are going to receive a 4.5-percent increase now, will also receive an increase next year, and then a further increase which will bring them full comparability in 1969, a comparability which, after all, has been promised to these employees and stated as the intent of the act of 1962.

Regrettably, Mr. Chairman, the rates had to be increased in first-, second- and third-class mail. I am very sorry, and I think it is regrettable that second- and third-class rate increases were not identical in timing and percentage. There is little reason to increase third-class mail so much at one time and give second-class mail, which is enjoying almost a 70-percent subsidy, 3 years in which to pay projected increases.

In summation, I believe it is a good bill, and I believe it is a fair compromise of the proposals brought before the committee.

I believe I should compliment the committee also in adopting some Republican fiscal responsibility because certainly the bill allots the postal deficit of over $1 billion. On the other hand, after public service it is somewhat less than $600 million. The gain in the next several years of income over the pay proposals of the bill will be, I believe, over $200 million in 1968, over $200 million again in 1969, and a little less than that figure in 1970.

The CHAIRMAN. The time of the gentleman has expired.

Mr. CORBETT. Mr. Chairman, I yield 1 additional minute to the genetleman from Michigan.

Mr. RUPPE. I thank the gentleman.

Therefore, Mr. Chairman, the increases in revenue will more than offset the pay increases, will provide funds for reducing the postal deficit, and will provide additional funds for modernization and for bringing the type of improved postal service that we should and must bring to the American public.

It is unfortunate that the second- and third-class increases were not the same, and that the timing of these increases is not identical, but I believe it is even more regrettable we are not bringing out legislation to take politics out of postmaster appointments. I know many of the Members feel the same way, and I am confident they will join me and other people in eliminating this political injustice from our American scene.

Yes, I do believe one of the great crimes in the postal service is that the postmasters, however qualified and dedicated they are, and other people appointed through politics, deny the regular employees in the Postal Service the opportunity of promotion, the opportunity to move into responsibile and supervisory positions. This unquestionably has reduced the morale and efficiency of the postal service, and certainly should not be tolerated in the future.

Mr. DULSKI. Mr. Chairman, I yield 3 minutes to the gentleman from New York [Mr. HANLEY].

Mr. HANLEY. Mr. Chairman, there has been a great deal said here today about marriage and divorce, two subjects which are totally unrelated to the issue under deliberation. I, for one, have not exactly been happy with this, I would have preferred separate consideration of rates and pay as the members know, but in all fairness and to be factual, it must be said that the marriage was consummated by my friend, the gentleman from Pennsylvania, through the introduction of the Corbett amendment. The net result here is a bill which I believe is a good one, thanks to the astuteness of Chairman UDALL and Chairman OLSEN and their committees, who I believe have come forth with a bill that suits the purpose in an excellent fashion, so far as pay and rates are concerned, under prevailing circumstances.

I further believe that a great deal of confusion exists with respect to the distinction between classification and pay. And the responsibility of this particular committee—and I refer to the Committee on Compensation—was to come up with a pay bill and not a classification bill. Classification can only be attained by a long-range study. I will say with respect to H.R. 7, and I commend those who sponsored it, because through it they have focused attention upon many inequities which exist in our classification and postal field systems.

It is the intent of the Subcommittee on Position Classification, of which I am the chairman, to go in depth on this matter and eliminate, hopefully, all of the inequities which exist in the classification system and the postal field service. Bear in mind that the efforts of this particular subcommittee were last paralleled about 20 years ago—back in 1945. There has been a great deal of water over the dam in the interim, many aspects of the system are now inadequate and we have a great deal of work to do, and we of the Position Classification Subcommittee intend to do it.

Mr. Chairman, I rise to speak in favor of the enactment of H.R. 7977, a bill to adjust certain postal rates, and for other purposes. In particular, my remarks will be addressed to title II, Federal salary increases.

Mr. Chairman, H.R. 7977 represents the recommendations of the majority of the members of the House Post Office and Civil Service Committee for postal rates consistent with the request of the President and appropriate to the needs of the public and the Post Office Department, for Federal pay rates that are equitable and due the 2 million Federal employees that carry out the many functions of Government, approved and funded by the Congress.

Both the postal rate and pay provisions of H.R. 7977, as reported to the House, were developed and recommended after long and full hearings by the responsible subcommittees. In my opinion, they represent the best possible proposals that could be brought before the House for its consideration and action on these matters. I believe that the chairman of the full committee and the chairman of the Postal Rate and the Compensation Subcommittees of the Post Office and Civil Service Committee deserve the commendation and thanks of the Congress, the executive branch, the public, and Federal employees for the outstanding jobs they did. As you know, all members of the Post Office and Civil Service Committee were under tremendous pressures from all sides by those interested in the various pay and postal rates under consideration. Yet, with all of those pressures they have brought to the House a bill which we can all be proud of.

The pay provisions contained in the Federal Salary Act of 1967 as contained in title II of the bill before us are deserving of special comment. Many bills were introduced which would have increased the pay of Federal employees. Some would have given increases to all employees, others were designed to increase the classifications of some employees but contained no increases in pay or classification for other employees, and practically all of them were more costly than H.R. 7977.

The Position Classification Subcommittee, of which I am chairman, held full hearings on H.R. 7 and related bills. Over 200 Members of the House introduced companion bills to H.R. 7 which proposed to reclassify only the first four levels of the Postal Field Service and provide other benefits for Postal Field Service employees. H.R. 7 would not have provided any increases for the one and one-half million employees outside the Postal Field Service, and postal employees would not have received equal treatment under the bill. The estimated increase in payroll cost for the Post Office Department alone under H.R. 7 would have been $672 million.

Title II of H.R. 7977 which would provide substantial pay increases to over two million employees will cost $628.8 million for this fiscal year. Under H.R. 7977 all Federal employees whose salaries are fixed by statute except Members of Congress, the President, the Vice President, and members of the Cabinet, will receive pay increases this year. Also this bill will put into effect for the first time the principle of comparability enacted by the Congress in 1962 but never effected by the President or the Congress. The principle of comparability is sound pay policy for the Federal Government. It provides that the pay for Federal jobs shall be fixed at rates comparable to those paid in private business for jobs of the same difficulty and responsibility.

To recruit and retain the highly qualified employees needed to carry on the increasingly complex and technical functions of government and to maintain its high standard of service to the public, the Federal Government has to compete with private business and State and local governments for its personnel. By not bringing its salaries into line with those of its competitors, the Federal Government has been discriminating against itself in recruiting and retaining the best qualified employees. This policy, as any businessman will agree, is penny wise and pound foolish.

To meet its competition for qualified personnel, the Federal Government must pay salaries comparable to those paid by its competitors. The President, the Congress, and the public, agree but we are not doing it. We are not doing it because in the past the cost of bringing Federal salaries up to those of private business, and our other competitors, in any one year has been said to be too high. Title

II of H.R. 7977 overcomes this objection. It provides for full comparability of Federal salaries with those of its competitors in private business in three stages. The first stage provides the increases specified in the bill itself. The second and third stages are to be put into effect by the President in July of 1968 and April of 1969 on the basis of the Bureau of Labor Statistics' studies. Only then will Federal salaries be fully comparable to those in private business.

By the enactment of title II, the Federal Salary Act of 1967, the Congress will carry out its commitment to pay Federal salaries comparable to those in private business, and Federal employees will be assured of fair pay for their jobs without having to plead with and pressure the Congress for them.

Adoption of H.R. 7977, including its provisions for salary comparability, will be a great step forward in the recruitment and retention of high-quality personnel. Its passage will provide fair treatment for Federal employees and an important advance in pay administration.

Mr. Chairman, title II of 7977 includes another significant improvement in salary administration. Section 216 will establish a quadrennial commission on executive, legislative, and judicial salaries. The commission proposed by section 216 is of significance, and a great step forward because it will help overcome the compression of Federal salaries at the top levels.

We all know that the Congress will not fix or allow the salaries of top Federal executives, other than the Cabinet itself, to reach or exceed the rates paid to its members. This policy has resulted in the pay of the top career positions being held at levels which are nowhere nearly comparable with the salaries paid in industry and business for jobs of comparable difficulty and responsibility.

It is the opinion of the committee that salaries paid at all levels in all branches of the Federal Government should honestly reflect the responsibilities of the positions involved. This is understandable, but in terms of its overall responsibilities for the welfare of the Government it is wrong.

The proposed commission would study the entire top salary structure every 4 years and recommend appropriate pay levels and relationships between and among the respective offices and positions and, the appropriate pay relationships between such offices and positions and the top positions subject to the general schedule pay rates. The commission's recommendations would then be subject to consideration and action by the President and the Congress. This procedure will, I feel sure, be acceptable to the taxpayers as a fair and equitable way of meeting the problem of paying their top public servants.

Mr. Chairman, I take this opportunity to compliment our colleague, Mr. UDALL, chairman of the compensation subcommittee, for his outstanding work in bringing this excellent legislation to the House. I believe the pay provisions of title II of H.R. 7977 are the most significant and important to come before it since the Classification Act and Executive Pay Act of 1949, and the Postal Field Service Classification Act in 1955. It offers each of us the opportunity to vote for a bill which will go down in history as one of the most comprehensive and sound pay bills ever enacted.

I urge every Member to support this outstanding and necessary piece of legislation.

Support for this legislation is further evidenced by the leadership of several postal employee associations per the following telegrams:

WASHINGTON, D.C., *Oct. 9, 1967.*
Hon. JAMES M. HANLEY,
House of Representatives,
Washington, D.C.:

On behalf of the 200,000 members of the National Association of Letter Carriers we request that you support title 2 of H.R. 7977 providing for postal pay increase when bill comes up for consideration this week.

JEROME J. KEATING,
President.

WASHINGTON, D.C., *October 10, 1967.*
Hon. JAMES M. HANLEY,
Washington, D.C.:

On behalf of more than 320,000 post office clerks I respectfully request and strongly urge your support of an early and substantial salary increase for postal employees. In my judgment Title Two of the bill H.R. 7977 represents the absolute minimum increase required at this time to provide a small measure of justice for these deserving employees. Your support of Title Two when the bill H.R. 7977 is considered by the House on Tuesday will be sincerely appreciated.

E. C. HALLBECK,
President, United Federation of Postal Clerks.

WASHINGTON, D.C., *October 10, 1967.*
Hon. JAMES M. HANLEY,
Washington, D.C.:

The sixty two thousand regular and substitute rural letter carriers of the nation are eagerly anticipating favorable legislative action on pay provisions of H.R. 7977 under consideration on behalf of these dedicated postal employees. May I earnestly seek your support and urge a favorable vote.

CAREY W. HILLIARD,
President, National Rural Letter Carriers Association.

Mr. CORBETT. Mr. Chairman, I yield 5 minutes to a former member of our committee, the gentleman from Virginia [Mr. BROYHILL].

Mr. BROYHILL of Virginia. Mr. Chairman, the arguments being made today pro and con concerning this legislation are the same arguments we have heard over and over again whenever the House has considered legislation to provide for an increase in postage rates or an increase in the salaries of Federal employees.

Frankly, I think we are creating more confusion and misunderstanding concerning the legislation than is necessary. The legislation is quite simple, and if it is considered in its proper perspective it should be noncontroversial.

First, let us talk about the proposed increase in postage rates. No one wants to pay a higher postal rate. We find objections coming from businesses and industries as well as from individual users of the mail.

Higher postal rates are particularly objectionable at this time, when complaints regarding the postal service are greater than they have been for many years. But the cost of providing postal service has gone up. The American people are paying more for all other services and benefits they receive. In addition, there is a great need for modernizing and streamlining the postal system in keeping with this age of modernization. The use of the mails has been increasing by leaps and bounds—at a much more rapid rate than postage rates have increased. In fact, there are 80 billion pieces of mail going through the system this year as compared with 25 billion pieces 30 years ago. In other words, the volume is three times greater. So, if we fail to modernize our postal system, the service will deteriorate to the point that action will be demanded by the American people.

The question, then, seems to be not whether or not our postal system must be modernized, but who should pay for the increases in costs. The Congress in the Postal Policy Act of 1958 answered that question when it was decided that postal revenues should approximately equal the costs of the postal service. In other words, the users of the mail would pay for the service.

Who else is there to pay for this service? The U.S. taxpayers?

Well, if the taxpayers are to pay for the costs, how should the costs be distributed among the taxpayers?

As you know, we are continuously studying more equitable means of distributing the tax load. Obviously the most equitable way of distributing costs among the taxpayers would be on the basis of the use of the mail by the taxpayers—which gets us back to the fact that it is the patrons of the mails who should pay the costs of the service.

You can call postage rates a tax or a payment for services. You can call postal operations a governmental service, a business or a fringe benefit. As the saying goes, a rose by any other name would smell as sweet.

Since the facts of increased costs and need for modernization cannot be changed by changing the name, the increases must be paid for. It is inequitable to pass the cost of today's mail service on to future generations by deficit financing.

Insistence that the postal service be self-supporting is not without precedent in Government operations. The Federal highway program, for example, is paid for out of a trust fund created by an excise tax on gasoline; the services provided to airports by the Federal Aviation Agency are paid for from the aviation fuel tax; and of course, the Federal Housing Administration has always been self-supporting. I feel strongly that whenever possible the beneficiaries of a service should be required to pay for services received.

We will have a deficit this year in the operation of the postal service in the neighborhood of $1.2 billion. This deficit will exist without increasing postal salaries. The bill before us provides a modest increase in postal rates in the amount of $884 million. It is not a perfect bill, but it is the result of a compromise. We can never come to 100 percent agreement on how costs or charges for postal service should be allocated among various classes of mail. But it is still the best bargain

in the world today, and this rate increase bill is a step in the right direction toward making the postal service self-supporting.

With regard to the question of salary increases for our Federal employees, many of our colleagues are charging that salary increases will increase the cost of Government, and are asking how we can support this salary increase if we are sincere in our desire to reduce the pending $30 billion Federal deficit for fiscal year 1969.

My response is that it is not, and I repeat, not, salary increase which will increase the cost of Government. It is the cost of living, inflation, that is requiring an increase in pay at this time. It is the adding of new and costly Federal programs, new Federal agencies creating 3 million extra Federal jobs, which has increased the cost of Government.

We can economize by reducing and eliminating some of these wasteful programs and the added number of Federal employees who must administer them. We cannot economize by paying our employees substandard wages.

As a businessman for a number of years before coming to Congress I learned that trying to pay bargain basement wages to employees is false economy. It is bad management to think that Federal employees should work for less than they can get in comparable jobs outside Government. We are going to get exactly what we pay for, either in buying goods or services.

The Congress officially recognized this fact of life in 1962 when it was decided that Federal employees should receive equal pay for equal work, and that it was essential that Federal salaries and wages be comparable with wages paid for similar skills in private industry. That was 5 years ago. We have not yet obtained our objective, but the bill before us today provides for reaching comparability by April of 1969. It provides for no more than what we agreed was essential 5 years ago in pursuit of good and sound personnel management.

I represent a congressional district which includes many thousands of Federal employees. I make no apology for being interested in their welfare. This is consistent with good representative government. I do not feel, however, that my position on this legislation is inconsistent with administrative practices that I would employ if I were in private business or serving as a member of a board of directors in a large private industry.

Many complaints have been made to me regarding the discrimination between the 4½ percent immediate increase provided for classified employees and the 6 percent immediate increase for postal employees. I certainly prefer and insist that all employees be treated alike. At the same time I recognize the give and take that is necessary in arriving at a compromise in the legislative process. I recognize also, that promotions in the postal field service are limited in comparison to promotional opportunities in the classified service. The postal employees have done an excellent job of bringing this to our attention.

I recognize that there are three steps in the salary increases provided in this bill, and that in due course both classified employees and postal employees will receive equal treatment. And I also recognize that we must face the fact that a further increase for classified employees at this time could well result in no increase at all for anyone. Yet this does not justify the discrimination between these two groups.

I repeat, we cannot economize by failing to meet competition in wages and salaries for our own employees. Obviously we cannot economize by cutting salaries, nor can we economize by failing to pass this pending legislation. Indeed, failure to pass this legislation may cost us a great deal more in the long run.

Mr. UDALL. Mr. Chairman, I yield 3 minutes to the gentleman from West Virginia [Mr. HECHLER].

Mr. HECHLER of West Virginia. Mr. Chairman, we are considering this bill today in entirely different economic conditions from those that prevailed last April, when the administration proposed a 3.8 cents per piece bulk third-class rate. We are in an entirely different economic ballgame. The conditions are radically different. As well as trying to scrutinize rigorously expenditures and appropriations, we have to look very carefully where we can obtain additional revenues. I hope that the committee will accept my amendment to raise the third-class bulk commercial rate to 4.5 cents. This and other increases proposed in the amendment I will offer will bring in an additional $370 million a year, whereas the committee bill, with its 3.8-cent third-class rate, will bring in only $234 million per year. This means that my amendment will produce $136 million of additional revenue beyond the committee bill.

Comment has been made this afternoon that perhaps the committee bill contains a rate which already enables third-class mail to pay its way. Mr. Chairman, I would simply like to point out that when the pay raise goes into effect in this pending legislation, this will drive down the cost coverage for third class as well as other classes of mail. On the 5th of October 1967, the Assistant Postmaster General, Ralph Nicholson, wrote me a letter indicating that cost coverage when including the pay rates in the present bill, and considering ZIP code savings, would be only 91 percent in the Hechler amendment, which sets the rate at 4.5 cents. Mr. Nicholson computed cost coverage for the committee rates on third-class mail at 82 percent, when considering both ZIP code savings and the pay raises contained in the pending legislation.

Mr. Chairman, a businessman who buys a billboard does not expect to get subsidized by the taxpayers when he advertises on that billboard. Why, then, must he be subsidized by the taxpayers of the Nation when he advertises through the use of third-class mail? Is it fair to talk about a tax increase when part of that tax increase would be used to subsidize third-class mail advertising?

Third-class advertisers say they have a $40 billion a year industry. If they have a $40 billion a year industry, they certainly ought to be able to afford to pay their way which means to pay what it costs the Post Office Department and the taxpayers of this Nation to deliver the mail and run the Department.

The annual deficit for third-class mail runs $401 million. My amendment would cut this down by $370 million.

My speech can be best summarized by Herblock's cartoon this morning depicting a meek postal patron buying a stamp. The postal clerk is giving part of the customer's money to a very corpulent character labeled "Junk Mail Users," and the clerk is telling the customer, "Part of what you pay is for what you mail and part is for what he mails to you."

Mr. CHARLES H. WILSON. Mr. Chairman, will the gentleman yield?

Mr. HECHLER of West Virginia. I am glad to yield to the gentleman from California.

Mr. CHARLES H. WILSON. I wonder if the gentleman really feels that that is an accurate portrayal of the situation?

Mr. HECHLER of West Virginia. Yes, I do; because I just pointed out to the gentleman from California that cost coverage under my amendment would be only 91 percent. Third-class mail is now subsidized.

Mr. Chairman, I would like to expand my remarks with further comments on postal rates for nonprofit organizations.

Sympathy for a worthy cause is a good old American trait, but it has gone hog-wild in the setting of ridiculously low postal rates for churches, charities and other nonprofit organizations. This is an area which Congress has long regarded as a "sacred cow." In advocating a more rational approach to postal rates, I have been besieged with arguments like the following:

"Would you penalize your poor country churches, struggling to mail out their weekly church bulletins? How can the Little Church in the Wildwood possibly survive if its fund drive is crippled by higher postal rates? Would you slap the crippled children in the face? Are you against the community chest? What about Father Flanagan's Boys Town and the Christmas seals?"

It is high time that Congress take a cold, hard look at the facts. Third-class mail was established as a special category in 1928—39 years ago. In the past 39 years, the rate for bulk mailings of nonprofit organizations have gone up exactly one-fourth cent, from 1 cent per piece to 1¼ cents per piece. In sharp contrast, over the same 39-year period, first-class rates have shot up from 2 cents to 5 cents. First class rates, in other words, have already increased 150 percent during a period when third-class nonprofit rates went up a meager 25 percent. And the administration bill proposes a further increase in first-class rates to 6 cents.

When you consider that nonprofit third-class postal rates have gone up only one-fourth cent in the last 39 years, contrast this with the prices of other items. In 1928, you could buy a pound loaf of bread for 9 cents; today, the cost is about 22 cents. In 1928, you could have a quart of milk delivered to your home

for 14 cents; today, the price is doubled to about 28 cents.

HUGE VOLUME INCREASE IN NONPROFIT MAIL

As the postal rates for nonprofit organizations remained extremely low, more and more nonprofit organizations began to take advantage of the situation through larger mailings. These organizations now account for 17 percent of all bulk-rate third-class mail, as compared with only 8 percent in 1952. In the same period, the volume of nonprofit third class mail has shot up 250 percent—from slightly over 800 million pieces to nearly 2.9 billion pieces of bulk-rate nonprofit third-class mail. Now let us contrast that with other third-class mail. During the same period since 1952, commercial bulk-rate third-class mail increased 58 percent, while the total mail volume was going up 52 percent over the same period.

In addition to the volume increase in third-class mail, many new organizations appear to be getting in under the "nonprofit" umbrella. The law defines a "qualified nonprofit organization" as "religious, educational, scientific, philanthropic, agricultural, labor, veterans or fraternal organizations or associations not organized for profit and none of the net income of which inures to the benefit of any private stockholder or individual."

Many nonprofit organizations are now mailing neckties, pins, souvenirs, and other items for which they are seeking monetary contributions. A number of these items are unsolicited. The increased volume of such unsolicited items slows the delivery of mail, and also competes with private enterprise firms forced to pay higher postal rates.

NONPROFIT RATES SHOULD BE 50 PERCENT OF COMMERCIAL RATES

The Postal Policy Act of 1958, which is Public Law 85-426, states:

Postal rates and fees shall be adjusted from time to time as may be required to produce the amount of revenue approximately equal to the total cost of operating the postal establishment less the amount deemed to be attributable to the performance of public services.

Title II of the 1958 act also prescribed that the minimum charge per piece for third-class matter mailed in bulk by nonprofit organizations should be 50 percent of the charge for commercial mailings. As a result, when the commercial third-class bulk rate was raised from 2 to 2½ cents on July 1, 1960, the rate for other nonprofit organizations went up from 1 to 1¼ cents.

But in 1962, when the rates for commercial mailings were raised in stages to their current bulk-rate level of 2⅞ cents, the bulk rates for third-class mailings remained frozen at 1¼ cents. In addition, the 1962 legislation actually reduced the nonprofit bulk pound rates by about 40 percent. This was accomplished by reducing the pound rate on circulars mailed by nonprofit organizations from 16 cents to 9 cents, and on nonprofit books and catalogs from 10 cents a pound to 6 cents a pound.

I feel strongly that we ought to return to the policy established in the Postal Policy Act of 1958—that rates for nonprofit organizations should be 50 percent of the rates for commercial mailings. That is why my amendment will provide for a bulk rate of 2.25 cents a piece for nonprofit organizations and 4.5 cents a piece for commercial bulk mailings.

Several critics have pointed out that percentagewise the rate increases for nonprofit organizations are steeper than for commercial organizations. But that is only because these rates are initially so low. As Postmaster General O'Brien very fairly pointed out in his testimony on May 9 before the House Postal Rates Subcommittee:

Even with the proposed increases such organizations would still maintain large and valuable postal preferences. Currently, the public service cost of handling nonprofit mail exceeds $200 million yearly, nearly 40 percent of all public service costs.

ADVISORY PANEL ON POSTAL RATES

In 1965, the Advisory Panel on Postal Rates, headed by former Representative Robert Ramspeck, of Georgia, made some very pertinent observations on postal rates for nonprofit organizations:

We question whether these subsidies should be intermingled with postal rates. If there is merit in these subsidies, they should be identified and included as direct payments from the budgets on the Federal agencies charged with overseeing public welfare activities. Since rate policy and subsidies are now commingled, the Postmaster General is in a position that compels him to propose rates based on extraordinary welfare considerations as well as on conventional value-of-service and cost criteria. . . . Funds for subsidies should be provided by direct appropriations, to the agency overseeing the welfare activity, rather than as a hidden cost in the postal budget.

Philosophically, the increasing subsidy to the nonprofit organizations has disturbed throughtful students. What it means is that the general taxpayer is forced to pay to make up the postal deficit caused by causes in which he may not believe. "Why should I be taxed to subsidize someone else's religion?" pertinently asked a writer from Pittsburgh. The question well might be raised also whether the Post Office Department, with the prime responsibility of delivering the mail on time—which it increasingly finds difficult to accomplish efficiently and speedily—should also be burdened with extending assistance to all sorts of causes.

Our colleague, the gentleman from Kentucky, Representative GENE SNYDER, a few months ago gave me a packet of junk mail he had received from one of his constituents, T. A. Hamilton, of 3709 Hillsboro Road, Louisville, Ky. Over a period of several weeks, Mr. Hamilton accumulated packages including three neckties, two throat lozenges, a plastic thermometer, a package of Christmas cards, two packets of name and address labels, a recipe book, a gasoline credit card, numerous catalogs and coupons, and a set of gummed stickers with prayers printed on them.

CHARITABLE CONTRIBUTIONS SHOULD BE FROM THE HEART

All of this material came to Mr. Hamilton unsolicited, and most of it came from nonprofit organizations at the low nonprofit third-class postal rates. Many sent articles of merchandise and asked for a contribution. Mr. Hamilton probably spoke for a great many people when he said:

I have nothing against charitable organizations. However, I believe that our giving to such organizations should come from the heart, and should not be placed under the pressures of modern-day merchandising.

Under the current rates, it is really fantastic what and how much a nonprofit organization can mail. Up to eight publications can be mailed by these organizations under the nonprofit second-class rates for as little as 1 penny. Furthermore, there is no extra charge for long hauls. For 1 penny, the post office will take these eight publications mailed in New York and deliver them in Hawaii.

If a nonprofit organization wishes to make a fund solicitation through third-class mail, the post office will deliver four fund solicitation letters for only a nickel. These rates have been the same since 1962, although other postal rates were raised in that year.

NEW RATES ON NONPROFIT ADVERTISING

I am pleased to note that the administration bill contains new language to cover nonprofit publications that carry more than 10 percent advertising. There will be a moderately higher rate scaled upward in proportion to the volume of advertising carried by these publications. This is essentially the same postage principle which has long been applied by Congress for commercial publications. Yet under the new proposal, nonprofit organizations would continue to receive huge postage concessions.

As my colleagues are aware, the Internal Revenue Service is looking into the problem of tax exemptions and advertising in nonprofit publications. It is my understanding that Congress will be asked to curb the tax exemptions that permit churches and other charitable organizations to buy up firms which then operate in competition with taxpaying businesses. I believe this is a healthy development, and many prominent church officials have endorsed these moves.

The postal deficit which is caused by third-class mail sent by nonprofit organizations has been rising. The difference between fully allocated costs and the revenues received from nonprofit third-class mailings was $58 million in fiscal year 1963. These costs rose almost 62 percent in 3 years for a total of $94 million in fiscal year 1966, and are now estimated to be running at a rate of about $100 million a year. The deficit caused by second-class nonprofit mailings has risen to about $110 million per year. This means that the annual deficit of second- and third-class nonprofit mailings runs over $200 million annually. Perhaps this could be labeled "How To Fail in Business While Really Trying."

In conclusion, I trust that the Congress will face up to this problem directly and raise the rates on both commercial and nonprofit mailings in the pending legislation.

Mr. CORBETT. Mr. Chairman, we have no further requests for time, but I will reserve whatever time still remains to our side.

Mr. UDALL. Mr. Chairman, I yield 3 minutes to the gentleman from Texas.

Mr. POOL. Mr. Chairman, I have 3 minutes to tell you what is wrong with this bill, and it will be pretty hard to do it in 3 minutes, because it is one of the worst bills ever to hit this Congress. I will limit my comments to two things.

One is, we are getting ready to get every Member of Congress defeated for reelection, because we are raising the first-class rate from 5 cents to 6 cents, and we are going to meddle with Aunt Minnie's mail, and we will get in trouble. We will raise $884 million—or whatever the figure is—for the Post Office Department, and we are not giving the service to the people. That is No. 1.

No. 2 is, we are getting ready to delegate the power of Congress to a commission, and then they can sit and hammer us over the head from now on. We will delegate power to raise the salaries of Congressmen and Justices and executive members of the Government to this little nine-member Commission, three of them appointed by the President and two of them appointed by the Chief Justice of the Supreme Court. When they get together, what will we have? They will have a majority of five on the Commission.

If I do not say anything else, the Members should remember that, and take this out of the bill or vote against it.

Mr. UDALL. Mr. Chairman, I yield to the gentleman from Missouri [Mr. HUNGATE] such time as he may consume.

Mr. BRASCO. Mr. Chairman, I rise in support of H.R. 7977.

Without an increase in postal rates, the Post Office deficit this year will be more than $1.2 billion. Even after losses for public services have been deducted from this deficit, the Post Office will spend about $600 million more than postal revenues will bring in.

Under the Postal Policy Act, an imbalance of this magnitude between revenues and expenditures is clearly intolerable. Congress can, if it so chooses, sit back and permit an ever-rising postal deficit to be paid from general tax revenue.

Congress can take this course. But it would be directly contrary to the principles laid down in the Postal Policy Act. It would be unfair to the taxpayers of this Nation. And it would be extremely harmful to the Postal Service.

In addition to reducing the postal deficit, a rate adjustment is essential to improved postal service. A tremendous postal deficit cannot help but stand as a barrier to the appropriation of desperately needed funds for postal modernization.

The Post Office's physical plant is deteriorating badly.

The Post Office's mail processing techniques must be brought up-to-date through the purchase of modern, high-speed mechanized equipment.

And the Post Office's spending on research and engineering must be substantially increased.

As unpleasant as it may be, Congress must face up to the need for an adjustment in postal rates. We must do so not only because of the requirements we ourselves established in the Postal Policy Act, but because to do otherwise would be a disservice to the Nation.

Further, Mr. Chairman, I wholly support the wage increases for Federal employees as set forth in title II of H.R. 7977.

Mr. ADDABBO. Mr. Chairman, I view this bill, H.R. 7977, with mixed emotions. I am heartily in favor of the provisions to increase postal rates for second- and third-class mail users who have long been subsidized by the taxpayers. However, I do not believe that first-class mail rates should be increased as first-class mail has been and is paying over 100 percent of its cost. There are those who say the increase is necessary to pay the increased cost of Government salaries, but Government salaries are being increased on the basis of the rising cost of living. If, and when, greater service is given to the taxpayers by the Post Office Department, then, perhaps, a first-class rate increase should be contemplated.

Mr. Chairman, it was my pleasure and honor to serve on the Committee on Post Office and Civil Service in the 87th Congress, the Congress which enacted the pledge of comparability—a pledge, I regret to say, that has not been fulfilled.

The pay provisions in this bill have my support, however, they are far from adequate. Until the Federal Government pays its employees salaries in line with those in the private sector, we are going to continue to have difficulties in recruitment and turnover. Much training money is lost when an employee of the Government finds that he must leave the Federal service because he cannot support himself and his family on the salary received.

The time has come to face up to this problem realistically—we must provide better insurance, hospitalization, and leave programs. These are areas in which we can provide benefits for our employees.

The time has come to look at the salaries of our Federal employees on a regional basis. It is a well-known fact that the cost of living varies in different parts of the country, but there is no consideration given to this in the Postal Field Service and the Classified Service of the Federal Government.

The percentage raises provided in the bill before us, as far as a resident of New York City is concerned, will go to pay increased city and State taxes. The average employee will realize very little, if any, increase in his power to purchase for himself. The average Federal paycheck in my congressional district is needed to provide the necessities of life—the average Federal employee cannot afford the luxuries. This same salary would go much farther in the Midwest and the South. Therefore, when we talk about comparability, I believe we should take into consideration the area in which an employee lives and works.

I know there are those who believe that this would be difficult to administer, but it has worked for so-called wage-board employees, and it can be worked out for others.

Mr. Chairman, I sincerely hope that the committee and this Congress will in the near future treat our Government employees as first-class citizens and pay them first-class citizens' wages.

Mr. RYAN. Mr. Chairman, I should like to point out that first-class mail now pays for itself. In fact, it presently pays 3 percent above its cost. Under the committee's recommendation it will pay 23.3 percent more than its cost. Similarly, airmail letters and cards, which now pay 5.3 percent above cost, under the committee bill will pay 31.7 percent more than their cost.

These increases in first-class and airmail rates are estimated to yield $575.3 million of the $884 million revenue which H.R. 7977 will produce. This is 65 percent.

Mr. Chairman, I do not believe that first-class and airmail postage rates should be increased. These categories are already self-supporting and should not bear the burden of the subsidies granted to other classes. If the proposed increase is approved, first-class mail will have increased 50 percent within 4 years.

Mr. UDALL. Mr. Chairman, we have no further requests for time on this side.

Mr. CORBETT. Mr. Chairman, I would like to take 1 additional minute to ask the majority if they can give us any information as to when the Committee will rise tonight.

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

Mr. CORBETT. I yield to the gentleman from Arizona.

Mr. UDALL. Mr. Chairman, the chairman of the full committee advises me, on consultation we had with the Speaker and the minority leader a few minutes ago, that there are several things to consider. No. 1, many Members want to be away on Thursday for Columbus Day festivities, which means that to accommodate them we have to finish by tomorrow night. The gentleman knows there are a great many amendments, so if we are going to meet this deadline, we have to meet tonight. We had contemplated moving that the Committee rise at approximately 7:30, and seeing how many amendments we can handle between now and then.

Mr. CORBETT. Mr. Chairman, I thank the gentleman.

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

The CHAIRMAN. Pursuant to the rule, the Clerk will read by titles the committee amendment in the nature of a substitute.

The Clerk read as follows:

H.R. 7977

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Postal Revenue and Federal Salary Act of 1967".

TITLE I—POSTAL RATES

FIRST-CLASS MAIL

SEC. 101. (a) Sections 4252 and 4253 of title 39, United States Code, are amended to read as follows:

"§ 4252. Size and weight limits

"The maximum size of first-class mail is one hundred inches in length and girth combined and the maximum weight is seventy pounds.

"§ 4253. Postage rates on first-class mail

"(a) Postage on first-class mail is com-

puted separately on each letter or piece of mail. Except as otherwise provided in this section, the rate of postage on first-class mail weighing thirteen ounces or less is 6 cents for each ounce or fraction of an ounce.

"(b) First-class mail weighing more than thirteen ounces shall be mailed at the rates of postage established by section 4303(d) of this title and shall be entitled to the most expeditious handling and transportation practicable.

"(c) The rate of postage for each single postal card and for each portion of a double postal card, including the cost of manufacture, and for each post card and the initial portion of each double post card conforming to section 4251(c) of this title is 5 cents.

"(d) The rate of postage on business reply mail is the regular rate prescribed in this section, together with an additional charge thereon of 2 cents for each piece weighing two ounces or less and 5 cents for each piece weighing more than two ounces. The postage and charge shall be collected on delivery."

(b) Subparagraphs (A) and (B) of section 4169(a)(1) of title 39, United States Code, are amended to read as follows:

"(A) the letter or sound-recorded communication is mailed by the member at an Armed Forces post office established under section 705(d) of this title which is located at a place outside the forty-eight contiguous States of the United States; or

"(B) the member is hospitalized in a facility under the jurisdiction of the Armed Forces of the United States as a result of disease or injury incurred while on active duty; or".

(c) Subparagraph (D) of paragraph (2) of section 4169(a) of title 39, United States Code, is amended to read as follows:

"(D) the letter or sound-recorded communication is mailed by the member—

"(i) at an Armed Forces post office established under section 705(d) of this title which is located at a place outside the forty-eight contiguous States of the United States; or

"(ii) while hospitalized in a facility under the jurisdiction of the Armed Forces of the United States as a result of disease or injury incurred while in the services with, or in, a unit under operational control of a command of the Armed Forces of the United States; and".

(d) Section 4251(a) of title 39, United States Code, is amended by striking out "and (4)" and inserting in lieu thereof "(4) bills and statements of account, and (5)".

(e) Subsection (d) of section 4251 of title 39, United States Code, relating to the definition of drop letters, is repealed.

(f) The table of contents of chapter 59 of title 39, United States Code, is amended by striking out—

"4252. Weight limit."

and inserting in lieu thereof—

"4252. Size and weight limits.".

AIRMAIL

SEC. 102. (a) Subsections (a) and (b) of section 4303 of title 39, United States Code, are amended to read as follows:

"(a) Except as provided in section 4304 of this title and subsection (b) of this section, the rate of postage on domestic airmail weighing not more than seven ounces is 10 cents for each ounce or fraction thereof.

"(b) The rate of postage on each postal card and post card sent as domestic airmail is 8 cents.".

(b) Subsection (d) of section 4303 of title 39, United States Code, is amended—

(1) by striking out paragraph (1) and inserting in lieu thereof the following:

"(1) The rates of postage on air parcel post are based on the eight zones described in section 4553, or prescribed pursuant to section 4558, of this title in accordance with the following tables:

	"Zones					
	Local 1, 2, and 3	4	5	6	7	8
Not over 1 lb	$0.80	$0.80	$0.80	$0.80	$0.80	$0.80
Over 1 lb. but not over 1½ lbs	.98	1.02	1.07	1.14	1.18	1.24
Over 1½ lbs. but not over 2 lbs	1.16	1.23	1.34	1.47	1.55	1.68
Over 2 lbs. but not over 2½ lbs	1.40	1.48	1.62	1.79	1.91	2.08
Over 2½ lbs. but not over 3 lbs	1.64	1.73	1.90	2.11	2.27	2.48
Over 3 lbs. but not over 3½ lbs	1.88	1.98	2.18	2.43	2.63	2.88
Over 3½ lbs. but not over 4 lbs	2.12	2.23	2.46	2.75	2.99	3.28
Over 4 lbs. but not over 4½ lbs	2.36	2.48	2.74	3.07	3.35	3.68
Over 4½ lbs. but not over 5 lbs	2.60	2.73	3.02	3.39	3.71	4.08."

For each pound or fraction of a pound in excess of five pounds in weight, the additional postage is as follows:

"Zones	Rate
Local and zones 1, 2, and 3	$0.48
Zone 4	.50
Zone 5	.56
Zone 6	.64
Zone 7	.72
Zone 8	.80.";

(2) by deleting paragraph (2); and

(3) by striking out, in paragraph (5), subparagraph (A), (B), and (C) and inserting in lieu thereof the following:

"(A)(i) first-class letter mail (including postal cards and post cards),

"(ii) sound-recorded communications having the character of personal correspondence,

"(iii) parcels of any class of mail not exceeding five pounds in weight and sixty inches in length and girth combined, and

"(iv) second-class publications published once each week or more frequently and featuring principally current news of interest to members of the Armed Forces and the general public,

which are mailed at or addressed to any such Armed Forces post office; and

"(B) parcels of any class of mail exceeding five pounds but not exceeding seventy pounds in weight and not exceeding one hundred inches in length and girth combined, including surface-type official mail, which are mailed at or addressed to any such Armed Forces post office where adequate surface transportation is not available."

(c) Section 4303(f) of title 39, United States Code, is amended by striking out "the Virgin Islands or the Canal Zone" wherever appearing therein and inserting in lieu thereof "or the Virgin Islands".

(d) Section 4301(2) of title 39, United States Code, is amended by striking out the word "eight" and inserting in lieu thereof the figure "7".

SECOND-CASS MAIL PREFERRED RATES

SEC. 103. (a) Section 4358 of title 39, United States Code, is amended—

(1) by striking out subsection (a) and inserting in lieu thereof the following:

"(a) Except as provided in subsection (b), the rate of postage on publications admitted as second-class mail when addressed for delivery within the county in which they are published and entered is as follows:

"[In cents]

	"Mailed during calendar year 1968	Mailed during calendar year 1969	Mailed after Dec. 31, 1969
Rate per pound	1.3	1.4	1.5
Minimum charge per piece	.2	.2	.2.";

(2) by adding at the end thereof the following:

"(d) The rates of postage on publications mailed in accordance with section 4359(a) of this title, of qualified nonprofit organizations, are as follows:

"[In cents]

	"During calendar year 1968	During calendar year 1969	During calendar year 1970	During calendar year 1971	During calendar year 1972	During calendar year 1973 and thereafter
Rate per pound:						
Advertising portion:						
Zones 1 and 2	2.35	2.9	3.45	4.0	4.55	5.1
Zone 3	2.55	3.3	4.05	4.8	5.55	6.3
Zone 4	2.95	4.1	5.25	6.4	7.55	8.7
Zone 5	3.35	4.9	6.45	8.0	9.55	11.1
Zone 6	3.5	5.2	6.9	8.6	10.3	12.0
Zone 7	3.5	5.2	6.9	8.6	10.3	12.0
Zone 8	3.5	5.2	6.9	8.6	10.3	12.0
Nonadvertising portion	1.9	2.0	2.1	2.1	2.1	2.1
Mininum charge per piece	.2	.2	.2	.2	.2	.2

"(e) The postage on classroom publications, mailed in accordance with section 4359(a) of this title, is 60 per centum of the postage computed in accordance with section 4359(b) of this title.

"(f) The postage shall be 4.2 cents per pound on the advertising portion of publications (1) which are mailed for delivery in zones 1 and 2 in accordance with section 4359(a) of this title, (2) which are devoted to promoting the science of agriculture, and (3) when the total number of copies of the publications furnished during any twelve-month period to subscribers residing in rural areas consists of at least 70 per centum of the total number of copies distributed by any means for any purpose.

"(g) In lieu of the minimum charge per piece prescribed by section 4359(b) of this title, the minimum charge per piece for publications (other than publications to which subsections (d) and (e) of this section are applicable), when fewer than five thousand copies are mailed outside the county of publication, is 0.6 cent per piece when mailed during the calendar year 1968, 0.7 cent per piece when mailed during the calendar year 1969, and 0.8 cent per piece when mailed thereafter.

"(h) The publisher of a classroom publication or of a publication of a nonprofit organization, before being entitled to the rates for the publications, shall furnish such proof of qualifications as the Postmaster General prescribes.

"(i) For the purposes of the application of this section with respect to each publication having original entry at an independent incorporated city, an incorporated city which is situated entirely within a county, or which

is situated contiguous to one or more counties in the same State, but which is politically independent of such county or counties, shall be considered to be within and a part of the county with which it is principally contiguous.

"(j) As used in this section—

"(1) 'classroom publication' means a religious, educational, or scientific publication entered as second-class mail and designed specifically for use in classrooms or in religious instruction classes;

"(2) 'a publication of a qualified nonprofit organization' means a publication published by and in the interest of one of the following types of organizations or associations if it is not organized for profit and none of its net income inures to the benefit of any private stockholder or individual: Religious, educational, scientific, philanthropic, agricultural, labor, veterans, fraternal, and associations of rural electric cooperatives, and not to exceed one publication published by the official highway or development agency of a State which meets all of the requirements of section 4354 and which contains no advertising;

"(3) 'zones' means the eight zones prescribed in section 4553, or prescribed pursuant to section 4558, of this title."; and

(3) by amending the section heading to read as follows:

"§ 4358. Rates of postage; preferred".

(b) The table of contents of chapter 63 of title 39, United States Code, is amended by striking out—

"4358. Postage rates within county of publication."

and inserting in lieu thereof—

"4358. Rates of postage; preferred.".

SECOND-CLASS MAIL REGULAR RATES

SEC. 104. (a) Section 4359 of title 39, United States Code, is amended—

(1) by striking out subsections (b), (c), (d), and (e) and inserting in lieu thereof the following:

"(b) Except as otherwise provided in this section and section 4358 of this title, the rates of postage on publications mailed in accordance with subsection (a) are as follows:

"[In cents]

	"Mailed during calendar year 1968	Mailed during calendar year 1969	Mailed on and after Jan. 1, 1970
Rate per pound:			
Advertising portion:			
Zones 1 and 2	4.5	4.8	5.1
Zone 3	5.6	5.9	6.3
Zone 4	7.7	8.2	8.7
Zone 5	9.9	10.5	11.1
Zone 6	12.0	12.8	13.6
Zone 7	12.8	13.7	14.5
Zone 8	15.0	16.0	17.0
Nonadvertising portion	3.0	3.2	3.4
Minimum charge per piece	1.1	1.2	1.3.

"(c) For the purpose of this section and section 4358 of this title, the portion of a publication devoted to advertisements shall include all advertisements inserted in the publication and attached permanently thereto, except such advertisements as are subject to the provisions of section 4656 of this title.

"(d)(1) Publications mailed in accordance with subsection (a), upon request by the publisher or news agent, may be transported by air on a space-available basis, on scheduled United States air carriers at rates fixed and determined by the Civil Aeronautics Board in accordance with section 406 of the Federal Aviation Act of 1958 (49 U.S.C. 1376). The Postmaster General may authorize the transportation of publications by air pursuant to this subsection only when such transportation does not impede the transportation of airmail, air parcel post, or first-class mail.

"(2) The Postmaster General shall prescribe from time to time charges to be collected for matter transported by air pursuant to this section. The charges—

"(A) shall be in addition to the payment of lawfully required postage;

"(B) may not be adjusted more frequently than once every two years; and

"(C) when prescribed or adjusted, shall equal, as nearly as practicable, the amount by which the allocated cost incurred by the Department for the delivery of such matter by air is in excess of the allocated cost which would have been incurred by the Department had such matter been delivered by surface transportation.

"(e) As used in this section the term 'zones' means the eight zones prescribed in section 4553, or prescribed pursuant to section 4558, of this title."; and

(2) by amending the section heading to read as follows:

"§ 4359. Rates of postage; regular".

(b) The table of contents of chapter 63 of title 39, United States Code, is amended by striking out—

"4359. Postage rates beyond county of publication."

and inserting in lieu thereof—

"4359. Rates of postage; regular.".

(c) Section 4369(a)(4) of title 39, United States Code, is amended by striking out ": Provided, however, That trade publications serving the performing arts need only to furnish such information to the Postmaster General".

SECOND-CLASS TRANSIENT MAIL

SEC. 105. Section 4362 of title 39, United States Code, is amended by striking out "four cents" and inserting in lieu thereof "5 cents".

CONTROLLED CIRCULATION PUBLICATIONS

SEC. 106. Section 4422 of title 39, United States Code, is amended to read as follows:

"§ 4422. Rates of postage

"The rates of postage on controlled circulation publications found by the Postmaster General to meet the definition contained in section 4421 of this title when mailed in the manner prescribed by the Postmaster General are as follows:

"[In cents]

	"Mailed during calendar year 1968	Mailed during calendar year 1969	Mailed on and after Jan. 1, 1970
Rate per pound	14.0	14.5	15.0
Minimum charge per piece	1.9	2.9	3.8".

THIRD-CLASS MAIL

SEC. 107. (a) Subsections (a) and (b) of section 4452 of title 39, United States Code, are amended to read as follows:

"(a) Except as otherwise provided in this section, the postage rates of third-class mail are as follows:

"Type of mailing	Rates: Mailed prior to Jan. 7, 1968	Rates: Mailed on and after Jan. 7, 1968	Unit
	Cents	Cents	
(1) Individual piece	6	6.0	First 2 ounces or fraction thereof.
	2	2.0	Each additional ounce or fraction thereof.
(2) Bulk mailings under subsection (e) of this section of—			
(A) Books and catalogs of 24 pages or more, seeds, cuttings, bulbs, roots, scions and plants.	12	16.0	Each pound or fraction thereof.
(B) Other matter	18	22.0	Do.
(C) Minimum charge of—			
(i) Regular	2½	3.8	Per piece.
(ii) Qualified nonprofit organizations	1.25	1.9	Do.

"(b) Matter mailed in bulk under subsection (e) of this secetion is subject to a minimum charge for each piece. The minimum charge for each piece on such matter is the minimum charge prescribed by this section, as applicable, except that the minimum charge is 1.3 cents per piece on such matter mailed on and after January 7, 1968, by qualified nonprofit organizations (1) which are organized for charitable, religious, or general health purposes, and are engaged predominantly in the accomplishment of such purposes, or (2) when such matter consists wholly of solicitations of funds to be used for charitable, religious, or general health purposes.".

(b) Subsection (b) of section 4451 of title 39, United States Code, relating to mailing certain bills and statements of account as third-class mail, is repealed.

SPECIAL RATE FOURTH-CLASS MAIL

SEC. 108. (a) Section 4554 of title 39, United States Code, is amended—

(1) by amending so much of subsection (a) as precedes subparagraph (3) thereof to read as follows:

"(a) Except as provided in subsection (b) of this section, the postage rate is 16 cents for the first two pounds or fraction thereof and 6 cents for each additional pound or fraction thereof, except that the rate now or hereafter prescribed for third- fourth-class matter shall apply in every case where such rate is lower than the rate prescribed in this subsection on—

"(1) books, including books issued to supplement other books, consisting wholly of reading matter or reading matter with incidental blank spaces for notations containing no advertising matter other than incidental announcement of books;

"(2) 16-millimeter or narrower width films, and catalogs of such films, except when sent to commercial theaters;";

(2) by striking out in subsection (b)(1) "4 cents for the first pound or fraction thereof and 1 cent for each additional pound or fraction thereof" and inserting in lieu thereof "8 cents for the first two pounds or fraction thereof and 3 cents for each additional pound or fraction thereof";

(3) by inserting in subsection (c) "or narrower width" immediately following "16-millimeter"; and

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

"(e) Articles may be mailed under this section in quantities of one thousand or more in a single mailing, as defined by the Postmaster General, only in the manner directed by him.".

(b) The section heading of section 4554 of title 39, United States Code, is amended to read—

"§ 4554. Books, films, and other materials; preferred rates".

(c) The table of contents of chapter 67 of title 39, United States Code, is amended by striking out—

"4554. Postage rates on books and films."

and inserting in lieu thereof—

"4554. Books, films, and other materials; preferred rates.".

KEYS AND OTHER SMALL ARTICLES

SEC. 109. Subsection (b) of section 4651 of title 39, United States Code, is amended by striking out "6 cents for each two ounces or fraction thereof" and inserting in lieu thereof "14 cents for the first two ounces or fraction thereof, and 7 cents for each additional two ounces or fraction thereof,".

SPECIAL HANDLING SERVICE

SEC. 110. Section 6008 of title 39, United States Code, is amended to read as follows:

"§ 6008. Special handling

"Upon payment of a special handling fee, third-class mail and fourth-class mail are entitled to the most expeditious handling and transportation practicable, but such mail is not required to receive the same handling and transportation as airmail.".

SEPARATION BY MAILER OF SECOND-CLASS MAIL

SEC. 111. Section 4363 of title 39, United States Code, is amended to read as follows:

"§ 4363. Separation by mailer of second-class mail

"Publishers and news agents shall mail second-class matter in the manner directed by the Postmaster General.".

PRINTING ON SECOND-CLASS COVERS

SEC. 112. Section 4365 of title 39, United States Code, is amended by adding a new subsection to read as follows:

"(d) In addition to other matter authorized by this section to be contained, enclosed, or inserted in second-class mail, there may be included, in accordance with uniform regulations which the Postmaster General shall prescribe, on the envelopes, wrappers, and other covers in which copies of publications are mailed, messages and notices of a civic or public-service nature, if no charge is made for the inclusion of such messages and notices on such envelopes, wrappers, and covers.".

ADDITIONAL ENTRY POINTS

SEC. 113. Section 4358 of title 39, United States Code, is amended by adding at the end thereof a new subsection to read as follows:

"(k) The rates of postage prescribed by subsections (a) and (b) of this section shall apply only to mailings within the county in which the publications have original entry.".

MAIL MATTER FOR BLIND AND OTHER HANDICAPPED PERSONS

SEC. 114. (a) Chapter 69 of title 39, United States Code, is amended by striking out sections 4653 and 4654 thereof and inserting in lieu thereof the following:

"§ 4653. Matter for blind and other handicapped persons

"(a) The matter described in subsection (b) (other than matter mailed under section 4654 of this title) may be mailed free of postage, if—

"(1) the matter is for the use of the blind or other persons who cannot use or read conventionally printed material because of a physical impairment;

"(2) no charge, or rental, subscription, or other fee, is required for such matter or a charge, or rental, subscription, or other fee is required for such matter not in excess of the cost thereof;

"(3) the matter may be opened by the Postmaster General for inspection;

"(4) the matter contains no advertising; and

"(5) the matter is mailed subject to size and weight limitations prescribed by the Postmaster General.

"(b) The free mailing privilege provided by subsection (a) is extended to—

"(1) reading matter and musical scores;

"(2) sound reproductions;

"(3) paper, records, tapes, and other material for the production of reading matter, musical scores, or sound reproductions;

"(4) reproducers or parts thereof, for sound reproductions; and

"(5) Braille writers, typewriters, educational or other materials or devices, or parts thereof, used for writing by, or specifically designed or adapted for use of, a blind person or a person having a physical impairment as described in subsection (a) (1) of this section.

"§ 4654. Unsealed letters sent by blind or physically handicapped persons

Unsealed letters sent by a blind person or a person having a physical impairment, as described in section 4653(a) (1) of this title, in raised characters or sightsaving type, or in the form of sound recordings, may be mailed free of postage.

"§ 4655. Markings

"All matter relating to blind or other handicapped persons mailed under section 4653, or section 4654, of this title, shall bear the words 'Free Matter for the Blind or Handicapped', or words to that effect specified by the Postmaser General, in the upper right-hand corner of the address area.".

(b) The table of contents of chapter 69 of title 39, United States Code, is amended by striking out—

"4653. Publications for the blind.

"4654. Reproducers and sound reproduction records for the blind."

and inserting in lieu thereof—

"4653. Matter for blind and other handicapped persons.

"4654. Unsealed letters sent by blind or physically handicapped persons.

"4655. Markings.".

(c) Section 4451(d) of title 39, United States Code, is repealed.

ENCLOSURES MAILED WITH SECOND-CLASS PUBLICATIONS

SEC. 115. Chapter 69 of title 39, United States Code, is amended—

(1) by adding at the end thereof the following new section:

"§ 4556. Enclosure mailed with second-class publications

"Bills or receipts mailed with publications entered as second-class mail, either loose or bound in the publications, and advertising supplements mailed with such publications, shall be charged postage at first-, third-, or fourth-class rates, as appropriate, had such matter been mailed other than with the publications."; and

(2) by adding to the table of contents the following:

"4656. Enclosures mailed with second-class publications.".

MAILING PRIVILEGE OF MEMBERS OF ARMED FORCES

SEC. 116. (a) Chapter 57 of title 39, United States Code, is amended by adding at the end thereof the following new section:

"§ 4170. Mailing privilege of members of United States Armed Forces and of friendly foreign nations in the Canal Zone

"(a) For the purposes of sections 4169(a), 4303(d) (5), and 4560 of this title, each post office in the Canal Zone postal service, to the extent that it provides mail service for members of the United States Armed Forces and of friendly foreign nations, shall be considered to be an Armed Forces post office established under section 705(d) of this title.

"(b) The Department of Defense shall reimburse the postal service of the Canal Zone, out of any appropriations or funds available to the Department of Defense, as a necessary expense of the appropriations or funds and of the activities concerned, the equivalent amount of postage due, and sums equal to the expenses incurred by, the postal service of the Canal Zone. as determined by the Governor of the Canal Zone, for matter sent in the mails, and in providing air transportation of mail, under such sections.".

(b) The table of contents of chapter 57 of title 39, United States Code, is amended by adding—

"4170. Mailing privilege of members of United States Armed Forces and of friendly foreign nations in the Canal Zone."

immediately below—

"4169. Mailing privilege of members of United States Armed Forces and of friendly foreign nations.".

SEC. 117. (a) Chapter 67 of title 39, United States Code, is amended by adding at the end thereof the following new section:

"§ 4560. Air transportation of parcels mailed at or addressed to Armed Forces post offices

"Any parcel, other than a parcel mailed airmail or as air parcel post, not exceeding thirty pounds in weight and sixty inches in length and girth combined, which is mailed at or addressed to any Armed Forces post office established under section 705(d) of this title shall be transported by air on a space-available basis, on scheduled United States air carriers at rates fixed and determined by the Civil Aeronautics Board in accordance with section 406 of the Federal Aviation Act of 1958 (49 U.S.C. 1376), upon payment, in addition to the regular surface rate of postage, of a special fee to be prescribed by the Postmaster General for such transportation by air. Whenever adequate service by scheduled United States air carriers is not available to provide transportation of mail matter by air in accordance with the foregoing provisions of this section, the transportation of such mail matter may be authorized by aircraft other than scheduled United States air carriers.".

(b) The table of contents of such chapter 67 is amended by inserting at the end thereof—

"4560. Air transportation of parcels mailed at or addressed to Armed Forces post offices.".

SOLICITATIONS IN GUISE OF BILLS OR STATEMENTS OF ACCOUNT

SEC. 118. (a) Section 4001 of title 39, United States Code, relating to nonmailable matter, is amended by adding at the end thereof the following new subsection:

"(c) Matter otherwise legally acceptable in the mails which—

"(1) is in the form of, and reasonably could be interpreted or construed as, a bill, invoice, or statement of account due; but

"(2) constitutes, in fact, a solicitation for the order by the addressee of goods or services, or both,

is nonmailable matter, shall not be carried or delivered by mail, and shall be disposed of as the Postmaster General directs, unless such matter bears on its face, in conspicuous and legible type in contrast by typography, layout, or color with other printing on its face, in accordance with regulations which the Postmaster General shall prescribe—

"(A) the following notice: 'This is a solicitation for the order of goods and/or services and not a bill, invoice, or statement of account due. You are not under obligation to make any payments on account of this offer unless you accept this offer.'; or

"(B) in lieu thereof, a notice to the same effect in words which the Postmaster General may prescribe.".

(b) The amendment made by this section shall become effective with respect to matter mailed on or after the ninetieth day following the effective date of this section.

EFFECTIVE DATES

SEC. 119. (a) The first section, sections 101, 102, 105, 107, 108, 109, 110, 114, 116, 117, 118, and this section of this title shall become effective as of the beginning of the first Sunday which occurs after the thirtieth day

of following the date of enactment of this Act.

(b) Sections 103, 104, 106, 111, 112, 113, and 115 of this title shall become effective January 7, 1968.

Mr. UDALL (during the reading). Mr. Chairman, I ask unanimous consent that title I of the committee amendment in the nature of a substitute be considered as read, printed in the Record, and open to amendment at any point.

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

There was no objection.

AMENDMENT OFFERED BY MR. POOL

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

The Clerk read as follows:

Amendment offered by Mr. POOL: On page 13, lines 3 and 4, strike out "Sections 4252 and 4253 of title 39, United States Code, are amended" and insert in lieu thereof "Section 4252 of title 39, United States Code, is amended".

On page 13, line 8, insert double quotation marks after the period.

On page 13, strike out line 9 and all that follows down through the second period in line 4 on page 14.

On page 15, strike out lines 9 to 11, inclusive.

On page 15, line 12, strike out "(f)" and insert in lieu thereof "(e)".

Mr. POOL. Mr. Chairman, this amendment is the one that reduces first-class postage from the proposed 6 cents back to 5 cents, as it is now. On first-class postage under the present law, the postage received is 103 percent of the cost of handling the first-class mail. This bill will make the rate 123 percent of cost, if we pass the bill as written. My amendment cuts the rate back to the 103-percent figure under present law. I do not think we should sit here and penalize first-class users when they are paying more than cost.

I believe certainly this should be reduced. I hope the House will see fit to adopt the amendment.

This is the best way in the world to get these Post Office boys in line and to get them to quit telling us we cannot change a comma, we cannot do this or do that. The Post Office Department did that all through the hearings in the committee. This will really get them straightened out.

If you want to send it back to the committee to write another bill, that is all right, but put this on in the Committee of the Whole, for goodness sake, even if we do not have a record vote.

I hope the Members will see fit to do this for Aunt Minnie.

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

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

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

[Roll No. 304]

Baring	Denney	Everett
Bates	Dent	Fisher
Blatnik	Devine	Flood
Bray	Diggs	Foley
Broomfield	Downing	Fountain
Celler	Edwards, Calif.	Fulton, Tenn.
Green, Oreg.	Long, Md.	Stratton
Hanna	Moorhead	Sullivan
Hansen, Idaho	Myers	Tuck
Hansen, Wash.	Pickle	Utt
Herlong	Rarick	White
Jonas	Reinecke	Whitten
Jones, Mo.	Resnick	Williams, Miss.
Kluczynski	St. Onge	Willis
Leggett	Sikes	Wylie

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. PRICE of Illinois, 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. 7977, and finding itself without a quorum, he had directed the roll to be called, when 384 Members responded to their names, a quorum, and he submitted herewith the names of the absentees to be spread upon the Journal.

The Committee resumed its sitting.

Mr. SCOTT. Mr. Chairman, I rise in support of the amendment. I am in favor of continuing the existing rate of postage on first-class mail. I hope the Members of the Committee will look at page 20 of the committee report to see the type of mail causing the present deficit. First-class mail is presently paying more than the cost of delivery. It is not causing this deficit, while other classes of mail are paying substantially less than their delivery costs. It is unreasonable to saddle the public with a postal rate increase on first-class letter mail, which will increase the cost coverage to 123 percent, while other classes of mail remain substantially below what it costs the Department to deliver them.

Second-class mail now has a total cost coverage of only 23.3 percent, and even under the proposed legislation, when the rates are fully effective, will be paying only 28.4 percent of its allocated delivery costs.

The same situation exists in the third-class mail category. This class is presently paying 62.9 percent of the cost of handling, and under the bill before us today this will be increased to 82.4 percent of its delivery costs.

Mr. Chairman, it seems unreasonable to increase first-class letter rates until other classes of mail are increased an amount sufficient to cover the costs of delivery.

The bulk of my mail, Mr. Chairman, has been in favor of increasing third-class mail but opposed to increasing the cost of first-class mail. It seems unreasonable to make the users of first-class mail pay more than the cost thereof, and at the same time subsidize all other classes of mail.

Mr. Chairman, I concur with the gentleman from Texas regarding this amendment, which will continue the existing 5-cent rate on first-class letter mail.

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

Mr. SCOTT. I yield to the gentleman from Texas.

Mr. POOL. Mr. Chairman, I thank the gentleman from Virginia for his support and his statement. As many Members were not here when I introduced my amendment and made by 5-minute talk on the amendment, I would bring to the attention of Members the fact that on page 13 of the report there is shown that first-class mail brings into the Government over $2 billion, and it has been paying 103 percent of cost under the present law. Under the bill before us now, we will be raising the rate to 123 percent of cost. I just do not think it is right to stick first-class users just because we can.

Mr. SCOTT. Mr. Chairman, I thank the gentleman for his remarks.

SUBSTITUTE AMENDMENT OFFERED BY MR. GROSS

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

The Clerk read as follows:

Substitute amendment offered by Mr. GROSS to amendment offered by Mr. POOL: On page 13, lines 3 and 4, strike out "Sections 4252 and 4253 of title 39, United States Code, are amended" and insert in lieu thereof "Section 4252 of title 39, United States Code, is amended".

On page 13, line 8, insert double quotation marks after the period.

On page 13, strike out line 9 and all that follows down through the second period in line 4 on page 14.

On page 15, strike out lines 9 to 11, inclusive.

On page 15, line 12, strike out "(f)" and insert in lieu thereof "(e)".

On page 15, strike out line 16 and all that follows down through the colon in line 14 on page 16 and insert in lieu thereof the following:

"SEC. 102 (a) Subsection (d) of section 4303 of title 39, United States Code, is amended by striking out, in paragraph (5), subparagraphs (A), (B), and (C) and inserting in lieu thereof the following:".

On page 17, line 19, strike out, "(c)" and insert in lieu thereof "(b)".

On page 17, strike out line 23 and all that follows down through the period in line 2 on page 18.

Mr. GROSS. Mr. Chairman, I support the amendment offered by the gentleman from Texas [Mr. POOL], which would strike the increase in the first-class letter rate, but in my opinion, the gentleman from Texas [Mr. POOL] does not go far enough.

The amendment I have offered will strike from the committee amendment not only the rate increases on first-class mail—letters and post cards—but also the increases on airmail letters and post cards.

As I said in my remarks earlier this afternoon, an increase in postage rates on first-class mail and airmail at this time is nothing more than the imposition of a stamp tax on the American people.

These are the only two classes of mail that are today paying their own way and actually producing profits to the post office. The rate increases proposed by the committee in these two classes will tax the American people to the tune of $568.1 million per year and produce 64 percent of the total revenue expected from all the rate increases on all classes of mail contained in the bill. If these rate increases are permitted to take effect, first-class mail will be paying 123.3 percent of its cost and airmail will be paying 138.9 percent of its cost—the highest ever since the years of World War II when the entire Post Office Department was actually showing a profit in one of the few times in history.

If we permit these rate increases to take effect, we will have imposed a 50 percent first-class stamp tax increase on the American people in a 4-year period.

I submit that the public, with no organized lobby to fight postal rate increases, is entirely defenseless, in that the Post Office has a complete monopoly in first-class mail. Newspapers, magazines, packages, catalogs, circulars—all matter in the other classes of mail—can all be delivered by other means outside of the postal service. But the letters written by Mr. and Mrs. John Q. Public can only be delivered through the U.S. postal system, and I might point out that there are severe penalties involved for the carriage of letters outside the mails.

It is easy to imagine the philosophy that dictates how the so-called postal deficit should be eliminated in this bill.

It goes something like this: "We've got a monopoly on first-class mail, people have got to use it, this is where the money is, there'll only be a few complaints—no organized resistance, no powerful lobbies trying to keep the cost of mailing a letter down—so let's sock it to them."

Mr. Chairman, there is no more compelling reason why we should here be asked to impose another stamp tax on the American people without first trying to be assured of some economies, than there is to impose a general tax increase without expecting some reductions in spending.

I submit that there are as many, if not more, areas in the sprawling postal system where substantial economies can be made without affecting the service, as there are in other Government departments. We should insist that these economies be effected before we saddle the American people with another stamp tax. If it was right to follow this procedure last week with the President's surtax, it is certainly just as right to follow it this week with the stamp tax.

Let us be consistent and adopt my amendment, and show the American people that we really mean business—that they will not be assessed 20 percent more for using the postal service until or unless there is either a 20-percent reduction in unnecessary expenses or a 20-percent improvement in the mail service.

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

Mr. Chairman, it is with reluctance I rise in opposition to this amendment, but in my personal opinion this is an anti-individual taxpayer amendment, and I will tell the Members why.

I had the honor and responsibility of serving on the Committee on Post Office and Civil Service for about 4 years back in the 1950's. I went through some of these rate hearings, and I believe I got a little background from them at that time.

The simple facts are that if we are going to provide an increase in wages for our postal employees—and they need an increase, I am convinced of that—it would be folly to vote for this amendment, which would do away with the majority of the revenue which is going to be used to pay for that increase.

Now I will tell the Members why I believe this is an antitaxpayer amendment.

As to first-class mail, I might say that I am not very impressed with the cost ascertainment system of the Post Office Department. I have gone through that a long time, too.

The only reason why you run a Post Office Department 7 days a week, 24 hours a day, is to deliver first-class mail. If you were just going to deliver second- and third-class mail, you could run it 5 days a week, 8 hours a day, or 40 hours during the week, and it would not make any difference whether it is delivered this week or next. Here is why I think this is an antitaxpayer amendment. Eighty percent of all your first-class mail is business mail. It is put out by the businessman. As a matter of fact, that is a legitimate expense for him. The other 20 percent of first class is taken care of by the 200 million average citizens in the country. When I served on that committee, the average household sent about 13 letters a month. I understand from checking with the committee that it went up to about 20 a month. That is an increase of $2.40 a year. It is that amount for an average household. And let us say there are four in an average household. This amendment would lose $518.4 million worth of revenue.

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

Mr. CEDERBERG. Let me finish my statement, and then I will be glad to yield.

Some $518.4 million worth of revenue. Let us say that there are four people in the average household. I would much rather pay it through the postal revenue than through the tax window. It has to be paid somewhere.

Mr. GROSS. Is the gentleman trying to say the businessman will not pass the cost of this increase in mail on to the consumer?

Mr. CEDERBERG. He may. He has to pass it on to everybody else. But we have to look at it from a practical rate point of view. The average man who pays a penny every letter is farther ahead to pay 20 cents a month for his letters than he is on a family of four paying $8 or $10 a year through the tax window. You can take your choice.

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

Mr. CEDERBERG. I yield to the gentleman.

Mr. HAYS. The gentleman said—and I think I heard him correctly—that an average householder sends 20 letters a month. How do you get $2.40 a year?

Mr. CEDERBERG. Twenty times 12 is 240 and at 1 cent is $2.40.

Mr. HAYS. You are talking about the increase?

Mr. CEDERBERG. Yes, the increase.

Mr. HAYS. I thought you said the total.

Mr. CEDERBERG. I am talking about an increase of $2.40 a household. But if you take it by individuals, the individual, as I read this, with 200 million people in the country, can lose $518 million a year in revenue. That is $2 per individual. If you have 5 in the family, that is $10. If you have a choice, the average taxpayer is much further ahead to pay the increase in the revenue than go through the tax window and let the businessman pay for his mail.

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

Mr. CEDERBERG. Yes.

Mr. POOL. You still have not answered the problem when the figures show and we use the Post Office Committee's figures——

Mr. CEDERBERG. That is wrong.

Mr. POOL. You asked me to answer the question. How are you going to explain the 123-percent increase above the cost?

Mr. CEDERBERG. In the first place, I do not believe the 123 percent and I never believed their guess.

Mr. POOL. I know, but that is the payment figure, and the whole bill will be thrown out. That is what we based the bill on.

Mr. CEDERBERG. Where will you raise the revenue if you lose the $158 million to pay the postal employees? You will not raise it on second and third class, and you know it.

Mr. POOL. The post office is giving good service.

Mr. CEDERBERG. Let me tell you. If want to protect the taxpayer, it is better for him to pay it through the stamp window than through the tax window, and do not forget that. The average family will pay $8 or $10 a year through the tax window with this amendment, and he will pay $2.40 a year, and for me that is good business for my constituents.

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

Mr. Chairman, the gentleman from Michigan [Mr. CEDERBERG] is right. We are making a choice as to whether or not we are going to pay for the operations of the Post Office Department by the use of taxes or by increased rates. That is your choice.

Mr. Chairman, it is my opinion that everyone on this floor today knows that the members of the Committee on Post Office and Civil Service of the House of Representatives, under the able leadership of the gentleman from New York [Mr. DULSKI], has worked really long and hard on this subject matter. We held hearings for many, many weeks. We had a markup on postal rate part of the bill in the full committee for the period of 15 days.

Now, Mr. Chairman, I challenge anyone who says that this amendment is not completely irresponsible. And, with all due respect to my dear friends who are sponsoring it, the point is that if this amendment were adopted, we would strike from the bill $568 million.

Now, the bill only carries the sum of $884 million.

I have reference to the statement by the gentleman from Indiana to the effect that on this subject we ought to relate the income of the Post Office Department to the expense of its operation. We can do that through the enactment of his bill. We can do this if everyone will bear in mind the fact that 80 percent of the cost of the Post Office Department involves the cost of labor—80 percent of the cost of the Post Office Department is labor. It is my opinion that the people in the Post Office Department are very, very much justified in seeking a pay increase.

Mr. Chairman, this rate increase, of course, will do better than just take care of their pay increase. However, there is

another item which I would like for my friends to bear in mind and to bear with me upon its consideration, and that is that we are going to further study this business of "cost ascertainment." I think the cost ascertainment system of the Post Office Department is mislabeled. There really is not an ascertainment. They allocate the cost. Later during the course of the debate I am going to demonstrate the fact that they allocate the cost in an unrealistic manner and that we should really take up a study of the matter in greater depth and determine and demonstrate really what the ascertainment cost of moving pieces of mail represents.

Now, please give me your attention for just one moment on this one point. On a single piece of first-class mail, if it is an ounce or less, it costs 5.3 cents to move it. If it is a postal card, it costs 5.3 cents to move it. We are losing money on moving everything of an ounce or less. We lose money on air mail if it is an ounce or less. We lose money on all of these various categories which have been mentioned—these various classes—first class and air mail rates, which are really highly preferred mail. We should charge them more than the cost involved because of the highly preferential treatment that they receive.

Now, on the other hand, Mr. Chairman, we have a cost-ascertainment system with reference to the cost of moving second- and third-class mail. And, I pledge everyone here—and I know my colleague, the gentleman from Pennsylvania [Mr. NIX], and I know my colleague, the gentleman from Pennsylvania [Mr. CORBETT], all agree that we are going to undertake a really exhaustive investigation of the cost of the movement of these classes of mail, including the sorting and distribution of mail in an effort directed toward avoiding a lot of the costs which have been heretofore involved. We are going to review the categories of second- and third-class mail again. But, certainly, with reference to the first-class mail and air mail we must sustain the committee and I ask that this Committee of the Whole House on the State of the Union to vote down the amendment which has been offered.

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

Mr. Chairman, I wanted to help the gentleman from Montana, but he would not yield to me. I am for the Pool amendment, and I would like to be for the Gross amendment, and that is hard to be for both, but I believe I have a solution.

If we could consult with the gentleman from Ohio [Mr. Bow] and the other economy-minded people who thought it was so easy to cut $5 billion out of appropriations and expenditures, and just get them to cut another half-billion out of some place, then we will not have to raise the postal rates, and we can give the increase to the postal employees.

Now, does that not make sense? Is that not a fair proposition?

The CHAIRMAN. The question is on the substitute amendment offered by the gentleman from Iowa [Mr. GROSS] to the amendment offered by the gentleman from Texas [Mr. POOL].

The substitute amendment was rejected.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas [Mr. POOL].

The amendment was rejected.

The CHAIRMAN. Are there any further amendments to title I?

AMENDMENT OFFERED BY MR. CUNNINGHAM

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

The Clerk read as follows:

Amendment offered by Mr. CUNNINGHAM: On page 28, line 5, insert "(a)" immediately before the word "Upon";

In line 9, strike out the quotation mark and the period at the end of the line;

Insert a new subsection (b) immediately following line 9, to read as follows:

"(b) Upon payment of a special handling fee, publications admitted as second-class mail, published once each week or more frequently, and featuring principally news of interest to the general public, shall be given, upon request by the publisher or news agent, expeditious distribution, dispatch, transit handling, and delivery, commonly referred to as red tag or newspaper treatment. The charge for such special handling is 25 per centum of the postage otherwise applicable.".

Mr. CUNNINGHAM. Mr. Chairman, the amendment which I offer, the so-called red-tag treatment amendment, does nothing more than update postal law relating to second-class news publications so that those who use this class of mail will be required to pay for special handling just as the users of third- and fourth-class mail.

Under present law, section 6008, title 39, United States Code, upon payment of a special handling fee, fourth-class mail is entitled to the most expeditious handling and transportation practicable. In the bill under consideration, we would, in section 110 of title 1, extend this special handling service to the users of third-class mail.

I think, therefore, it is consistent to provide that the users of second-class mail who request and receive special handling of their product, should be obliged to pay for this extra and preferential service. And I emphasize, Mr. Chairman, that under my amendment, this "red tag" treatment would be given only upon the request of the publisher or news agent of the publication and that the charge for such special handling would be 25 percent of the postage otherwise applicable.

Mr. Chairman, in order to better understand the subject with which we are dealing, I include at this point in my remarks a memorandum which details the history of the so-called red-tag treatment which is accorded news publications free of charge at the present time.

In the early days of our Nation, perhaps there was sufficient justification for special and expeditious handling of newspapers and periodicals so that information of general interest could be disseminated swiftly.

However, times have changed, methods of broadcasting news and information have changed, publishing methods have changed, and special handling of second-class publications has proliferated to the point where the taxpayer is shouldering far too great a burden in newspaper subsidies.

The actual dollar value of these subsidies is spelled out in the committee report on this legislation, which I commend to my colleagues' attention. On page 30 of the report we are informed that for 1966 the deficiency attributable to second-class regular rate publications was $236 million. In other terms, the users of this category of mail paid $97.7 million in postage for $334.1 million worth of service.

To quote the committee report on this revenue gap:

It should be noted that a substantial part of this mail (2nd class regular) receives expedited handling. All newspapers—representing 38 percent of regular rate second-class pieces—receive expedited handling. In addition, news magazines and other time-value publications received the equivalent of "newspaper treatment," without paying any additional charge.

Mr. Chairman, let me cite the rate disparity in another way.

Under this legislation, if passed, first-class mail will be at 123.3 percent of cost coverage; air parcel post will be at 162.4 percent of cost coverage; air mail will be at 138.9 percent of cost coverage; third-class mail will be at 82.4 percent of cost coverage; fourth-class library material—which is more than deserving of a preferred rate—will be at 40.7 percent of cost coverage; and second-class mail will be elevated to a piddling 29 percent of cost coverage. This percentage, incidentally, would be the highest percentage of cost coverage for second-class mail in 41 years. How long, Mr. Chairman, can the general taxpaying public be expected to continue to foot the bill for handling second-class mail?

I submit my amendment is a most modest step toward reducing the revenue gap of second-class mail.

NEWSPAPER HANDLING

Order No. 99, dated January 30, 1924, issued by Postmaster General Harry S. New provided for the expeditious handling of newspapers. Newspapers were described as:

Publications which are commonly and popularly understood to be newspapers of which the leading and major feature is the dissemination of timely news of interest to the general public, whether published daily or weekly.

The definition did not include "trade papers, periodicals, papers devoted to certain classes, orders, or directed to specific ends."

Publications which could obviously be called newspapers would be circulated principally in the local areas where they were published. Therefore, extensive transportation of large numbers of copies would not be involved.

However, by 1950 a great variety of nationally circulated publications having borderline characteristics of newspapers were receiving newspaper handling. As a result, the instructions issued in connection with readjustment of service order of Postmaster General Jesse M. Donaldson dated April 17, 1950, provided for the discontinuance of newspaper treat-

ment for publications of the second-class other than regular daily and weekly newspapers "of local origin having the characteristics ordinarily recognized as those of a publication devoted to the dissemination of current news of great interest."

The Magazine Publishers' Association, in support of Time, Life, and other news magazines raised such strenuous objections to these instructions that they were modified by means of a letter of Deputy Postmaster General Vincent C. Burke, dated May 18, 1950, so as to provide for the continuance of newspaper handling for publications, other than local daily and weekly newspapers, which had theretofore received such handling. In return, the publishers were to separate into properly labeled "direct" sacks or bundles, according to quantity, all copies for each delivery zone or delivery station or area in cities having more than one delivery unit.

The newspaper-handling question has been given careful study from time to time, but no one has come up with a satisfactory solution. In 1958, the Post Office Committees of Congress considered a proposal to establish a charge for this special service. This proposal was abandoned as impracticable partly, at least, because of the thousands of country newspapers which would object to such a charge.

The mandatory presorting of all second-class publications by ZIP code which is now in effect could lead to all publishers of second-class publications expecting to receive newspaper handling, particularly those who have been told through the years that the refined presorting performed by such publications as Time and Life was one of the justifications for newspaper handling.

The current definition of a newspaper is a restatement of the definition in Order No. 99 of Postmaster General New, and is contained in section 126.4, Postal Manual. It reads:

> Newspapers must be published once each week or more frequently and feature principally news of interest to the general public to be given expeditious distribution, dispatch, transit handling, and delivery, usually referred to as newspaper treatment.

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

Mr. Chairman, the proposed amendment, which was rejected by the House Committee on Post Office and Civil Service and which is opposed by the Post Office Department, would impose a 25-percent surcharge on what is commonly referred to as "red tag" treatment, or newspaper treatment.

The amendment, if it became law, would affect hundreds of daily newspapers, thousands of weekly newspapers, and several news magazines and a number of trade journals.

Actually, ZIP code has made red-tag treatment virtually obsolete.

Red tag—and the gentleman's amendment refers to that—originally meant handling in transit, on railway mail cars or in trucks. Now that Post Office rules require presorting of most second-class mail by ZIP code numbers, such en route sorting is no longer necessary. Few, if any publishers, would pay 25-percent extra for service they do not need. Thus, the claim of millions of added revenue is specious.

The National Newspaper Association, a group including 6,700 newspapers in every State, most of them weeklies, wrote on August 25 to members of the postal committee about the "red tag" amendment then pending. The NNA letter explained:

> Our newspapers don't enter the Department's transportation system. They are already sorted, and they go directly out on the routes, at most traveling to and from a Sectional Center already sacked for the routes. In other words, the Post Office does nothing special to our newspapers. The only thing we ask is that they go out on the next available delivery. Letting them lay in the Post-Office would save no money for the Post Office Department, and it makes subscribers furious.

It should be understood, Mr. Chairman, that red-tag treatment is not a one-way street. The Post Office Department imposes a series of requirements that publishers must meet to qualify. These steps, all taken at publisher expense, reduce handling costs of the Post Office Department. The Postal Manual spells out these requirements in section 126.4.

The proposed amendment to impose a surcharge on newspapers and news magazines receiving red-tag treatment is purely punitive legislation, without justification on a cost basis or a potential revenue basis.

The argument that this amendment would bring revenue to the Post Office Department is purely a specious argument and in my opinion has no merit.

Mr. Chairman, I hope the amendment is defeated.

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

Mr. Chairman, I want to join my colleague in opposition to the amendment and to emphasize particularly the point that he last made.

This amendment might be appealing to one who thinks or has the understanding that it would bring in substantial revenue to the Post Office Department. But you have to understand what red-tag treatment is to understand that the point that the gentleman from Pennsylvania made is absolutely correct. This is the system that grew up in post offices all over this country to provide that the papers and magazines would get early treament behind first class, which by law must move at high priority, because newspapers and magazines which, by the very nature of the rates that we charge them, perform a great public service. The demand of the American public is that they get their weekly newspaper that may be published on Thursday evening in the first mail on Friday. In order to accommodate that demand, post offices all over the country, without direction from the Postmaster General or from Washington, started putting red tags on the newspaper bundles or the bags and giving them what has come to be known as the red-tag treatment.

Mr. Chairman, I tell you that the American public today is still demanding red-tag treatment. It is not the publisher who is anxious to get that newspaper as quickly as it can be delivered to him after it is delivered to the post office. Thus the American public wants the red-tag treatment, but the publisher is not willing to pay for it.

So the point my colleague from Philadelphia last made, that this amendment will not bring in the revenue which you might think by computing the surcharge on the publications, but will rather leave the choice to the postmaster either not to give the service that he has been giving or to go ahead and do it in violation of some amendment that we might adopt here, is valid. The American public will expect their newspapers to be delivered to them as quickly as they could be after they receive their first-class mail.

For instance, when the Mount Olive, N.C., Tribune delivers its copies to the Mount Olive Post Office, they are already sorted and bundled to the various routes, post offices, and sectional centers to which they are addressed. The local postal employees dispatch these bundles and bags to their destination on the next mail transportation. What else would they do? There would be no point in holding this mail until later, taking up space in the post office.

For the Mount Olive Tribune, then, and virtually all the newspapers in the Nation, this so-called expedited or red-tag handling is simply moving the mails promptly and efficiently, in due course.

It is true that a few publications having nationwide distribution and entering at major post offices request and receive handling more demanding of postal facilities than that of the Mount Olive Tribune. But in terms of the total number of news publications entering the mails, these latter publications are in a small minority.

Further, the advent of ZIP code and sectional center handling make this expedited handling less and less important. In the days of railway post offices and highway post offices, publications were actually sorted while in transit. The so-called red-tag treatment really meant something. But now these same mailers are required to sort their own copies, before submitting them to the post office. At the same time, in-transit handling is being phased out of postal operations. Hence, "newspaper treatment" has progressively less meaning.

For these reasons newspapers tell me that they would not request red-tag handling—that in fact they do not ask for it now, and do not consider the term to have any real substance. They surely question whether it has sufficient meaning to be the subject of a special rate or surcharge.

It would be something akin to a surcharge on airline tickets for safe handling, or on telephone rates for courteous handling. The airlines offer students and servicemen special rates, for good and sufficient reasons. Would it make sense to add on a 25-percent surcharge for safe handling? Safe handling is presumed. It is a sine qua non of air transportation. But, if there were such a surcharge and a passenger declined to pay for this special service, and he were injured or killed, the airline could, and no doubt would, beg off on the grounds that he

could not expect safe handling if he did not pay the charge.

This is precisely the concern of newspapers when they hear of the red-tag surcharge. Buying it would not mean anything to them. But their not buying would surely become an excuse on the part of the post office for any slow delivery.

This is no basis on which to ground a postal charge. As a revenue source it would mean very little. If all second class publications eligible were to request and pay for the handling, it would bring in an estimated $10 million. But this makes a most unrealistic assumption. In fact, very few would request it, and the income would, I think, be negligible.

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

Mr. HENDERSON. I yield to the gentleman from Arizona.

Mr. UDALL. I support the gentleman in opposition to this amendment. The business of postal ratemaking is a complicated business. I think we could make a pretty good case that we ought to come to the floor with a closed rule, as the Ways and Means Committee does, but we have not. We are here with an open rule. If we start tinkering with a part of this rate structure, we shall have to go back and adjust another part of the rate structure. I hope the Committee will support the Committee on Post Office and Civil Service in the sound decision that was made in this regard and vote down the pending amendment.

Mr. DERWINSKI. Mr. Chairman, I move to strike the requisite number of words. Regardless of the disposition of this amendment, there is one thing I believe all Members ought to keep in mind. Unlike the attitude which the gentleman from Arizona takes, I point out that there is nothing sacred about this bill. In fact, the chairman of the subcommittee, the gentleman from Montana, brought a bill into the full committee, and then they marched down the hill on practically every item in that bill. If they could do that in the committee, completely repudiate their own work, I see no reason why we cannot improve this bill on the floor.

The gentleman from Arizona naturally has to hold the position of the committee. If he had only been as effective in committee in keeping the rate and the pay bills separate, I would be supporting him at this point.

But there is not any section of this bill that I think is too sacred to be subject to an honest amendment. We could dabble—if we want to use that word—with any part of this rate structure, and if it is in a constructive fashion it should not automatically be rejected on the grounds of protecting this dubious package.

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

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

Mr. McCLURE. Mr. Chairman, I would like to remind the gentleman from Arizona, in regard to the remarks he just made about each change affecting the bill, to the effect that we should go back if we make any changes and consider earlier changes in the bill, that this was exactly what several of us tried to get done within the committee when we were considering it, and it was exactly what the majority in the committee refused to allow us to do.

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

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

Mr. UDALL. Mr. Chairman, I think we spent 18 markup sessions on this bill. I have never had a bill of this size where this much time was spent on it. I would like to have spent three months to go back and perfect it. I regret that time ran out on us. The truth is, there would not be a rate or a pay bill on this floor today if some action was not taken to get this on the floor.

I do not say the bill is sacred. I say that Members who are not familiar with the content, and who are not familiar with the effect one part of this has on another part, ought to be pretty careful about taking amendments simply because some amendment is offered on the assumption that no damage will be done to the bill because of them.

Mr. DERWINSKI. Mr. Chairman, the amendments offered as constructive amendments ought not to be rejected per se, simply because they are amendments, in order to preserve the package.

Mr. UDALL. Mr. Chairman, I supported the open rule so we could offer amendments.

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

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

Mr. CUNNINGHAM. Mr. Chairman, I would say the subcommittee did approve this, and it was the full committee that by a very narrow margin defeated this. The subcommittee spent 8 weeks on this. When we went to the full committee, where they had not heard the testimony, they defeated this. I think we are consistent in trying to get it back in.

Mr. CHARLES H. WILSON. Mr. Chairman, I was going to make the same point the gentleman from Nebraska [Mr. CUNNINGHAM] did, that was in the bill in the subcommittee and was knocked out in the full committee. This is a good amendment, I believe, and I will support it.

Mr. DERWINSKI. Mr. Chairman, I will repeat, I am on my feet to support the honest principle of offering amendments, and I hope we will have a chance to offer them and have them considered, and not just have them rejected per se.

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

Mr. Chairman, I want to hit at the admonition of the gentleman from Arizona that we, in offering one amendment or amending one phase of the bill, will adversely affect another phase of it. I would like to inquire, before I offer an amendment, why airmail rates will be increased in view of the fact that airplanes are used to carry first-class mail, and trains are no longer being used or are being gradually phased out. If airmail is being carried the same way as first-class mail is being carried, why should airmail rates be increased?

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

Mr. FARBSTEIN. I yield to the gentleman from Montana.

Mr. OLSEN. Mr. Chairman, airmail is being increased because it is top-priority preferred mail. But, as the gentleman has related, we are moving first-class mail more and more by air. We are also moving it more and more by truck. Of course, this is because we have experienced a period in American history where 20 years ago there were 10,000 passenger trains every day running in America, but today there are not even 900 passenger trains every day running in America.

We are having to make a transition. As a result of that transition, first-class mail is going by air as well as by trucks. We look forward to the day, within about 2 years, when all mail, first-class and airmail, will go by the fastest method available, and we will eliminate the distinction and will have only one first-class preferred mail, and we will not have airmail any more. We will have a new rate coming about 1969, and that new rate will take care of both first-class and airmail. It will all move the same way, but that has to be another bill in 1969.

Mr. FARBSTEIN. Mr. Chairman, is there any reason then why, in view of the gentleman's explanation, there should be an increase in airmail rates until 1969?

Mr. OLSEN. There has to be now.

Mr. FARBSTEIN. Until 1969?

Mr. OLSEN. There has to be, perhaps even until 1970.

Please bear with me. We do not have the option in the Post Office Department of going out to get bids as to how to move the mail with the airlines. When we move the mail with the airlines we have to go to the Civil Aeronautics Board. We have to go there to get our rates set. We do not know what we can get as to rates, or that we can get the rate we want.

In the opinion of some of us, airmail ought to be moving a lot cheaper, but that is not our election. We cannot do that.

I hope that between now and 1969 the Post Office Department will have the power to go out and get competitive bids from the airlines. Then we will move the mail cheaper than we are moving it today. That is the reason why we have to ask for 10 cents. We want to do it cheaper. When there is authority to get bids, then we will move it cheaper. I predict that we will.

Mr. GROSS. Mr. Chairman, will the gentleman from New York yield?

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

Mr. GROSS. I believe a better answer with respect to the increase in the airmail rate is that it is a good, easy place to get the money. There is not any great big lobby down here trying to protect the individual user of airmail and first-class mail, the common garden variety citizen, who is getting socked and socked good. That is the real answer.

It will be quite a day in the history of

the country when we will put all of this country on the same level of mail delivery, when we are going to deliver it by plane to the crossroads town in Montana just as we deliver it to the capital city of Montana. That is going to be a great day in the history of this country.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Nebraska [Mr. CUNNINGHAM].

The amendment was rejected.

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

Mr. Chairman, I take this time to ask the distinguished gentleman from Montana, the chairman of the subcommittee, if he will provide some legislative history in reference to the effects of the language on page 31 entitled "Enclosures Mailed With Second-Class Publications."

I have received an inquiry from one of the fine newspapers in my district, which happens to be the oldest newspaper in the United States west of the Alleghenies, the Chillicothe Gazette, editor of which is Robert E. Schaefer.

They raise the question that this provision jeopardizes the basic concept of second-class mail for newspapers.

The publisher says:

Advertising has for a long time been an accepted component of second-class publications. The advertising supplement provision of the rate bill would change this concept.

Would the gentleman elaborate on that?

Mr. OLSEN. There has been for a long time an established regulation with the Post Office Department for them actually to refuse the mailing of advertising supplements that are unrelated to the newspaper. However, the Post Office Department has not been enforcing those regulations.

On the basis of those long-time standards, this particular provision is in the committee bill. It is not that there would be any prohibition against the moving of supplements in their second-class matter, but that they would have to pay a third-class rate, a minimum of 3.8 cents. They would have to pay that instead of the second-class rate on that insert.

Getting back to the particular inquiry, what is an insert? An insert is something that is unrelated to the newspaper, in that it is not consecutively numbered by pages with the newspaper.

Mr. HARSHA. I understand that.

Mr. OLSEN. Or that it is not printed in the plant of the newspaper.

Mr. HARSHA. This insert could also have certain news value in addition, could it not?

Mr. OLSEN. You have a point. If it has news value or editorial value as part and parcel of the newspaper, it is not a supplement.

Mr. HARSHA. Let us assume that it has editorial and news value but it is not part and parcel of the newspaper in that it is not consecutively numbered, as you point out, but it still has news and editorial value.

Mr. OLSEN. It would not be within this prohibition or not be within the new rate structure. It would travel with the regular cent.

Mr. HARSHA. He also raises the question that there appear to be no guidelines for what would be an advertising supplement. Secondly, he says who would determine this issue as to what is or is not a proper supplement.

Mr. OLSEN. The Post Office Department has determined it in the past. While they have not enforced it, they have determined it. Now, if you will look at pages 46 and 47 of the report, when we get to the bottom of page 46 it says:

During the course of the hearings, the committee received many exhibits of advertising supplements which were mailed with publications. In the opinion of the committee, it is doubtful whether some of these advertising supplements qualified under the regulations. Some did not have the imprint, "Supplement to", others appeared to be independent "publications," circulars, catalogs, or not germane to the issue.

Mr. HARSHA. I thank the gentleman.

AMENDMENT OFFERED BY MR. HECHLER OF WEST VIRGINIA

Mr. HECHLER of West Virginia. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. HECHLER of West Virginia: On page 23, line 14, strike out the double quotation marks, the semicolon, and the word "and".

On page 23, immediately following line 14, insert the following:

"(f) In addition to the rates of postage otherwise prescribed by this section, there shall be a charge of 0.3 cents per copy, when more than 500,000 copies per issue of any publication are mailed at the rates prescribed by this section, payable only on—

"(1) each copy in excess of 500,000 copies per issue mailed at the original point of entry; and

"(2) each copy mailed at other than the original point of entry; and ".

Mr. HECHLER of West Virginia. Mr. Chairman, first I will indicate what this amendment does not cover. This amendment does not cover third-class mail. I will be offering an amendment a little bit later to raise the rate to 4.5 cents a piece on bulk commercial third-class mail.

Many of my friends have importuned me to take a keener interest in raising second-class rates. I have yielded to those many requests and decided to introduce this amendment, which provides a surcharge of 0.3 cent per copy on magazines with circulations of over 500,000. My study indicates that there are some 46 publications with more than a 500,000-per-issue circulation through that would be paying this very modest surcharge. That means that if the circulation were 500,001, the payment would be made only for the one copy over the 500,000, since the first 500,000 copies are exempted. On the average, each of these 46 publications would be paying about $120,000 more, but this payment would range from a few dollars for those magazines that circulate only a few copies over 500,000 through the mails to something over $900,000 for Life magazine, which has the largest total number of pieces mailed annually. This, of course, will increase the cost coverage provided by the second-class section of the bill, which I think is a point that many critics of the present rate structure and the committee rate structure have called attention to. In addition to that, it would bring in more revenue for the Government at a time when we sorely need revenue.

Without my amendment, cost coverage for regular rate publications would move over a 3-year period from the present 29.3 percent to 36.2 percent. The addition of this surcharge would raise this 36.2-percent cost coverage to 37.9 percent. This is an improvement, but still represents a big cost concession to second-class mailers.

In 1962, the Congress provided a lower postage rate for publications with less than 5,000 circulation outside of county. The pending legislation continues a lower rate for such publications. I agree with the principle that publications with small circulations are less able to pay. I also agree with the principle that publications with large circulations through the mail are better able to pay. And I believe that the very large deficiency in postage paid by second-class mailers requires that this class as a whole should pay more than it is now paying.

Mr. Chairman, I would estimate that my amendment would bring in about $5.5 million in additional revenue. The amendment would affect the following magazines, according to my calculations: American Home, Argosy, Better Homes and Gardens, Business Week, Changing Times, Children's Digest, Co-Ed, Ebony, Esquire, Farm Journal, Field and Stream, Flower and Garden, Glamour, Good Housekeeping, Holiday, House Beautiful, House and Garden, Humpty Dumpty, Ingenue, Jack and Jill, Ladies Home Journal, Life, Look, McCall's, Mechanix Illustrated, Nation's Business, Newsweek, Outdoor Life, Parent's Magazine, Playboy, Popular Mechanics, Popular Science Monthly, Reader's Digest, Redbook Magazine, Saturday Evening Post, Sport, Sports Afield, Sports Illustrated, Successful Farming, Sunset, Time, True, True Story, TV Guide, U.S. News & World Report, and Workbasket.

It would not throw any of these publications out of business. All of these publications can afford to absorb this very modest surcharge. I do not believe that this amendment is in any way discriminatory. Many of these publications receive very large subsidies from the Federal Treasury already.

Mr. Chairman, for all of these reasons, I urge that this amendment be given favorable consideration by the Committee.

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

Mr. Chairman, this has been a field that I have supported. I have supported this problem of a surtax on the expeditious handling of second-class mail. But I have become convinced that we should not impose this charge at this time.

Mr. Chairman, the gentleman from Pennsylvania [Mr. NIX], the gentleman from Texas [Mr. POOL], the gentleman from Pennsylvania [Mr. CORBETT], as well as myself, have all agreed that this is a field that we have got to exhaustively study as to what we should be doing about the expeditious handling of second- and third-class mail.

I feel we ought to go along with this rate increase at this time and that then we ought to go on with a study of it and

come back to this House next year with a recommendation that would be more equitable than we can possibly do at this time.

For that reason, Mr. Chairman, I oppose the amendment.

Mr. UDALL. Mr. Chairman, will the gentleman yield to me at that point?

Mr. OLSEN. I yield to the gentleman from Arizona.

Mr. UDALL. Mr. Chairman, I want to say that the gentleman's opposition to the amendment is sound. The thrust of this amendment is really to the effect that we are going to penalize magazines which are big. In other words, if you have more than 500,000 circulation, we will penalize you; we will penalize you whether you are on the brink of bankruptcy, as some magazines are at this time, or whether you are the Reader's Digest, or Life, or Look, and making money. This is an unsound way to go about it.

Mr. Chairman, the committee considered this question rather carefully. I agree with the gentleman from Montana that the subject needs further study. But, to simply draw an arbitrary line and say that we will penalize the large-circulation magazines, in my opinion would be unwise.

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

Mr. OLSEN. I yield to the gentleman from Mississippi.

Mr. ABERNETHY. Why do you not raise the rate across the board on all of them?

Mr. OLSEN. We have. We have raised their rates about 23 percent in this bill. Now, if you will bear with me for just one moment, for instance in the case of the Atlantic Monthly, that magazine has not made a profit until the last year for the last ten years. If we raised the rate much more, we would put it out of business.

There are other magazines that we would, perhaps, put out of business if we raised this second-class rate too much.

We would like to study this problem at length and in depth and not be unfair to the public and certainly not be unfair to the mailers themselves.

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

Mr. OLSEN. I yield further to the gentleman from Arizona.

Mr. UDALL. The gentleman from Mississippi [Mr. ABERNETHY] makes a very valid point. There will be amendments offered, I am told, to increase the rates on magazines and newspapers by some rather large amount. Therefore, if you think that the committee has not gone far enough with reference to magazines and newspapers, I say the fair way is to hit them all who mail only several copies, up to 10 million copies, but not pick on just the big ones, because out of the operations of the prosperous ones comes 52 percent of all the money that goes to Uncle Sam in this field anyway.

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

Mr. OLSEN. I yield further to the gentleman from Mississippi.

Mr. ABERNETHY. Does the gentleman feel that the Federal Government owes any obligation to carry this merchandise—that is what it amounts to—or magazines for these people at a loss? Why should we do that?

Mr. OLSEN. I agree with the gentleman that we should not carry them at a loss, but this has been an experience in this country for about some 200 years, to encourage printed material as a policy of encouraging the democracy that we need this printed material.

Now, I maintain, as I believe the gentleman would, that inasmuch as we have radio and television that we ought to review this thing, and that is exactly what I propose to do. I do not propose to do it in this rate bill. I believe we ought to have a review of the specific problem on whether or not we are going on and continue the subsidy on second-class mail, and we should not do it just in this rate bill.

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

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

This amendment would get more money out of the second-class users of the mails, the publishers, who are really being subsidized by literally millions of dollars by the American taxpayers.

I was hopeful that my "red-tag treatment" amendment would have passed. I did not insist upon a division but I wanted to lay some groundwork having to do with the big steal that is taking place in this country today by the publishers of second-class mail. There is where the big steal is. There is where the big mail robbery is taking place.

So, Mr. Chairman, I can support the gentleman's amendment because at least it gets a few more pennies out of them, and adding all of it together we might get a few million dollars more out of them.

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

Mr. CUNNINGHAM. Yes, I yield to the gentleman from Mississippi.

Mr. ABERNETHY. I would ask the gentleman, what are the items that fall into the category of second-class mail besides magazines?

Mr. CUNNINGHAM. Newspapers.

Mr. ABERNETHY. Newspapers and magazines.

Mr. CUNNINGHAM. In this particular section of the bill.

Mr. ABERNETHY. How much loss is the Federal Government incurring annually on second-class mail?

Mr. CUNNINGHAM. Right now on second-class mail I do not know the percentage.

Mr. THOMPSON of Georgia. If the gentleman would yield, about $400 million.

Mr. CUNNINGHAM. Yes, about $400 million. It is a tremendous sum.

Mr. ABERNETHY. Indeed it is, if it is $400 million.

Mr. CUNNINGHAM. It is said that second class is going to be given a 23-percent increase in rates in this bill. That is true, but it is 23 percent of what? Twenty-three percent of a dollar is one thing, and 23 percent of a penny is another thing. The rates are so low now that 23 percent means very little to these huge publishers. What I am trying to do is to get some more money out of these big publications that are getting this first-class, privileged treatment at these low, second-class rates. I do not know how anybody can be opposed to that.

Mr. THOMPSON of Georgia. Mr. Chairman, would the gentleman yield?

Mr. CUNNINGHAM. Yes; I yield to the gentleman from Georgia.

Mr. THOMPSON of Georgia. I would state to the gentleman in the well that the deficit on second-class mail now is $416 million.

Mr. CUNNINGHAM. That is a sizable sum of money. I do not know what the proposed amendment would bring in, but I believe we ought to at least get as much out of them as we can, because they have such a strong lobby, and they have lobbied on this section more than any other section I know of. And that, I am sorry to say, is what happened between the time the subcommittee passed the red-tag treatment amendment, and when the subcommittee bill came before the full committee.

Mr. THOMPSON of Georgia. I would like to say this: I certainly feel Congress should have to do something to reduce the tremendous deficit connected with the second-class mail, that is, the margin of deficit; it is more than half of the total deficit in the postal service. But this is the wrong way to do it, because we are penalizing the big publishers by this amendment; that is not right, and that is not equitable.

So, Mr. Chairman, I oppose this amendment, although I do support the idea of increasing rates for second-class mail users.

Mr. CUNNINGHAM. This is a compromise, I might say to the gentleman. I gave the Members an opportunity to go along with the red-tag treatment amendment, but because of the small papers involved I presume the Members felt they should oppose it.

This amendment eliminates the small publications. It is at least a beginning.

This is a start. Maybe then we can build from this start.

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

Mr. Chairman, I would say I certainly agree with what the gentleman from Nebraska just said, and in response to the gentleman from Arizona who said that this was just picking on the big boys, I would say that this is the premise under which the Government operates with the graduated income tax over the years.

It seems to me to be consistent with the premise that we have been operating on in this connection.

I think the time that we should subsidize the big boys has long since passed and they ought to be paying their own way.

Mr. HECHLER of West Virginia. Mr. Chairman, will the gentleman yield?

Mr. SNYDER. I yield to the gentleman.

Mr. HECHLER of West Virginia. I appreciate the support of the gentleman from Kentucky and also the gentleman from Nebraska.

I certainly agree that this is a principle under which the graduated income tax operates. We are not penalizing bigness. On the other hand, what we are doing is protecting those smaller magazines which otherwise would be driven out of business.

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

The CHAIRMAN. The question is on the amendment offered by the gentleman from West Virginia [Mr. HECHLER].

The question was taken; and on a division (demanded by Mr. UDALL), there were—ayes 98, noes 50.

So the amendment was agreed to.

AMENDMENT OFFERED BY MR. DERWINSKI

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

The Clerk read as follows:

Amendment offered by Mr. DERWINSKI: On page 20, line 24, strike out "and associations of rural electric cooperatives,".

Mr. DERWINSKI. Mr. Chairman, I am only going to take a minute, since the ease with which the last amendment was passed would lead me to believe that any amendment to increase revenues should automatically be adopted. So I am almost inclined to ask for just a repeat vote and go on my way.

But, before I make that point, the thing to keep in mind is that we have now seen dramatic evidence of the fact that the only logical amendment to offer at any point in this bill is to strike out the enacting clause and send it back to the committee.

We had our dear friend, the gentleman from Arizona [Mr. UDALL], to point out that any amendments that are not based on intimate knowledge of the rate structure should be rejected.

In trying to answer the Hechler amendment, the gentleman from Montana [Mr. OLSEN] said that they did not know enough about the amendment in the second-class rate structure and they were going to have to study it.

So here we have the chairman of the subcommittee admitting on two occasions during this debate that his subcommittee does not have enough knowledge of this basic subject. Can you imagine the chairman of any other subcommittee or the chairman of any standing committee coming down and making that admission? It would seem to me we have made an absolute case in bringing out the sheer chaos in this bill. I have a little amendment which is intended to help eliminate some of the chaos.

Back at the time of the last rate bill someone slipped a gimmick into the bill giving rural electric cooperatives the same preferred second-class rate that great organizations such as the Cancer Society and religious groups receive. I am sure that despite any affection any of you may have for rural electric cooperatives, they certainly do not deserve the same mail subsidy which the Cancer Society, the American Legion, the Catholic Church, any Protestant denomination or any other proper organization you may think of receives. So all my amendment would do is to strike from the definition of the second-class nonprofit category rural electric cooperatives.

I do not really know how much revenue this will raise, but it will raise some revenue. Therefore, it ought to be accepted on its merits, plus, I would think you would want to have a distinction between religious, fraternal, and patriotic groups and rural electric cooperatives.

So I hope my amendment will be accepted.

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

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

Mr. TEAGUE of California. The gentleman might also wish to point out to the Members of the House who may not recall the fact that the rural electric co-ops get Government money at 2 percent. They already get a great big Government subsidy without this additional subsidy in the way of preferred postal rates.

Mr. DERWINSKI. I would have mentioned that except we are discussing postal rates, and that subject alone is so confusing that to discuss interest rates that the co-ops pay would merely add to mass confusion. As I have said, this is a revenue-raising amendment. It would straighten out an innocent mistake in the past rate bill, and I would hope that it could be adopted with due dispatch.

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

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

Mr. DOW. With regard to rural electric co-ops, as a member of the Committee on Agriculture I would like to point out that this year we went through a siege in that committee in which we discussed the proposal to extend credit facilities for the rural electric co-ops. At the end of the discussion, it came to nothing. It seems to me that the rural electric co-ops have had severe treatment at the hands of the Congress this year, and the gentleman's amendment would simply add insult to injury.

Mr. DERWINSKI. Oh, no. My amendment would merely assure that the rural electric co-ops are not confused with the Cancer Society, church groups, patriotic organizations, and legitimate not-for-profit organizations. I certainly would not think of abusing the poor taxpayer. That would be the furthest thought from my mind. Since the amendment would raise revenue, and since the chairman of the subcommittee has admitted that we do not have answers to this entire section, if you would accept my amendment, we could proceed with dispatch.

Mr. OLSEN. Mr. Chairman, I rise in opposition to the amendment. I do not have to take long to tell you that this particular section permits a preferred rate for the Eagles, the Elks, the Masonic lodges, and the Knights of Columbus as well as educational, scientific, philanthropic, and agricultural organizations. It does provide this exceptional rate for rural electric co-ops, too. But we are not dealing with that subject tonight. We are not dealing with that subject in this bill. We are trying to raise rates. We are not trying to make distinctions between people in a class.

I think that probably the Committee ought to take up the subject of distinguishing between people or between groups in a different class or make differences within a class. But that is not what we are attempting to do at this time. I think that rural electric co-ops should continue to have the same preferred rate as other fraternal organizations until we can review the whole class. We cannot do that in relation to this bill at this time.

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

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

Mr. DERWINSKI. You could still review that whole class even after my amendment is accepted.

Mr. OLSEN. No; I do not think we can, and I do not think the amendment ought to be accepted. I do not think we ought to do anything about this section of the bill until we take up the whole of that section and make distinctions at another time.

I hope that the amendment is defeated.

Mr. STRATTON. Mr. Chairman, I rise in opposition to the amendment. I think this amendment is very much out of place.

It is scarcely wise to suggest that we ought to put a special burden on the rural electric cooperatives across the country at the very moment when the farmers of the country—those who are sharing least in whatever prosperity we have today, and for whom the rural electrification cooperatives over the years have fought to obtain the benefits of electricity and modern mechanization for farmers in upstate New York, and elsewhere, as the gentleman from New York [Mr. Dow] mentioned so eloquently a moment ago—are struggling to try to keep their heads above water. We have had dozens of Members of the House who have petitioned the Secretary of Agriculture in recent weeks to help the farmer. Now we are going to single our farmers out for special punishment? This amendment would take it out of the hides of our farmers by increasing the rates for even the small publications of the rural electric cooperatives that have tried so hard to help these farmers.

I think the amendment ought to be overwhelmingly defeated.

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

Mr. STRATTON. I yield to the gentleman from Texas.

Mr. CABELL. Mr. Chairman, I would like to ask a question of the gentleman from Illinois. Would he include SNCC, also, in taking any exemptions from them?

Mr. DERWINSKI. Mr. Chairman, I certainly would think they do not qualify as a nonprofit organization.

Mr. CABELL. I thank the gentleman.

Mr. DERWINSKI. May I point out to the distinguished and brilliant and eloquent gentleman from New York this.

Mr. STRATTON. Mr. Chairman, I will be glad to yield to the gentleman from Illinois if he wants me to yield to him.

Mr. DERWINSKI. Mr. Chairman, is the gentleman being perfectly logical when he said we should not take this one

iota of postage out of the hides of the cooperatives, what about the taxpayers of the country? The gentleman did not shed a tear over that.

Mr. STRATTON. I do not think the gentleman understands farmers or farm cooperatives, and I think other Members of the House do, and I think they will vote down his amendment.

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

The question was taken; and on a division (demanded by Mr. DERWINSKI) there were—ayes 51, noes 90.

So the amendment was rejected.

AMENDMENT OFFERED BY MR. HECHLER OF WEST VIRGINIA

Mr. HECHLER of West Virginia. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. HECHLER of West Virginia: On page 24, strike out line 15 and all that follows down through the second period in line 14 on page 25, and insert in lieu thereof the following:

"THIRD-CLASS MAIL

"SEC. 107. (a) (1) Subsections (a) and (b) of section 4452 of title 39, United States Code, are amended to read as follows:

"'(a) Except as otherwise provided in this section, the postage rates on third-class mail are as follows:

"'Type of mailing	Rates: Mailed prior to Jan. 7, 1968 (cents)	Rates: Mailed on and after Jan. 7, 1968 (cents)	Unit
(1) Individual piece	5	6.0	First 2 ounces or fraction thereof.
	2	2.0	Each additional ounce or fraction thereof.
(2) Bulk mailings under subsection (e) of this section of—			
(A) Books and catalogs of 24 pages or more, seeds, cuttings, bulbs, roots, scions and plants.	12	18.0	Each pound or fraction thereof.
(B) Other matter	18	24.0	Do.
(C) Minimum charge of—			
(i) Regular	2⅞	4.5	Per piece.
(ii) Qualified nonprofit organizations	1.25	2.25	Do.

"'(b) Matter mailed in bulk under subsection (e) of this section is subject to a minimum charge for each piece. The minimum charge for each piece on such matter is the minimum charge prescribed by this section, as applicable.'.

"(2) Subsection (e) of section 4452 of title 39, United States Code, prescribing the annual permit fee for third-class bulk mailings, is amended by striking out '$30' and inserting in lieu thereof '$40'."

Mr. HECHLER of West Virginia (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

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

There was no objection.

Mr. OLSEN. Mr. Chairman, will the gentleman yield for a motion?

Mr. HECHLER of West Virginia. Mr. Chairman, I yield tc the gentleman from Montana.

Mr. OLSEN. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker pro tempore (Mr. ALBERT) having resumed the chair, Mr. PRICE of Illinois, 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. 7977) to adjust certain postage rates, and for other purposes, had come to no resolution thereon.

GENERAL LEAVE

Mr. OLSEN. Mr. Speaker, I ask unanimous consent that all Members have 5 legislative days in which to revise and extend their remarks on the bill, H.R. 7977, and to include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Montana?

There was no objection.

JUSTICE BY CONGRESSMAN HENRY B. GONZALEZ

Mr. MADDEN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks, and to include an address by the Honorable HENRY B. GONZALEZ.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. MADDEN. Mr. Speaker, last Friday evening, October 6, my colleague, HENRY B. GONZALEZ, of Texas, was the principal speaker at the annual meeting of the Urban League in the city of Gary, Ind. The following are excerpts from his speech to the citizens of the Indiana Calumet region:

JUSTICE

The pledge of allegiance of the United States says, ". . . one nation under God, with liberty and justice for all." The very foundation of this country is stated in those words—liberty and justice. For you cannot have one without the other; you cannot have justice without liberty, and you cannot have liberty without justice. The question always before us is whether we possess these abstract ideals, whether they really do exist, because we know that when the ideals of liberty and justice perish, so will the American dream, and so will the American experiment.

There can be no doubt that Americans have passionately believed in the principles of liberty and justice; these precepts are spelled out in the Constitution and the Declaration of Independence; they have been tested in the crucible of war; and they have been tested in debate, in suits at law; and in every conceivable way. The question before us now is whether we still believe in these principles, and whether we are willing to support them with our determined energies.

The question faces every American, every day: what is justice; and what will I do to support my belief in it? It is a question that must be answered every day, in a thousand ways and in a thousand places; it is an issue facing judge and juries, schools and cities, states and armies; and the issue hangs in the balance in every choice. Be it in Houston, Boston, Los Angeles or Gary, the issue faces us all. Justice does not always prevail because not all men are just; but it is the mark of honor of our country that more often than not a man can know that here, more than in any other place in the world, he has a fair chance to obtain justice.

I believe that all of us share a common faith and heritage; and our belief is stronger than even we ourselves may suspect. All of us have learned the some phrases from history, the same lines from poetry that express this heritage. And most of us believe words like these:

As for me, give me liberty or give me death; if this be treason make the most of it; If they mean to have a war, let it begin here; We hold these truths to be self-evident—life, liberty, and the pursuit of happiness; Where liberty dwells, there is my country; Liberty and union, now and forever, one and inseparable; Government of the people, by the people and for the people; With malice toward none; with charity for all; with firmness in the right as God gives us to see the right; I shall never surrender nor retreat; We have nothing to fear but fear itself.

There are those who believe in neither freedom nor justice. There are those who want not simply redress of their grievances, but revenge as well. There are those who are so disillusioned that they prefer to leave this land altogether rather than continue living in it. There are those who would withdraw from society, even though they want the blessings of living in it. These are the voices of despair and the prophets of gloom, and they are made possible only by failure. Wherever there is failure of our society to provide for men's wants, there arises discontent and sometimes disorder. It is the tragedy of failure that makes it possible for the vendors of hate to exist and be heard. But I believe that the American dream is still full of hope for all of us; and I believe in the ultimate and final triumph of good over evil, and I believe that men know the difference between wisdom and folly. I believe, as Carl Sandburg did, when he was moved to write:

"Across the bitter years and howling winters
The deathless dream will be the stronger
The dream of equity will win."

The question for us, I believe, is not whether we believe in equity, or in justice, because I believe that we do. The real question is what this ideal is, and how it can be achieved or realized.

Justice is more than a legal device, or a legal guarantee. In its essence, justice is the right of every man to be judged on his own merits, and not on any other quality.

When all men are accorded this right to be judged according to merit, then we will be closer to a just world and a just society.

But justice must consist of more than just being permitted an honest evaluation. Justice demands equal opportunity—equal opportunity for jobs and for education and for all the benefits of life. Every man must have an equal right to live, to work and to be educated. These are things that cannot be restricted to some men because they are wealthy and denied others because they are not; these are privileges that should belong to all men, not just those who live in the right neighborhood or have the right religion or the right name or the right skin.

I have spent a good part of my life seeking justice; justice for myself, for my children,

and for other people. I have known hard times, and I have known deep hurt, and deep resentment; and I have known the anger that stems from being the victim of injustice. But I have also known success, and I have discovered that people are in fact willing to elect for decency over bigotry, and people are in fact willing to elect to judge on the basis of merit rather than any other fact. If this were not true, I would not be here today; I would never have been elected to Congress, or to the senate of the State of Texas; and if this were not true I would never have been elected to the city council of the City of San Antonio.

I have seen campaigns when attempts were made to submerge me in a sea of hatred, or wash me away in a tide of bigotry. But the people who elected me saw through these shabby tactics; they overcame fear, they overcame prejudice; they overcome vicious attacks, and gave me the right to run on my own merits, on my own record, and on beliefs. I have the privilege of being told that I was the better man—notwithstanding all efforts to cloud the issues—notwithstanding anything the opposition could do. I have the privilege of having been the first man with a Spanish surname to be elected to the Texas senate in a period of a hundred years; and one of the few men of such background to have been elected to Congress. I tell you this not because I am bragging; I tell you this not because I am lacking in humility, for I am above all else grateful to the people who have placed confidence and trust in me; but I tell you this because my experience proves that people are fundamentally decent.

Surely there have been those who have threatened me, and there have been those who have called me names; and there have been those who have hated me for no other reason than that I am what I am. But the mass of people have been honest, forthright and decent; and the vast majority of people have been willing to take me at face value. That is justice. It may be unjust that I am sometimes disliked for some irrational reason; but it is pure and simple justice that no man has in my city of San Antonio attempted to run on a platform of hate or bigotry and had any success in the last two decades.

This is an experience every electorate must go through sooner or later. Every electorate has been or will be subjected to the call of the bigot, and will know the words of the purveyors of hate; and every electorate will have to listen at one time or another to a professional racist. The test of our country will be, time and time again, in place after place, whether we will be swayed by the unscrupulous, whether we will elect our public officers on rational or irrational bases. I have complete faith and confidence that there will not be many elections bought by hate or sold by distrust. I believe people will act for what they believe in, and that what they believe in is justice.

But it is not only at the ballot box that elections must be made. Every time open housing is debated the specter of bigotry hangs behind elegant words. It is claimed that open housing will depress property values; but the real truth is that property values go down only if a man doesn't believe in the value in the first place. It is said that open housing would create chaos, but in fact chaos can only come if men accede to the cires of the violent, and shun order for themselves. The real issue will some day be brought out into the open, and debated, and that issue will be this: does every man have the right to live where he pleases to live or does he not? And the answer to that question must be clear, if it is answered with any sense of decency at all. So this is an election that ultimately every man must participate in as well—every man must decide whether liberty is only for a few and not for others, or whether liberty is for one and all. And this election will not be conducted at the ballot box or in the voting booth; it will be conducted in every neighborhood, and by every man who lives in the nation.

Not only open housing must be decided, but a thousand other issues as well—equal employment opportunity; equal promotion opportunity; equal opportunity to participate in the market place of ideas and in the marketplace of commerce; equal opportunity for education. In a few places there must even be a decision about equal access to the graveyard. And in every case this election will be for justice or injustice, for liberty or lack of it; for good will or for animosity; for prejudice or for common decency; for good or evil.

We must all remember this: what affects one man for good or evil also affects other men in the same way. Society is like a pool of water; if you throw a pebble in a pool of water, the effects are spread over the whole surface of that pool, until the whole pond has been affected and disturbed.

I am a man of Mexican extraction. I can say in all honesty that if it had not been for the Negro, and for Negro progress, discrimination would still be as bad against the Mexican-American as it ever was.

Right after World War II it was a common practice to employ restrictive covenants in real estate deeds. These covenants would deny access to property if you were quote "Negro or Mexican." This was discrimination against me as well as my black brothers. In fact this discrimination was so bad that during World War II, a man of Mexican extraction who had been killed in combat was denied a funeral in his home town cemetery—only because he was a Mexican, or "Meskin" as they pronounce it in that town. It took the efforts of strong men to find that dead hero a place to rest, and to shame those who would have denied it to him. I am glad to say that President Johnson, who was then in Congress, was among those who corrected this problem. But suppose no one had acted—how many more men would have been denied even a grave, after having died for their country in a war which ironically enough was directed against fanatical race hatred. This problem is still with us, even today; but I say to you that it is better now, and will become better yet, because the conscience of this country has been touched, and has been found responsive.

Restrictive covenants affected me after World War II, and they affected Negroes also. But I could not afford a lawsuit to challenge the legality of this practice; and the Spanish minority could not organize itself to finance such a suit. It was up to the Negro to lay down the challenge and take the issue to court. And it was done. I remember well that 1948 decision which struck down this barrier. It was not only for the Negro—it was for *all* Americans—Jew and Gentile, Negro and Mexican, Indian and Oriental—all of whom suffered from this odious practice.

Jone Donne wrote three hundred years ago, "no man is an island entire of itself." And it is true, more true now than ever. And so are these words: "Any man's death diminishes me, because I am involved in Mankind; and therefore, never send to know for whom the bell tolls; it tolls for thee."

When there is progress for any segment of America, that is also progress for all Americans. If any ethnic minority suffers an indignity or humiliation, or is the victim of some discriminatory practice, all of society suffers. And if the Negro suffers, I share the suffering, because the same affliction cast on the Negro is cast on me. For all of us are in the same society. Whatever benefits any part of society benefits all of it; and whatever harms some part of society harms all of it. Whenever a man is great, it does not matter who he is or what he is; all of society and all of mankind benefits from his greatness. It did not matter that Einstein was a Jew and Fermi an Italian; what mattered was that they discovered the secret to the keys of the universe. Nor does it matter that Sam Houston was a half breed; what matters is that de did as he saw best, and all of us are the benefactors of his courage. It did not matter that Santa Anna was a Mexican, either—for Mexicans and Anglos alike suffered under him.

Justice is blind, and so is progress. If we believe in these ideals, and we practice them, we all benefit; and if we fail to believe in them and practice them, or if we fail to practice these ideals for everyone, then we have also failed ourselves. And it is not only a matter of believing; we must act on our beliefs.

No one benefits if you believe in progress and the best man and don't vote for your beliefs. All that happens is that you have a guilty conscience and the electorate is denied one good strong voice.

I do not pretend to believe that I know the solution to all the problems of mankind. I am not blind to the fact that injustice and intolerance exist; nor do I underestimate the strength of the obstacles that lie in the path of human happiness and liberty. What I have seen sometimes makes me wonder whether progress is attainable at all; but what I have seen also gives me cause to know that progress is possible, and that it is happening and that it cannot be halted. But justice does not exist simply because we believe in it, and progress does not come only because we want it to; for nothing exists in a vacuum and for anything to move inertia must be overcome.

If a man believes in justice he must exercise that belief. If he sees another man being treated unjustly he must come to that man's defense; and if he sees unreason he must not be content with privately being dismayed or saddened; he must act publicly against unreason. It is not enough to hold private grief against public prejudice. It is not enough for a man to believe if he lacks the courage of his convictions.

You are here because you believe in action rather than apathy, and I congratulate you for that. You will be the movers of your community, and the shapers of public opinion, because you care and you care enough to say that you do. You do a great service, perhaps greater than you even realize by being here, and by working throughout the year in the cause of human dignity and honor.

THE GOP CONSISTENCY GAP VERSUS DEMOCRATIC ACCOMPLISHMENTS

Mr. EDMONDSON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks, and to include a speech by the President.

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

There was no objection.

Mr. EDMONDSON. Mr. Speaker, we are witnessing a growing consistency gap among the leading Republican presidential hopefuls who seem to change their positions on the major issues with each phase of the moon and every shift in the public opinion polls.

It is obvious, Mr. Speaker, that these Republicans are tailoring their speeches to fit what they believe is the drift of public opinion, particularly in relation to Vietnam and racial problems.

And while there may be one Republican running ahead of other rivals—not one of these candidates has demon-

strated the high degree of courage or leadership that would show him capable of being a national leader—out in front of the people.

The kind of politics many Republican leaders are playing can be described—at best—as the politics of hypocrisy. Never in American political history have so many candidates changed their positions so often in so short a period of time.

For example, Governor Romney tells a Negro group that he favors desegregated housing. Then he goes to a group of white suburbanites and tells them he is opposed to open housing laws.

Governor Reagan goes around the country demanding cuts in taxes and big cutbacks in Government spending. But in his first 6 months as Governor of California he has raised taxes 25 percent, the largest tax increase of any State at any time in the history of this country.

Meanwhile, Governor Rockefeller claims to believe that Governor Reagan is doing an excellent job—even though nearly every Reagan State policy is diametrically opposed to Rockefeller's policies in New York.

And, of course, Richard Nixon is up to his old tricks of trying to be on all sides of all issues to please everybody.

Mr. Speaker, if there is one consistent theme in all this Republican verbiage it is that the Democratic administration has done nothing right in the past three and a half years. And whatever is wrong with America or the world can be blamed on Lyndon Baines Johnson.

Some Republicans argue that he is too tough on Vietnam; others that he is too moderate. Some of them charge that he has done too much to help the Negroes and other minorities; others say he is doing too little.

To their minds: The crime rate is the President's fault.

Highway death tolls are the President's fault.

Even deaths caused by smoking are the President's fault.

And so it goes. But, Mr. Speaker, let the record show that these Republicans have yet to offer meaningful alternatives to the President's policies, or any programs of their own.

This kind of negative politics is a Republican trademark. We know it well here in Congress, where it is continually expressed in massive Republican votes against each and every administration program, across the board.

Mr. Speaker, how fortunate Democrats are to belong to a party that practices positive politics—that works to vote for legislation in the people's interest.

I can think of no greater contrast between our two parties than to compare the Republican brand of oratory with the magnificent address delivered Saturday evening by the President at a Democratic dinner here in Washington.

The President has made it clear: We Democrats believe in the politics of accomplishment—in a program of hope to improve the measure and quality of life in our land.

I urge my Republican colleagues to read the text of the President's speech and discover what responsible politics in the 1960's is all about.

I include the President's speech in the RECORD:

REMARKS OF THE PRESIDENT AT THE PRESIDENT'S BALL, WASHINGTON, D.C.

Thank you so much, Mr. Vice President, Mrs. Humphrey, distinguished Governors and outstanding Mayors of the Nation, Members of the Cabinet, Members of the Congress, and my beloved friends.

This is a very enjoyable evening. It is very thoughtful, to say nothing about how generous it is of you to bring us all together for this most pleasant evening.

I have been watching the polls pretty closely here of late. As you might imagine, I like some of them quite a lot more than I like others. The ones I like best are those that like me best.

But in this era in which we are living, I wasn't too sure of their credibility—so the other day I just went out and had a poll of my own made.

You may be interested. The question went this way:

"If President Johnson were to run against the following nationally known Republican leaders, who would you vote for?"

The first pairing showed:

Lyndon B. Johnson: 73%

William E. Miller: 27%

Then we added another picture that would involve the entire ticket. The second pairing dealt with the ticket of both President and Vice President. Once again I am happy to report that I think we did very well under the circumstances.

Lyndon Johnson and Hubert H. Humphrey—71%

Harold E. Stassen and Ezra Taft Benson—29%

I think I should tell you that we circulated our poll among leading editors throughout the country—and other experts. The response seemed to be very good. One telegram I remember came in from a very important national magazine. It said:

"Congratulations, Mr. President, on a very fine and well conducted poll."

It was signed, "Editor, Literary Digest."

A President, of course, sees a great many expressions of public opinion. The other day someone handed me this evaluation of the state of the world:

"The earth is degenerating these days. Bribery and corruption abound. Children no longer mind parents. Every man wants to write a book and it is evident that the end of the world is approaching fast."

I wondered who the columnist was. Later I discovered that, whoever he was, he wrote what he had to say on an Assyrian tablet almost 5,000 years ago.

You don't have to look far to see the same kind of thing today—much of it is directed at the man in the kitchen that President Harry Truman talked about.

Some people think we are spending too much, and some think we are not spending enough.

Some people think we shouldn't raise taxes, and some think we should have raised them last year.

Some think that we are not doing enough for the people in need, and some think we have done too much already.

Some think we should escalate the war in Vietnam, and some think we should get out of there tomorrow.

There is no lack of advice—however contradictory. In the crises of this hour—as in all others that we have faced since our Nation began—there are plenty of recommendations on how to get out of trouble cheaply and fast.

Most of them in the last analysis really come down to this: Deny your responsibilities.

In world affairs, behave as if you were a small nation with few interests; behave as if the oceans were twice as wide as they really are; behave as if you don't care what happens to people with different tongues or different cultures, or colors of skin—so long as they aren't shooting at your house—just now.

Here at home, behave as if every baby is born with the same chance to succeed in life—although his crib may lie in the squalid back room of a slum. Behave as if rats were funny—too funny to fight with Federal help. Behave as if health and education and jobs were somebody else's concern—not yours. Behave as if the farmer is getting as much as he deserves. Behave as if you have no interest in helping local authorities protect their communities from crime and violence. Behave as if runaway inflation is inevitable—above all, never send up a tax bill designed to fight inflation.

I hear and read a good deal of this kind of advice. It is much more subtle than I have described it tonight, more "reasonable". It is the voice not of the dove or the hawk, but of the ostrich.

Be certain of this—in the time that I have been given to lead this country, I shall not follow that kind of advice.

The Democratic Party has never chosen the road of irresponsibility. In the 1960's, America, under Democratic leadership, has faced up to the poverty and discrimination in its midst. It has not yet mastered them. But it has started—started on the road toward mastery—toward healing and educating and training and employing those whom life was passing by.

This party, and the programs it has inspired and legislated and turned into action, has set a standard in the 1960's by which every Administration that follows must be judged.

For it was we who said poverty must be abolished—a good education must be the birthright of every child, our cities must be made fit for a free people, the environment must be cleansed and protected for every family, our streets must be made safe for law-abiding citizens, and basic human rights must be made real for every man and woman among us.

Let them say that we have aroused expectations. So have all of those who have liberated men from dreamless sleep and sullen apathy—and set them on the way to becoming what their Creator intended them to be.

Let them say that we have not accomplished our goals entirely—that there is still ignorance and misery and despair in our cities and rural towns. Yes, there is—and there always will be, unless America completes the work we have already begun in these seven years.

My friends, next year will be a testing time for America.

The question our people are going to have to answer is clear:

Shall we go on building?

Or shall we become discouraged with ourselves, impatient that the work is not yet finished? Shall we bury all that we have begun—begun with such hope and promise—and bury it in a shroud of inaction and reaction?

You here tonight have come a long way to give your answer. Every State in the Union is represented in this hall tonight.

You are making it possible for the party that believes in building to take its case to the people—to tell them what we promised to do on that August evening in 1964 at Atlantic City we have done—and that America is a richer and stronger and fairer Nation today because Democrats made it so. And we have only begun.

Our party and our country is greater than any of us. It is entitled to the best from all of us.

As for myself, my first and last business is

trying to win and trying to secure the peace. That task will take all that I have—and I shall give it gladly.

So tonight I tell you that I will work as hard as any man can work for his country, and I will do everything in my power to build a record for our Democratic Party that America will enthusiastically embrace 13 months from now.

I regret that I cannot predict, this evening, when the issue that most concerns us will be resolved.

I do know that we are following the road of responsibility in Vietnam, as we are here at home. I know—I know probably as well as any man, save those who are fighting for us out there tonight, at this very hour—that it is a rough road to travel. But the road, I think, does lead to a free Asia—and the road does lead, I think, to a freer and a happier and a more secure United States.

I believe the American people will follow its course—not blithely, not cheerfully—for they all lament the waste of war; but they will follow it with a firm determination, now that we have begun it, to see it through all the way.

A very brave man, reflecting on the years that lay ahead for his country, back in 1960, had this to say:

"Now the age of consolidation is over and once again the age of change and challenge has come upon us."

The result, John Fitzgerald Kennedy said, is that

"The next year, the next decade, in all likelihood the next generation, will require more bravery and wisdom on our part than any period in our history. We will be face to face, every day, in every part of our lives and times, with the real issue of our age—the issue of survival."

So we are.

I live with that knowledge.

I live every day with the responsibilities it entails—with those our country bears, because it is the strongest and it is the freest of all nations, and also with those that I bear, because of the office I hold.

If I may, let me speak quite personally to you for a moment.

I have—as you know—spent my entire life in the political arena. I treasure the support of our people. I treasure that support as much, I think, as any man could. And I know, as you must know, that there are many who suggest ways to increase that support—temporarily—by softening or renouncing the struggle in Vietnam, or escalating it to the red line of danger; by giving in and retreating on the tax proposal; by abandoning the fight against discrimination—the fight for the poor—here at home.

Some say there is short term political gain for me, and for our party, if we could follow this kind of a course.

But what about a year from now? What about five years from now? What would choosing that course mean—not just for Lyndon Johnson, not just for the Democratic Party, but for the glorious United States of America?

It would mean, in my opinion, greatly increasing the chances of a major war—not this year, but in the years immediately ahead.

It would mean imposing a far more onerous tax, a tax of inflation, on all of our people—and the poorest among us—not just this year, but next year.

It would mean dooming our cities to angry strife and squalor—in every year yet to come.

So we do have a choice.

We can take the easy road tonight, denying our responsibilities, hoping that a rise in our polls will compensate for what we ought to have done for our country.

Or we can take the harder road of responsibility. We can do what we believe is right for our children's future, though it may mean a great deal of present pain.

I have made my choice. And I pray that I—and we—will have enough of that bravery, unselfishness and wisdom that Jack Kennedy said we would need—to see it through, all the way.

Just an additional minute. I won't be long. You have been here too long already, I know.

This is not in the text, but I want to say it while I have the chance.

This party tonight, this salute, should have been given to the man who really deserves it. The next one that the Democratic Committee gives is going to be for the man who deserves it more than any Vice President who ever served this Nation—Hubert Humphrey.

And to those great Governors of great Democratic states, those outstanding mayors from Chicago, Pittsburgh, Philadelphia, from throughout the country, who have come a long way to be here tonight to give us their support and their inspiration, to those of you who have made sacrifices from your family and your own luxury to come here and make it possible for your country to get the truth message, I want to tell you that we are so grateful.

It gives us such encouragement and strength to know that all of you in this room, and in the other room, would want to do what you have done.

To the National Committee, the Chairman and Vice Chairman, Mr. Bailey and Miss Price, to Mr. Criswell, who has done a remarkable job, want to say thank you very much.

This is not a group of big men, rich men. This is not a group of little men and poor men. This is not a group from the Eastern Seaboard or the West Coast.

This group comes from every state in the Union—more from New York, Illinois, Ohio and Pennsylvania, some of the larger states, than from the smaller ones. But every state has sent someone here tonight.

The person who is most responsible for that, and the person who is most responsible for ridding us of all the troubles and heartaches that come from trying to meet leftover bills, is a quiet, silent, humble man from New York named Arthur Krim, who the people who believe in the Democratic Party owe as much to as any man who ever served the Democratic Party.

Thank you very much.

ADMINISTRATION ATTEMPTS TO DEFEAT ECONOMY DRIVE OF CONGRESS

Mr. THOMPSON of Georgia. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks, and to include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. THOMPSON of Georgia. Mr. Speaker, I rise today in protest to the brazen, transparent attempts now being made by the administration to defeat the economy drive of the Congress through fiscal trickery and verbal chicanery.

From past experience, I am not surprised by what is occurring at present. The administration is threatening once again to resort to its old dodge of withholding highway trust funds and delaying interstate highway construction. This is being done to bring pressure to bear to save the White House from economy drives of the Congress.

Telegrams have gone out from the Transportation Department to the Governors of all the States, inferring that if this Congress continues to press for economy, this may well result in delaying construction of badly needed expressways in urban areas. The inference was oh, so subtle, but the meaning was there.

Next we should expect to hear of the President making cuts in the school lunch program and stating that old-age pension and social security is endangered by an economy-minded Congress. But never do we hear of his calling for a cut in foreign aid or cutting funds to study how to increase trade with Communist countries supplying bullets to kill American boys in Vietnam.

The tactics of the President's administration make it clear that he does not seek true economy, but will attempt to forestall spending cuts in his pet nonessential areas. This he will do by stating that cuts, if required by Congress, will be made where it hurts the most and in the most beneficial programs in an effort to promote an outcry for continued spending.

What would be the effect, the Governors were asked, if Federal highway construction was cut this year by up to 50 percent—from $4.4 billion to $2.2 billion?

The President knows full well what the effect will be even before he asks the question, and the reaction was predictable, and instant. The Governors are replying the States cannot afford any such construction delays. Already the Governors of Maryland, Virginia, Ohio, Iowa, New Hampshire, Nevada, Rhode Island, Maine, Vermont, Illinois, Alaska, New Mexico, Arkansas, and my own State of Georgia have responded in opposition.

If this tactic had not been tried once before, perhaps we could overlook it or even excuse it. But this is the same ploy that was used late last year when the administration found itself in another economy squeeze. It promptly announced a freeze on Federal road construction, and produced the howl of protest we all remember too well. And what did the administration reply so piously? "But you wanted economy and now that I have given it to you, you do not want it." Of course, this is not economy, but sheer blackmail.

Mr. Speaker, I cannot help but recall an old saying which goes:

Fool me once, my mistake; fool me twice and seal your fate.

This time, this Congress will not be fooled—and we will not allow the people to be fooled, either. This Congress is not like some giant orchestra which can be made to play any tune the director wants each time the bass drum of protest is boomed. And the chief executives of our States are not going to be treated like a company of "Charlie McCarthy's" who will speak out each time the "Edgar Bergen" in the White House wills them to.

Mr. Speaker, the tactic disclosed in the morning press is despicable and dishonest. Those of us in the Congress know full well that highway trust funds can-

not be used for any other purpose. We know that delaying the expenditure of these funds will not produce one jot or tittle of economy, because these funds are not part of the regular budget. But the man on the crowded highways, fuming at his delay, does not know this, nor do many of the chief executives of our States realize this. The administration is once again trying to play upon this lack of knowledge and understanding through outright misrepresentation to whip this Congress into line like a trainer lashing a cage of unruly circus lions into shape, to bend it to its free-spending will.

As for me, I do not plan to jump through the hoop.

Mr. Speaker, I know not what course others may take, but as for me, I say give me honest economy, or give me none.

INFLATION AND THE TAX INCREASE

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

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

There was no objection.

Mr. McCARTHY. Mr. Speaker, the administration has proposed a 10-percent surtax which would average out to about a 1-percent increase in income taxes for the average family.

The President's proposal comes at a time of rising prices and a larger deficit. I believe a tax increase is needed. It is lesser of two evils. Inflation would be a much heavier load to bear.

But I also believe that more strenuous efforts should be made to cut expenditures. The House will tackle this challenge and expects to cut $6 billion from the President's budget request.

I also believe there is a need for tax reforms to plug various loopholes and remedy other inequities, such as the oil depletion allowance.

I have today introduced legislation to plug loopholes and reduce the oil depletion allowance from 27½ percent to 15 percent.

Two articles from the Buffalo Courier-Express, of October 9, 1967, follow:

FISCAL OUTLOOK GLOOMY: FEARS OF INFLATION WORRY WALL STREET

(By Thomas E. Mullaney)

NEW YORK.—Fears of inflation caused concern in Wall Street this week. They were manifest in two ways:

1. Some investors showed no hesitation over paying the highest prices in history for growth stocks.

2. Tension was rising in the bond market, where prices weakened and interest rates soared to their highest levels since the Great Depression.

As a result a mantle of gloom has cloaked the financial community. Wall Street's worries were accentuated when the House Ways and Means Committee last Tuesday deferred consideration of the administration's tax bill in an effort to force agreement between President and Congress on a program for reducing federal spending.

WASHINGTON FIDDLES

Washington was continuing to fiddle while the fires of inflation were gaining intensity.

Price and wage increases were rippling in an ever-widening arc; interest rates were moving up despite the continued easy-money policy, and demand pressures in the economy, sparked by the revival in consumer spending, were assuming greater strength.

One of the most heartening—and at the same time most frightening—of recent business statistics was this week's report on auto sales for September. The month's 9 per cent gain depicted an economy that had thoroughly shaken its springtime sniffles and returned to a state of excellent health—perhaps too robust.

NEW PRESSURE

In combination with the big bulge in consumer installment credit during August (a jump of $344 million, the steepest in nine months), the auto sales gains reflect the ebullient mood of consumers. This could add a new layer of pressure to the economy.

Even before the House Committee's action last Tuesday, the financial community was upset by the disarray in the U.S. fiscal picture with a budget deficit in the range of $28 billion to $30 billion.

"It is no exaggeration," warned Roy L. Reierson, economist for the Bankers Trust Co., "to describe the federal budget as out of control."

It may well be, as administration officials contend, that there is no room for the $5 billion in budget cuts that some members of Congress have been seeking, but it should be possible to trim a few billions from federal outlays for highway, dam, construction and other nondefense, nonurgent programs.

NEW ECONOMICS TUNING FAULTY TO HALT INFLATION

(By Sylvia Porter)

The "new economics" is now failing miserably and the blunt reason why is that the White House and Congress are failing to provide the tools to make it work.

This is a serious accusation in which you and I have a vital bread-and-butter stake. To illustrate, as a result of these failures our cost of living is climbing rapidly, our cost of borrowing money is rising, our dollar's buying power is dwindling, our pensions and savings funds are shrinking in value. But the accusation can be amply documented.

The essence of the New Economics is this:

1. Our national economic goal is a strong, sustained growth which will create high employment, production, paychecks and profits—with reasonably stable prices.

2. When our economy is operating below capacity, it is imperative to give it a combination of fiscal-monetary (tax, spending, credit) policies to speed up the rate of growth.

Among the appropriate stimulating policies would be: income tax cuts to spur consumer and business spending; tax incentives to encourage business investment in plants and equipment; easy and relatively inexpensive credit to stimulate borrowing of money; increasing government expenditures for a wide variety of projects.

3. When our economy reaches the desired rate of growth, the policies should be delicately adjusted to sustain the trend.

4. But when our economy overheats—because of too many stimulants or some overwhelming development such as Vietnam—it is imperative to switch to an entirely different set of tax-spending-credit policies to restrain the rate of growth.

Among the appropriate restraining policies would be: income tax increases to curtail consumer and business spending; suspension of tax incentives to encourage postponement of business investment; tighter credit to limit borrowing of money; stretching out of government expenditures.

Put this way, the New Economics is easy to understand. Actually, economists have been talking in these terms since World War II. The only aspect which is really "new" is that the idea of so fine-tuning the economy has in recent years received recognition at the White House level.

On the upside, the New Economics has worked magnificently. From early 1961 to late 1965, our economy was put into and held in a strong, beautifully balanced expansion by tax incentives, income tax cuts, easy credit, rising government spending.

But in late 1965, with the acceleration of the Vietnam War, the need arose for reversing the policies toward restraint. (This is not 20-20 hindsight! I have the columns in print to prove that top economists began calling for tax hikes, spending cuts and tighter credit back in late 1965-January 1966.)

(The White House, though, did not respond. President Johnson did not ask for tax hikes early in the inflationary upswing. He did not take the lead in cutting back federal spending.

The beautiful balance of our economy evaporated. Although the Federal Reserve System slammed the brakes on credit, price stability was shattered, the basis for inflation was laid.

Now Vietnam is still accelerating and the danger of a 1967 inflation built on 1966's inflation is here and now.

This time, Congress is not responding to Johnson's plea for a tax surcharge. This time each is trying to make the other take the initiative in limiting government spending.

If we mess up our economy because we don't know what to do, our failure is at least excusable. But if we mess up because we won't do what we know we should do, it's inexcusable.

PROFILE OF A BOOM

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

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

There was no objection.

Mr. BOGGS. Mr. Speaker, I take this time to call to the attention of the Members of the House the very thought-provoking article which appeared in today's Wall Street Journal, entitled "Profile of a Boom; Economic Expansion Enters 80th Month, Matches Old Record."

Mr. Speaker, this article outlines the tremendous growth of the American economy since 1961. In my opinion it is worthy of the attention of all the Members of the House of Representatives.

Mr. Speaker, I include the article at this point in the RECORD:

PROFILE OF A BOOM: ECONOMIC EXPANSION ENTERS 80TH MONTH, MATCHES OLD RECORD—GNP SOARS 49 PERCENT SINCE 1961—PROFITS, PERSONAL INCOME RISE EVEN MORE SHARPLY—PROBLEMS: HOUSING AND GOLD

(By Alfred L. Malabre, Jr.)

If the current business expansion continues through next month, it will enter the record books as the longest boom in American history.

Even the more pessimistic forecasters are convinced that the expansion will indeed set a record. The longest expansion until now has been the 80-month business boom that went on during most of World War II, ending in February 1945. The current expansion, which began in February 1961, is now entering its 80th month. Altogether, there have been 26 previous U.S. business expansions, according to records kept back to 1854 by the nonprofit National Bureau of Economic Research. The average length: A mere 30 months.

The full dimensions of the current expansion can be gauged by reviewing some of the changes that have taken place in the U.S. economy since 1961. The magnitude of these changes is impressive, as the following review shows.

Gross national product: At more than $775 billion annually, the nation's output of goods and services has risen some $255 billion since 1961. The gain alone dwarfs the annual GNP of such major nations as the United Kingdom, West Germany and France. The table below translates America's multibillion-dollar economic growth into percentage terms and also shows how rapidly the major components of the GNP total have risen during the great boom:

Percent gain since 1961

Gross national product	49
Consumer spending	46
Government spending	63
Business spending	47

Within the fast-expanding governmental category, the sharpest rise since 1961 has occurred in Federal nonmilitary expenditures, which have soared 77% in the period. Federal outlays for defense have climbed 52%, and overall Federal expenditures are up 56% since 1961. Spending by state and local governments has risen 70%—much faster than total Federal outlays.

Inflation, of course, accounts for part of the GNP rise since 1961. If "growth" stemming simply from higher prices is discounted, the "real" GNP increase since 1961 works out to 34%, rather than 49%.

The consumer-spending category is by far the largest of the various GNP components. This spending breaks down three ways—for durable goods such as appliances and autos, for nondurables such as food and clothing and for services such as medical care and rent. The table below shows how the three subcategories have fared since 1961:

Percent gain since 1961

Durable goods	64
Nondurable goods	39
Services	48

Although spending for durables has risen fastest, the consumer still spends a good deal less for such products than for nondurables or services. Currently, consumers devote about 44% of their budgets to nondurables, 41% to services and only 15% to durable goods. Overall, the statistical breakdown for consumer spending indicates that the economy has not become as "service oriented" as is often suggested. In 1961, consumers spent about 40% of their budgets on services.

The 47% rise in business spending, of course, has brought a big increase in the capacity of the country's factories. U.S. plant capacity has grown by about a third since 1961. This admittedly is less than the dollar rise in business spending, but the capacity rise is based on physical volume of goods and therefore isn't "inflated" by rising prices.

As a result of the 33% capacity increase, U.S. manufacturers are able to produce a far greater volume of goods now than in 1961 without putting undue strain on their production facilities.

At present, U.S. factories are using about 85% of their capacity, on average, well below the 90%-plus operating rates at which severe strains traditionaly begin to show up. At operating rates above 90%, overtime costs rise sharply, and many producers are forced to use inefficient facilities that would otherwise stand idle or be scrapped.

Personal income: The rapidly rising earnings of most Americans have supplied much of the fuel for the economy's long climb since 1961. The personal income of Americans now exceeds $631 billion annually, some $215 billion more than the 1961 income total. The rise reflects a variety of factors, not just the steadily climbing wages and salaries of all sorts of workers. The table below lists the key income sources of Americans and shows how rapidly each category has risen since 1961:

Percent gain since 1961

Total personal income	51
Wages and salaries	53
Fringe benefits	86
Dividends	71
Interest income	87
Income from rent	26

As in the case of service spending noted above, the income record since 1961 holds some surprises. Landlords' income from rent has risen only half as fast as overall income, a fact that should surprise many tenants. And income from interest and dividends on investments has climbed much faster than income from wage and salary payments, a fact that may give some second thoughts to people who worry that labor is getting far more than its share of the income pie; fringe benefits paid to workers, however, have risen much faster than wages and salaries.

At present, dividend and interest payments make up about 11% of total personal income. This compares with only 9% in 1961. Wage and salary payments make up 67% of the total, about equal to 1961.

The overall rise in consumer income is considerable even if rising prices and an increasing population are taken into account. After-tax per-capita income in the second quarter reached a record annual rate of $2,388 in terms of 1958 dollars. This was 25% higher than the comparable 1961 per-capita figure. In the view of many economists, this income measurement comes as close as anything to a "standard-of-living" index for the U.S.

Accompanying the big rise in consumer income has been a big rise in consumer savings. These savings have recently been running at an annual rate of about $36 billion, up 70% from the 1961 level (a sharper rise than the 65% increase in consumer credit outstanding over the same period). Time deposits in commercial banks have attracted the largest share of these savings.

The rise in consumer income reflects a massive improvement in the U.S. employment picture during the economic expansion. Many more jobs exist, workers toil longer hours and pay levels are considerably higher.

Today, there are more than 76 million civilian jobs in the U.S., up from less than 66 million in 1961. The increase exceeds the population of New York, the nation's largest city. The rise in jobs not only has opened up work for the country's increasing population—there are 15 million more Americans now than in 1961—but has given work to millions who couldn't get jobs early in the decade. Unemployment in the nation is below the 3 million mark; in 1961, it was close to 5 million.

Employes generally work a longer week now than in 1961. In manufacturing, the average workweek of nearly 41 hours is almost a full hour longer than the 1961 work week. In the construction trade, the average workweek has recently exceeded 38 hours, up from less than 37 in 1967. An exception: Retailing, where the average has dropped from more than 38 hours in 1961 to less than 36 recently. Factors in the retailing trend, say analysts, include the increasing use of part-time employes and self-service in stores.

Most employes, moreover, are receiving much more pay per hour. The average hourly pay level in manufacturing is about $2.80, up from $2.32 in 1961. In constructions, the average is nearly $4.10 an hour, some 30 cents higher than in 1961. In retailing, the average pay level is about $2, up from $1.68 at the start of the expansion.

Corporate profits: The climb of corporate profits during the long boom has been even more spectacular than the rise of consumer income. The before-tax earnings of U.S. companies currently total nearly $80 billion a year, up from $50 billion in 1961. Within the broad corporate category, however, there has been considerable variation between different types of industries. The table below shows the overall profits rise, plus the gains for particular groups.

Percent gain since 1961

Total corporate profits	57
Durable goods makers	85
Nondurable goods makers	49
Transport and utilities	51
Finance and miscellaneous	44

In 1961, the profits of durable-goods makers totaled some $500 million less than those of nondurable-goods producers. Currently, however, durables firms are earning some $3.3 billion a year more than nondurables companies. The big boom in auto-buying in recent years is a major factor in the profit rise for durables. It should be noted, however, that the durables group traditionally fares extra well in expansion periods and extra badly in recessions. The other categories listed above generally react less dramatically to changes in the overall course of business.

A footnote to the profits story: Since 1961, the after-tax earnings of corporations have climbed 71%, a considerably faster rise than the 57% gain in before-tax income. This, of course, reflects the 1964 income tax cut.

To be sure, the economic record of the U.S. since 1961 is not without blemishes.

LAGGING HOME STARTS

New-home starts last year totaled less than 1.2 million units, actually down from the 1961 level of 1.3 million units and far below the 1963 level of 1.6 million. In recent weeks, housing has shown some signs of a pickup, but the industry's record still stands in bleak contrast to the general economic boom since 1961.

In part, the housing industry's trouble reflects overbuilding at least of middle and upper-income housing in the earlier post-World War II years. The mortgage funds for home building have been relatively scarce at times during the boom. Ironically, if other segments of the economy hadn't been so strong in recent years, there doubtless would have been more money available for home building, and the industry almost certainly would have fared better.

The U.S. gold supply also has declined during the long expansion. The Government's coffers now hold some $13 billion of gold, down from more than $17 billion at the beginning of the expansion.

Technically, this drop has occurred because the U.S. has been spending more dollars abroad than it has been taking in from foreigners. Foreign governments, in turn, have been buying U.S. gold with many of these dollars at the Treasury's offering price of $35 per ounce, a price that many foreign officials apparently feel is a bargain.

But the deeper cause of the gold drain involves the growth rate of the U.S. economy. If the economy hadn't grown so fast in recent years, there probably would have been less price inflation, and the U.S. trade surplus—the excess of exports over imports—would no doubt have held up better, thereby curbing the outflow of dollars and gold. The U.S. trade surplus actually has declined about 5% since 1961. Without a trade surplus to bring some dollars into the country, the flow of U.S. funds abroad to support foreign-aid projects, troops overseas and other foreign programs would reach intolerable proportions, most economists believe.

Perhaps the most lamentable blemish in the boom is the high unemployment rate for teen-age Negroes—25% in 1961 and 25% in boom time 1967. Another dismal statistic: Some 7.8 million Americans are on relief at present, about 600,000 more than in 1961.

THE LONG BOOM PROMPTS ANALYSTS TO ALTER VIEWS

The long business boom has caused some economists to alter their ideas about business growth.

A recent survey of more than 300 members of the National Association of Business Economists found that the group generally believed the country's gross national product would grow at a yearly rate of more than 4% between now and 1975—even after allowing for "growth" due to rising prices. In a similar survey in 1962, the prevailing view was that "real" GNP would grow only about 3% annually over roughly the same period.

Another change: In the 1962 poll, six of every seven economists favored a tax cut to spur business, while now three of four want a tax increase to cool business off a bit.

FEDERAL GRAND JURY INQUIRY INTO THE POLITICAL SPENDING OF LAWRENCE CALLANAN'S STEAMFITTER UNION

Mr. HALL. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and include pertinent material.

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

There was no objection.

Mr. HALL. Mr. Speaker, according to an article in the St. Louis, Mo., Globe-Democrat, the Justice Department has sent two of its criminal division attorneys to St. Louis to conduct a Federal grand jury inquiry into the political spending of Lawrence Callanan's Steamfitter Union. This action follows my earlier effort to secure a Federal investigation into alleged violations, by this union, of the Federal Corrupt Practices Act. I trust this investigation will be vigorously pursued and under unanimous consent I insert this article, at this point, in the RECORD:

POLITICAL SPENDING UNDER FIRE: TWO FEDERAL ATTORNEYS HERE FOR STEAMFITTER FUND INQUIRY

The U.S. Justice Department has sent two of its criminal division attorneys to St. Louis to conduct a federal grand jury inquiry into the coast-to-coast political spending of Lawrence Callanan's Steamfitter Union.

This was revealed Tuesday when the two lawyers filed letters of authority with the U.S. District Court clerk here.

The Globe-Democrat disclosed July 21 that the "voluntary political fund" of Steamfitter Local 562 had failed to report to the U.S. on political campaign spending, although it disbursed at least $80,000 in out-of-state races in the 1964 campaign alone.

Letters of authority of the two special attorneys stated the Justice Department has been informed of violations of "laws relative to political campaign contributions, violations of the Internal Revenue Code and perjury statutes and other criminal laws . . ."

The violations, according to the letters, are attributed to "persons, companies, firms, associations and organizations to the department unknown."

SPECIFIC TARGET

It was learned that the steamfitter fund, which has been known to spend hundreds of thousands of dollars during a single campaign year, is a specific target of the grand jury inquiry.

As reported last month, the Justice Department informed Rep. Durward G. Hall (Rep.) of Springfield, Mo., that it was investigating "allegations of possible violations" of the federal corrupt practices act by Local 562.

The two special attorneys, who will work with U.S. Attorney Veryl L. Riddle of the Eastern District of Missouri, are Edgar N. Brown and Robert J. Rosthal.

NO INDICTMENTS

On Sept. 14 a St. Louis circuit court grand jury concluded an investigation of the steamfitter political fund and returned no indictments. It recommended legislation to tighten the present requirements on reporting of political receipts and expenditures.

The federal law on such reporting applies to any political committee which takes in or spends money in two or more states for political purposes. Maximum penalty for wilful violation is two years imprisonment and $10,000 fine.

GURNEY OPPOSES U.S. AID RESUMPTION TO JORDAN, CITES KING HUSSEIN'S MOSCOW VISIT AND CAIRO PACT

Mr. GURNEY. 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 Florida?

There was no objection.

Mr. GURNEY. Mr. Speaker, I am deeply troubled by the resumption of American aid to the Kingdom of Jordan. Indeed, I understand that the King will visit Washington shortly to seek additional aid.

Despite King Hussein's trip last week to Moscow, his new agreements with the Kremlin, and his discussion of buying Soviet arms, the American taxpayers are now again subsidizing the Jordanian economy to the tune of at least $1 million every fortnight. The Washington Post reported on October 8 from Amman, Jordan, that the King, on returning from Moscow, said he would equip his army with arms "from any source."

Hussein has refused to enter peace talks with Israel or to comport himself in conformity with President Johnson's five points on which our Middle Eastern policy rests. Nevertheless, the United States has just presented Jordan with about $6 million in cash and announced that over $27 million will be given in the course of this year.

The communique issued in Moscow pertaining to the Hussein visit, Mr. Speaker, spoke of the willingness of the Soviet Union to give the Arabs all support needed to "strengthen their defensive capacity." Hussein made overtures to Moscow that were calculated, at the very minimum, to blackmail the United States into giving Jordan additional aid in the form of arms.

I notice, Mr. Speaker, that Hussein was accompanied to Moscow by his army chief of staff, Maj. Gen. Amer Hammash, and the commander of the Jordanian Air Force, Col. Salah Kurdi. They met with Soviet Defense Minister Grechko. They visited a Soviet Air Force base and a Russian armored unit.

Agreements covering various forms of cooperation were signed in Moscow.

Mr. Speaker, are we to subsidize the Jordanian economy so that Hussein can make dollar payments to the Soviet arms industry? Do we encourage Jordan to sign a peace treaty with Israel by ignoring Jordanian intransigence, flirtations with Moscow, and resumption of terrorism against Israel?

King Hussein has not yet abrogated his military pact with Egypt. Since this agreement remains in force, there is really no difference between aid to Jordan or to Egypt. Hussein should sever all military ties with Egypt to qualify for our aid.

King Hussein could have stayed out of the war in June. The Israelis begged him not to join with Egypt and Syria. But he smelled blood, attacked Israel, and now refuses to face the consequences of his aggression. He wrecked his nation and now is acting the role of an innocent victim.

Mr. Speaker, I have written the Secretary of State to say that I oppose all aid in any form to Jordan unless Hussein meets certain preconditions. One prerequisite would be a peace treaty with Israel. Another would be to refrain from entering military supply arrangements with Russia.

Hussein has turned out to be a sort of Moslem Mussolini who is collaborating with Moscow instead of with Hitler as the Italian dictator did.

I have asked the Secretary of State to report on how much we have given or earmarked for Jordan since the end of the war in June. I also asked how this aid was authorized or funded. I feel that the Congress and the American public have a right to know.

INTEGRITY OF CONFIDENTIAL PRESIDENTIAL MEETINGS SHOULD BE PRESERVED

Mr. CAREY. 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 New York?

There was no objection.

Mr. CAREY. Mr. Speaker, from the time of my entry into this great body, I have always thought that one of the essences which we must observe in our contacts with officials of the executive branch has been a sense of courtesy and the preservation of dignity. Certainly, this applies to the Presidency of the United States, whether the President be Republican or Democrat.

The now circulated Republican Congressional Campaign Committee leaflet, a four-page pamphlet, contains what is supposed to be sort of a humorous reference to the President of the United States.

It seems that at one of the recent briefings when the President was bringing in both parties to discuss the serious questions which face us on a fiscal basis, as great men are given to, he made some personal notations on the pad on his desk. Upon the conclusion of the briefing, one of the minority Members, according to the congressional campaign committee leaflet, removed this piece of paper from the desk of the President—not only removed it, but gave it circulation among his colleagues as to what was on this paper. One Member even saw fit,

because his name was inscribed thereon, to place some meaning, especially with regard to him, as to what the President had written on this piece of paper.

Mr. Speaker, I hope that from now on the Members of this congressional body when invited to the home or office of the Chief Executive, will preserve the integrity of his personal paper and not give them out for partisan purposes.

However, I do believe we can draw this meaning from what is being done here, as we attempt to achieve some sort of a bipartisan approach to the obvious difficulties we face in the fiscal area. The President is making more sense with his doodling on a piece of paper than the Republicans are with their needling and diddling, I hope that when they take these pieces of paper from the President's desk they will take them home and think about them, because he is trying to achieve something without this kind of foolish peculation and publication which cannot be associated with good politics.

Mr. Speaker, I suggest we extend to the President of the United States, no matter whether it is the present incumbent or any future President, all the dignity and courtesy which is due to that office, and that does not include sniping and picking up pieces of paper from the President's desk.

RED CHINA LOBBY TRIES A NEW TACK

Mr. ASHBROOK. 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 Ohio?

There was no objection.

Mr. ASHBROOK. Mr. Speaker, on numerous occasions I have brought to the attention of Members of this body the workings of what is termed "the Red China lobby," or, those persons or groups dedicated to gaining admission of Red China to the United Nations—at any *cost*.

In 1966, on several occasions, I attempted to counter the spurious "admission" arguments with facts. Two occasions come to mind, namely, my remarks on April 5, 1966, "Red China Lobby at Work Again," and those of June 28, "The Red China Lobby."

Thus it is not without some knowledge of the problem that today I recommend an article by William F. Buckley, Jr., from the Washington Evening Star of October 9, 1967, entitled "Red China Lobby Tries New Tack."

Evidently we are to be asked, again, to involve ourselves in "a devil's bargain." But as Buckley states, it is time for second thought about the ultimate gains of the bargain.

I submit the article for inclusion in the RECORD:

RED CHINA LOBBY TRIES NEW TACK

(By William F. Buckley, Jr.)

Dr. Walter Judd (is there, by the way, anywhere a more impressive American?) was in Taipei when the news went out that the United Nations Association of the United States had released a report by a "panel of American businessmen and scholars" urging the recognition of Red China.

Judd was understandably chagrined. He thought, as most people would, that this year above all years the lobby to recognize Red China would take a sabbatical.

After all, U Thant himself, who sometimes talked about the recognition of Red China the way some people talk about achieving the Heavenly Kingdom, is on record as considering the season inappropriate for that kind of action, and for perhaps the first time in a half-dozen years it is generally accepted that the conventional agitation to recognize Red China will be confined to the fever-swamps of the United Nations left, a force about as potent as the movement to impeach Earl Warren.

Judd wondered, as might we all, how come the movement to recognize Red China should have arisen this particular moment. The report of the United Nation Association remarked that this is precisely the right historical moment to recognize Red China, i.e., because Red China is in turmoil. Students of the apologetics for recognition will notice the strangely consistent inconsistencies of the Red China lobby.

Back a few years ago when unquestionably in control of all of China, the argument was that we should recognize the Mao government as the de facto ruler of China with which, like it or not, we would have to deal for generations to come, and wouldn't it be better to introduce Mao's representative into polite society at the United Nations and attempt there to deflect him from his militant stances?

No sooner did this argument become accepted as the staple of the recognition forces than Mao Tse-tung's power over Red China began suddenly to slip, so much so that we had reports from Radio Moscow last week that in the course of attempting to maintain his control, Mao has "suppressed"—a word that is widely regarded by students of Communist euphemism as equivalent to "liquidated"—5-million members of the Communist party. If the figures are anywhere near correct, one can get some idea of the scope of the horror going on in Red China.

To suggest at this moment in world history the advisability of throwing the diplomatic weight of the United Nations and, derivatively, of the United States, toward the stabilization of Mao's regime is, to put it gently, crooked.

But the whole episode was symbolic of the fetichistic attitude of some Americans towards the United Nations. Membership in the United Nations is, as far as some of them are concerned, a baptismal experience—grace instantly follows, and wonderful things lope in over the horizon.

It is this that characterizes the liberals' faith that the United Nations is somehow a civilizing experience. And at this point in history, as Judd unquestionably reasoned, although he had the tact not to reason out loud in Taipei—do we really desire such a tranquilization of Mao's control?

If one were guaranteed that by giving Mao a reassured control of China, one might spare the lives of a great many people, one might acknowledge the temptation to hand China over to him. But second thoughts would surely get in the way of such a devil's bargain.

The World Anti-Communist League is a new organization, whose principal officials—veterans of the anti-Communist struggle in China, Korea, Vietnam, Japan, the Philippines—have much less to learn about how to fight the Communists than they do about how to understand the thinking of the putative anti-Communists who exercise so considerable an influence on Western thought.

ENDURING "SUPPORT OF THIS DECLARATION": WALTER KNOTT'S INDEPENDENCE HALL

Mr. ASHBROOK. 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 Ohio?

There was no objection.

Mr. ASHBROOK. Mr. Speaker, all Americans are aware of the Nation's birthplace in Philadelphia's Independence Hall. Fewer people, perhaps, are aware that there is, on the west coast, an exact replica—exact to the most minute detail—of the historic Independence Hall. This building stands on the grounds of Knott's Berry Farm in Buena Park, Calif. It was built by Walter Knott.

Personally, Walter Knott's Independence Hall, and the tour which guides Americans and persons from other nations through it, is even more inspiring, even more likely to well-up the pride of Americans, than the original. For here Walter Knott, an outstanding American, has re-created a part of outstanding America, just as it stands in the original, and added a 14-track stereotape which re-creates the debates of the men who made the choice between liberty and death. The visitor is thus treated to the words which were spoken by men two centuries ago. Lights dim in the chamber and the words of great Americans seem to come from the chairs in which they sat, debate shifting from one part of the room to another as 56 men embarked on the future of all of us.

When asked why he built Independence Hall, Walter Knott replied:

I was asked that same question 25 years ago when we started "Ghost Town." Mrs. Knott and I were 50 years old then; our restaurant business was just getting started and there were so many places on the Farm that needed improvement, yet we felt stirred by the historical past that Ghost Town was to portray, so we let other things wait while we proceeded to build Ghost Town.

Mrs. Knott and I are 75 and we feel this project can be put off no longer, or it might never be done.

Our Declaration of Independence was worked out and signed there by 56 brave men who closed it with these famous words, "And in the support of this declaration, with a reliance on the protection of divine providence, we mutually pledge to each other our lives, our fortunes and our sacred honor." Truly great men. Then after nearly ten years of war when victory finally came, other great, and I believe divinely guided, men again met in Independence Hall to decide what kind of government we should have. They too produced one of the world's greatest documents—our Constitution. These two documents are among the greatest ever conceived by man; they have changed the course of liberty.

Independence Hall is a beautiful and stately building and one all of us at the Farm will be very proud of. Like the original in Philadelphia, ours too will house a great Liberty Bell, perhaps America's greatest symbol of freedom.

Over the years millions of Americans will visit our Independence Hall and be reminded of our great American heritage. Each year thousands of school children will come and touch the Liberty Bell and see where our great documents were signed, and will view a short motion picture depicting exciting bits of our history.

I think, like starting Ghost Town 25 years ago, building Independence Hall will be a milestone in the history of the Farm and one we are all going to be proud of. It will be

our reminder of some of the greatest events in all history.

The painstaking reproduction started with an extensive study of the original which included many trips east, many photographs and drawings. The 2,080 pound Liberty Bell provided one of the most challenging tasks, since it was to be authentically cracked. Finally, after freezing it in dry ice and heating the crack-area with a torch, the bell cracked, exactly like the original.

The first of 140,000 hand-finished clay bricks was laid December 13, 1965, by Mr. Knott. Then, in turn, the building took shape, through stages of the lower structure, reproducing the furniture and even the chandeliers and silver ink-stand for the speaker's table, through the giant four-faced clock and copper sheeted cupola to the ultimate height of 168 feet.

The reproduction represents a masterful feat of construction but visitors are treated to a tour which is equally superb.

Before entering Independence Hall, visitors are given a history of the original structure and of the men and ideas that made it famous. In nearby Heritage Hall guests view a short film and hear one of the most impressive presentations on America liberty which I have ever experienced.

I submit for the RECORD a transcript of this presentation. It not only relates the meaning of Walter Knott's, and the original, Independence Halls, but it indicates the true dedication and love of American freedom which Mr. Knott possesses and has most successfully passed to future generations.

In an attractive color booklet relating the construction and some of the history of the "new" hall, there are two paragraphs which sum up the importance to Mr. Knott of recreating Independence Hall:

For many years, Walter Knott sheltered a dream. His dream was to build an Independence Hall at Knott's Berry Farm.

Yet, his dream went much further than merely building an Independence Hall that would be a duplicate of the original in Philadelphia. He wanted each visitor to relive a very important moment of our history, to feel the never-to-be-forgotten experience of being present at the signing of the Declaration of Independence.

Walter Knott can be proud of his achievement.

As an indication of what visitors are treated to, I include at this point a portion of the presentation. It is worth while for all Americans to consider what it says:

How long has man lived upon the planet, Earth? No one can truly say. But this much is known. . . .

For the thousands of years man has been attempting to build civilization, his efforts at finding a way of lasting peace, prosperity, and happiness have, for the most part, been a failure.

It is an endless cycle: The rise of great civilizations . . . The Fall of great civilizations.

Through the ages, Man has unceasingly sought some great magical power by which he could overcome all his problems and live happily ever after. When, as would inevitably happen, one power failed to provide for his desires, he revolted and sought another.

Old-world revolutions never were true revolutions. They were revolutions only in the sense of substituting one form of government for another, only to find that in the end it was still the same old tyranny, disguised under a new name.

There have been 6,000 years of this, and for 6,000 years, man has suffered torture, starvation, and slaughter.

In 6,000 years of man's history, there has never been but one real revolution. It was the revolution against ancient superstitions, against the idea that some other mortal, possessed of extraordinary power, had the right to control the lives of other men.

It was a revolution for freedom, personal responsibility, and human dignity.

This revolution struggled, as it wove itself slowly and painfully through the faltering attempts of man in building civilization.

It began in part with Socrates, who was condemned to death by the mob cry of Athens. His crime, that of preaching the importance of the individual, and the right to question the gods of the state.

It was carried on in the teaching of Jesus of Nazareth, who emphasized the dignity and moral responsibility of the individual, and proclaimed, "Ye shall know the truth, and the truth shall make you free."

It grew in man's noblest convictions—in his realization that he was created in the divine image—that he was endowed with the right and the ability to govern his own life.

The true revolution found its fulfillment in the American Revolution, for that revolution was far more than one small segment of humanity throwing off and substituting the bonds of one tyranny for another.

It was the cry of the people saying, "Enough, enough of the devine right of kings, the tyranny of the mob, enough of inquisitions, enough of the super planners and the political fanatics."

And in the place of the old superstitions that man must be beholden to, there came these words: "We hold these truths to be self-evident, that all men are created equal and that they are endowed by their creator with certain unalienable rights."

Far more than a document that declared our independence from England, the Declaration of Independence was a proclamation that the secret of man's happiness lay not in the hands of all-powerful rulers, but rather within the hearts and hands of man, the individual—if he would but grasp the opportunity and accept the responsibility.

It took ten years of bitter fighting and terrible suffering on the part of both soldiers and civilians before the American colonies could make good their Declaration of Independence. And still the task lay unfinished . . .

In 1787, many of the same delegates who voted independence, returned to Independence Hall, where they drafted the great blueprint for a strong and unified national government.

The Constitution of the United States of America was described by the immortal English statesman, William Gladstone, as: "The most perfect work ever struck off at a given point in time, by the brain and purpose of man."

The cornerstone of its construction is this concept: Let men be governed by laws based upon eternal principles, and not governed by laws based upon the changing whims of man.

Our Founding Fathers had a deep suspicion of all governments, including the one they founded. The majority of these men were deeply versed in the decline and fall of man's past civilizations. They were resolved that ancient mistakes should not be repeated here.

They believed that one of the great threats to a man's life, liberty, and property had always been the government under which he lived. Believed that all governments in time would, if permitted, enslave the people, always with the excuse of "taking care" of the people.

That is why they tried to bind the American Government down with a constitution limiting governmental powers to carefully specified responsibilities, with a system of checks and balances, to keep any one branch from becoming too powerful. Their philosophy was that free men under God could manage their own affairs.

In the words of George Washington: "Government is not reason, it is not eloquence; it is force. Like fire, it is a dangerous servant, a fearful master."

The words of Benjamin Franklin: "They that can give up essential liberty to obtain a little temporary safety, deserve neither liberty nor safety." Thomas Jefferson declared: "That government is best which governs least. The natural process of things is for liberty to yield, and government to gain ground."

Through the profound wisdom of our Founding Fathers, both the bodies and spirits of Americans were free. The age-old chains had been taken off the individual and placed on his government.

Imagine a handful of people living on the fringe of a giant continent with barely a foothold, only the most primitive means of communications, no proper tools, no engines, no capital, no industry.

Knowing that he alone was master of his destiny, the American rose to this challenge. Free to earn what he could, and keep what he earned, he set his eyes to the sky and knew there was no limit.

From the hardships they had endured, the trials and sacrifices, Americans had won something far more precious than land or abundance. They had achieved that supreme self-confidence that comes from having won the good struggle.

Three generations of Americans, with their fierce jealousy for freedom of enterprise, and their belief in limited constitutional government, had created here the most prosperous and remarkable nation on earth. It was not only a matter of what we possessed in natural resources and knowledge. Other people had as much as ours, or more. It was what we did with what we had.

Here was a place where a common man could be uncommon; where a man could become whatever his faith, his energy, his intellect, his manhood combined to make him, and without an oppressive government to hold him down to the common level. This was the challenge, the hope, the American heritage that touched and inspired hearts everywhere. What was America's magical secret? It can be stated in a few words—God-given freedom, personal responsibility, and limited government. Under these standards, men had the incentive to do their best. The twentieth century dawned, and America stepped into another era. At this point in our history, we could look back upon accomplishments, that made all previous efforts of civilization pale by comparison. Freedom has, as its natural and inescapable by-product, given Americans the world's highest standard of living. Freedom is the foundation of all our advantages.

Today, the great Declaration of Independence and the American Constitution are physically the best preserved documents in the world.

Yet, how many realize that these magnificent documents of human freedom, for all their physical protection, will become only faded museum pieces, if we Americans forget their true inner meaning, the significance that lies behind the words on their surface.

Shortly after the Revolution, Thomas Jefferson looked ahead in time, and wondered about future generations, when he said: "Yes, we did produce a near perfect Republic, but will they keep it, or will they in the enjoyment of plenty, lose the memory of freedom? Material abundance without character is the surest way to destruction."

Freedom rests, and always will, on indi-

vidual responsibility, courage, and faith. It does not rest in centralized government, or in the hands of powerful politicians; it rests with you and me.

If we are to keep our freedom, if our revolution is to triumph, its ideals and the understanding of its terms must be born anew in the hearts and minds of each succeeding generation.

Freedom is not ours by simple inheritance—but ours by virtue of our constant willingness to earn it.

James Monroe said it this way: "There is a price tag on human liberty. That price is the willingness to assume the responsibilities of being free men. Payment of this price is a personal matter with each of us." The true revolution for human freedom, the revolution of ideals, which found fulfillment in America, was the only new and glorious change that happened to the race of man in over 6,000 years of agonizing history. And it all began under the eaves of this stately building, six short generations ago.

In a few moments you will be taken on a guided tour of a painstaking brick-by-brick reconstruction of this great shrine to human freedom. As you pass through its corridors into the very room where our nation was born—perhaps you will recall your many personal blessings in being a part of this nation and its great heritage.

But most dramatically of all, perhaps, the thought may occur to you, what if the American Revolution had failed? What if the opponents of Independence had won out? What if the courage of our forefathers had faltered? What if they had not been willing to pay the price of being free men? What then? . . . Where might you be today? . . . What might you be doing now? . . .

NOT ALL LOBBYISTS ARE REGISTERED

Mr. SAYLOR. 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 Pennsylvania?

There was no objection.

Mr. SAYLOR. Mr. Speaker, on September 1 the Associated Press filed an article from Washington that opened with this paragraph:

Senate Democratic Leader Mike Mansfield has privately passed the word to President Johnson to order lobbyists for government agencies to "keep their distance" from the Senate.

Another paragraph, in reference to the battle on Capitol Hill over the foreign aid bill this year stated:

When lobbyists set up shop in the Capitol itself, Sen. Wayne Morse, D-Ore., a member of the Senate Foreign Relations Committee, raged: "In room 104 downstairs, for the first time in the history of the handling of the aid bill, AID is maintaining a lobby that is right under the dome."

The latest quarterly report in the CONGRESSIONAL RECORD devoted 21 pages to presenting, as required by law, the list of organizations and individuals registered under Public Law 601, 79th Congress, title III, Regulation of Lobbying Act, section 308(b).

If only as a public service, Government lobbyists should also be required to register so that taxpayers might understand just how many Federal employees are engaged in the business of trying to influence Congress. The number has grown over the years, and there is a constant stream of lobbyists on both sides of the Capitol from State, Commerce, Treasury, Health, Education, and Welfare, Housing and Urban Development, and all departments. Admittedly, some of them are most helpful in the necessary liaison between the Hill and downtown, but entirely too many are engaged in attempts to cajole, threaten, and bribe Members of Congress into acceding to the wishes of the executive department. I use these terms advisedly, for it has become common practice to promise a new post office or atomic facility to the Member who conforms, to threaten the loss of funds in the district to one who refuses to go along with an administration project.

Neither party is blameless, and the system is objectionable regardless of which side is in power.

Registration of Government lobbyists might not eliminate the evils attendant to the use of executive department influence, but it would at least open the books to those who are paying the bills and might even bring public demand for reform.

POLL SHOWS VOTER ATTITUDE CHANGES

Mr. STEIGER of Arizona. Mr. Speaker, I ask unanimous consent that the gentleman from Oregon [Mr. WYATT] may extend his remarks at this point in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman Arizona?

There was no objection.

Mr. WYATT. Mr. Speaker, recently I published the returns of my annual questionnaire in the CONGRESSIONAL RECORD. This questionnaire was sent out in the early spring of the year and the results reflected the feelings of those polled at that time.

Just last week the Press, a newspaper in the First Congressional District in Oregon, reprinted the section of my questionnaire dealing with the Vietnamese situation. The paper invited readers to submit their answers in order to update the survey.

Although there are several mitigating factors to be taken into consideration in comparing the polls, the change in the public attitude between spring and fall is so significant that I believe it should be brought to the attention of my colleagues. I present it here for their inspection:

POLL SHOWS: VOTERS ASK VIETNAM WITHDRAWAL

The "doves" are taking over.

That's the conclusion drawn from an examination of preliminary responses to The Press poll on the war in Vietnam compared with answers received to the same questions last spring.

Straw ballot voters favor immediate unconditional withdrawal of the United States from Vietnam. Voters do not favor bombing in North Vietnam. And an overwhelming number protest the increased commitment of American ground troops in the current struggle.

Most startling result is opinion concerning the legal and moral aspects of U.S. involvement in Vietnam. Sixty-two per cent of voters in The Press poll to date voted affirmatively when asked if they believe the war to be "illegal, immoral and completely unjustifiable American military intervention in Asia."

The ballot, which appeared on this page in last week's editions, utilized the same questions posed by Rep. Wendell Wyatt last spring in a questionnaire submitted to his constituents in the First Congressional District. A tabulation of results of the Wyatt questionnaire and The Press poll are printed below for comparison purposes.

Rep. Wyatt's results are based on responses from some 20,000 registered voters in his bailiwick. The questionnaire included questions on issues other than Vietnam involvement. The congressman this week reported nearly one in ten persons in the First District responded.

Preliminary percentages published here are the result of a tabulation of the first 628 responses to The Press poll and subsequent response continues heavy at this writing.

Generally speaking, and although percentages are not overwhelming in every instance, a comparison of results indicates a strong change in public opinion from the more hawk-like response to the Wyatt questionnaire.

Congressman Wyatt's district includes Clackamas, Washington, Yamhill, Benton, Clatsop, Columbia, Lincoln, Polk and Tillamook Counties and Multnomah County west of the Stadium Freeway.

The Press circulation area involves the heaviest populated portions of Multnomah, Washington and Clackamas Counties.

THE WAR IN VIETNAM

Here is a preliminary report on the Vietnam War poll which appeared in The Press last week.

To give a comparison of any change in thinking since Congressman Wendell Wyatt sent out his questionnaire last June, both results are reported. Both polls were worded identically.

1. Should the United States withdraw immediately and unconditionally from Vietnam?

The Press: yes, 52%; no, 48%.

Wyatt: yes, 17%; no, 76%.

2. Do you favor the bombing of Hanoi and of Haiphong and other northern cities thus far exempted from attack?

The Press: yes, 45%; no, 55%.

Wyatt: yes, 59%; no, 25%.

3. Should we continue to increase the commitment of American ground troops to Vietnam?

The Press: yes, 25%; no, 75%.

Wyatt: yes, 47%; no, 39%.

4. In prosecuting the war, should the United States take whatever military actions are deemed necessary to accomplish its goal without regard to the possibility of direct intervention by Red China?

The Press: yes, 42%; no, 58%.

Wyatt: yes, 60%; no, 28%.

5. Do you favor the taking of whatever military actions are deemed necessary to force the North Vietnamese to the conference table?

The Press: yes, 48%; no, 52%.

Wyatt: yes, 69%; no, 19%.

6. Should the United States cease, unconditionally, its bombing attacks upon North Vietnam?

The Press: yes, 52%; no, 48%.

Wyatt: yes, 20%; no, 70%.

7. Should the United States attempt to prompt peace negotiations by another temporary pause in bombing attacks?

The Press: yes, 50%; no, 50%.

Wyatt: yes, 22%; no, 67%.

8. Should the National Liberation Front (the Viet Cong) be included as a party to any future peace negotiations?

The Press: yes, 73%; no, 27%.

Wyatt: yes, 54%; no, 26%.

9. Do you believe the war to be, as one leading critic has described it, an "illegal, immoral and completely unjustifiable American military intervention in Asia?"

The Press: yes, 62%; no, 38%.

Wyatt: yes, 26%; no, 63%.

PRESERVING OUR NATURAL ASSETS—PREVENTING EUTROPHICATION OF LAKES

Mr. STEIGER of Arizona. Mr. Speaker, I ask unanimous consent that the gentleman from New York [Mr. KUPFERMAN] 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 Arizona?

There was no objection.

Mr. KUPFERMAN. Mr. Speaker, as the trend toward greater urbanization in the United States continues, we should place at a premium among domestic goals, measures that would preserve the rapidly deteriorating and vanishing natural assets of our Nation. Deteriorating natural assets in great need of our attention are the lakes of our country.

Although the life span of a lake is, under normal conditions, measured in millenniums and eons,[1] the aging of a lake is often rapidly advanced due to the unnatural interference of man. This artificially accelerated aging takes place instead of being slowly brought about through various natural changes of the earth's surface. The Lake Restoration Act of 1967, which I have introduced today, seeks to prevent any further unnecessary aging and deterioration of our Nation's lakes.

A lake reaches old age, or even its demise, when certain plants growing within the lake reach such a proportion so as to cause the suffocation of desireable aquatic life, consume oxygen, and cause the water to lose its capacity for self-purification.[2] The aging of a lake is greately accelerated by eutrophication, the excessive fertilization of algae, and other aquatic plants, with nutrients. Our highly industrialized society has advanced the eutrophication of many of the lakes throughout the United States by the artificial introduction into our lakes of various nutrients which encourage eutrophication. Such nutrients are phosphate in its many forms—a common element found in sewage, human waste, agricultural fertilizers, and industrial discharges—and nitrates.[3]

In a recent release [4] issued by the Department of the Interior, Frank C. Di Luzio, Assistant Secretary of the Interior for Water Pollution Control, stated that "until now, we have not adequately controlled these causes which help to speed the natural processes of eutrophication." It is clear that the detrimental effects of eutrophication and its artificial acceleration have been observed for far longer than justified without adequate defensive steps having been taken.

Eutrophication, which is directly related to the life span of a lake, refers to the rate at which nutrients enter a body of water. It results in the noxious premature aging of bodies of water and is not limited to any one part of the United States. Critical examples of this problem are the Great Lakes, especially Lake Erie, and the marine water surrounding New York City, as well as lakes in California, Washington, Oregon, Minnesota, Wisconsin, Maine, Connecticut, and even the Potomac River.[5]

The effect of eutrophication on a lake's usefulness is both dramatic and costly. The prolific growth of aquatic plants, which can transform a lake into a marshland in a mere two or three generations, not only adversely affects the use of a lake for boating and fishing, but also may completely nullify any use of the lake's shoreline for swimming purposes, due to the formation of a thick slime on the shore.[6] Also, swimming in eutrophic lakes often results in odors on the swimmers' body.[7] The quality of water from eutrophic lakes is also affected. Eutrophication produces foul tasting and smelling water, and the removal of such taste and odor increases the cost of treating water for drinking purposes.[8]

Mr. Di Luzio made it quite clear that the Department of the Interior is "unprepared—legally, institutionally, operationally, and technically—to deal effectively with a major crisis such as the aging and possible death of Lake Erie," and that the Interior Department is "also unprepared to cope adequately with the many smaller cases of euthrophication that continue to contaminate our water." [9]

The Lake Restoration Act of 1967 that I have introduced today seeks to vest with the Department of the Interior the major responsibility for solving this very critical problem. My bill directs the Department of the Interior to encourage local communities and States, through technical assistance and planning grants on a 50-percent matching funds basis, to design comprehensive programs to restore eutrophic lakes. This bill also directs the Interior Department to coordinate the several Federal agency programs relating to the restoration of lakes—for example, the Department of the Interior; the Department of Health, Education, and Welfare; the Department of Housing and Urban Development; and the Department of Agriculture—emphasizing the development of new and improved methods of solving eutrophication problems, the restoration of eutrophic lakes, and, whenever feasible, improvement of the shorelands and adjacent areas so that full use of the lakes for recreational purposes is possible.

This legislation further directs the Department of the Interior to expand its efforts to develop: first, more precise knowledge of the eutrophication process; second, more effective programs and methods for the elimination of phosphates, and other substances which encourage unwanted plant growth, from treatment plant effluent; third, better methods of measuring the phosphates and similar substances contributed by industrial waste waters; and fourth, programs to encourage private industry to develop chemical substitutes for phosphate in detergents. To accomplish these aims the Lake Restoration Act of 1967 provides that the Department of the Interior shall develop special research and demonstration programs for preventing the entry of nutrients into, and removing existing nutrients from, lake waters.

For the purpose of such special research and demonstration programs the Natural Resources and Power Subcommittee of the Committee on Government Operations recommended [10] that funds be appropriated in an amount comparable to the sum which Congress authorized for research on the problems of storm and combined sewers, advanced waste treatment systems, and pollution by industry. Thus, my bill asks for an appropriation of $20 million to carry out the goals of the Lake Restoration Act of 1967.

Many lakes which are today used not only as a source of drinking water supply, but also for recreational purposes, are daily threatened with extinction. Enactment of the Lake Restoration Act of 1967 is a constructive attempt at preventing this threat from becoming a fait accompli.

In the mobile and highly urbanized society in which we live today, a great many people rely on lakes many miles from their homes for recreational purposes. I myself often spend summer weekends in an area of New York State that allows me to take advantage of the recreational facilities of a lake. I know that many of my constituents seek relief from the steel and concrete canyons of Manhattan by vacationing near one of the magnificent lakes located in New York State.

Now is the time to act, and not wait until the word "eutrophication," like "pollution," is a household word.

TAX SHARING AND FISCAL FEDERALISM

Mr. STEIGER of Arizona. Mr. Speaker, I ask unanimous consent that the gentlewoman from New Jersey [Mrs. DWYER] 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 Arizona?

There was no objection.

Mrs. DWYER. Mr. Speaker, the Advisory Commission on Intergovernmental Relations, on which I am privileged to serve together with our distinguished colleagues, the gentleman from North

[1] 1967 Journal of Water Pollution 737.

[2] Industrial Water Engineering, Feb. 1966, p. 27.

[3] U.S. Dept. of the Interior Release, Aug. 4, 1967.

[4] U.S. Dept. of the Interior Release, June 15, 1967.

[5] *Ibid.*

[6] Industrial Water Engineering, Feb. 1966, p. 33.

[7] *Ibid.*

[8] *Ibid.*

[9] U.S. Dept. of the Interior Release, June 15, 1967.

[10] Committee on Government Operations, *To Save America's Small Lakes*, H.R. Rep. No. 594, 90th Cong., 1st Sess. 17(1967).

Carolina [Mr. FOUNTAIN] and the gentleman from Oregon [Mr. ULLMAN], has just completed one of the most important and comprehensive studies ever conducted on the fiscal relationships between Federal, State, and local governments—upon the proper balance of which depends our ability to solve our most pressing urban and environmental problems.

The Commission has prepared a press release describing its principal findings and conclusions and summarizing its principal recommendations. In view of the great interest in this subject on the part of our colleagues, I include the Commission material herewith as a part of my remarks:

ACIR PROPOSES REVENUE SHARING AND METROPOLITAN FISCAL CHANGES

The Advisory Commission on Intergovernmental Relations at a two-day meeting October 6 and 7 recommended a wide ranging program of Congressional and State legislative action to improve the fiscal balance among Federal, State, and local levels of government.

The Commission adopted a proposal calling upon the Federal government to broaden the "mix" of Federal aid to States and localities to include not only existing types of "categorical assistance" but also block grants and general support payments—so-called "revenue sharing." The block grants, the Commission urged, should be developed "through the consolidation of existing specific grants-in-aid to give States and localities greater flexibility in meeting needs in broad functional areas." General support payments, the Commission recommended, should be "on a per capita basis, adjusted for variations in tax effort." They would "allow States and localities to devise their own programs and set their own priorities to help solve their unique and most crucial problems." Chairman Farris Bryant did not concur in the Commission's action.

Among the startling findings emerging from the Commission's year long study of "fiscal federalism" are:

An increasing fiscal disparity between central cities and suburbs, particularly in the Northeast and Midwest.

The paradox of central city poverty in the midst of metropolitan plenty is strikingly illustrated by the fact that the country's metropolitan areas account for 65 percent of the population, 70 percent of taxable assessed valuation, three-quarters or more of Federal personal income tax collections, and 80 percent of bank checking accounts; but these areas also account for most of the nation's poverty, crime, delinquency, and civil disorder.

A concentration of "high cost citizens"—children in school, the elderly, welfare recipients—in the central city, and this concentration will increase in the future.

Central city educational expenditures are lower than in the suburbs, not only on a per capita basis, but also on a per pupil basis. Where the need is greatest the support dollars are fewest.

The local tax burden in the central cities, measured against income, is more than 50 percent greater than in the suburbs. Growth in State and Federal aid has not been sufficient to counteract growing disparities in per capita tax revenues between the central city and suburbia.

The Commission also called on the States to equip themselves with a productive and broad-based tax system, including effective but equitable use of the local property tax to enable them to underwrite a major portion of their expanding expenditure requirements.

To facilitate balanced use of property, income, and sales taxes, the Commission recommended that States adopt policies to shield basic family income from sales tax excesses and limit the burden of residential property taxes on low income families.

Major Commission proposals for easing metropolitan disparities call for:

States to establish regional school property taxing districts empowered to levy areawide taxes for allocation among school districts in the region; such arrangements would be for financial rather than operating or policy purposes.

States to provide financial incentives for specialized, multi-district educational facilities designed to meet special high cost educational needs.

Congress to amend the Elementary and Secondary Education Act of 1965 to permit use of available grant funds for incentives to State action to balance fiscal resources with educational needs in metropolitan areas.

States to add to their school aid formulas appropriate factors reflecting higher per pupil costs among disadvantaged children, especially in heavily populated areas.

States and localities to remove any legal obstacles to greater involvement of private enterprise in the solution of central city problems and to encourage private-public efforts to overcome economic and fiscal deterioration in major cities.

State government to empower a State agency to order, where needed, consolidation or dissolution of local government units within a metropolitan area to minimize continued fragmentation of the tax base.

The Commission took note of population growth patterns which point to further concentration of people in metropolitan areas. The ACIR now has underway a study on "Balanced Urbanization and New Community Development" that explores this problem; a draft report will be considered at the Commission's January 1968 meeting.

The Commission also called for marked improvements in the collection, analysis, and dissemination of social, economic, and fiscal data at all levels of government.

The Commission's action today marks the completion of its wide-ranging study of intergovernmental fiscal arrangements. At its July 21st meeting the Commission adopted a score of recommendations designed to strengthen the Federal grant-in-aid system and to modernize the structure and financial operations of State Government.

The 26-member Commission is a bipartisan body established by Congress to maintain continuing review of the relations among Federal, State and local governments. Its membership consists of governors, mayors, county officials, State legislators, and representatives from both Houses of the Congress, the Federal Executive Branch and the general public.

Farris Byrant, former Governor of Florida is Chairman of the Commission.

SUMMARY OF RECOMMENDATIONS

1. Adoption of a flexible combination of federal financial assistance to States and localities to consist of categorical grants-in-aid, general functional block grants, and per capita general support payments. The federal support payments, adjusted for variations in tax effort, could be made to either State or major local units of government; they should not conflict with any existing comprehensive State plan. (Chairman Bryant dissented.)

2. Achieving better balance in State and local tax systems by more effective local use of the property tax, the adoption of broad based State taxes, and the shielding of basic family income from undue burdens of sales and property taxes.

3. Strengthening the productivity of the sales tax, by protecting low-income families from undue tax burdens on sales of food and drugs.

4. Strengthening the productivity of the local property tax by State action to help localities in relieving low-income families from undue property tax burdens.

5. State authorization of regional school property taxing districts to assist in equalizing the property tax burdens of school financing between central cities and suburbs.

6. State authorization and financial assistance for specialized educational facilities on a multi-district basis.

7. Federal encouragement and financial assistance for multidistrict educational arrangements.

8. Addition of factors in State school aid formulas to reflect higher per pupil costs for disadvantaged children, especially in densely populated areas; amendment to Elementary and Secondary Education Act to authorize use of available grant funds in support of such action.

9. Prevention of fragmentation of the tax base by authorizing State agencies subject to public hearing and court review to consolidate or dissolve local governmental units within metropolitan areas, to stop the use of inter-local contracts that contribute to fragmentation, and to reduce State aid to local governments not meeting statutory standards of economic, geographic, and political viability.

10. Fostering neighborhood initiative and self-respect by authorizing counties and large cities to establish, and at their discretion to abolish, neighborhood subunits endowed with limited powers of taxation and local self-government.

11. Federal, State and local financing of neighborhood information centers and referral services to orient in-migrants and others to the demands of urban society.

12. State constitutional and statutory action to remove barriers to private involvement in coping with urban problems and to enhance public-private cooperation.

13. Expansion of Internal Revenue Service statistical reports on income to provide data on individual units of local government within Standard Metropolitan Statistical Areas.

14. Establishment of a national system of social accounts, with special emphasis on the development of such data for individual cities, counties and Standard Metropolitan Statistical Areas, as well as State and national aggregates.

15. Establishment by existing or new nongovernmental organizations of data facilities to measure comparative performance levels of local governmental units for the major urban functions. This effort should look toward setting optimal standards, and collecting, analyzing and publishing data.

16. Improved coordination, through the Executive Office of the President, of Federal grant programs being administered by a variety of Federal departments and agencies.

17. Decentralization to Federal regional offices of review and approval of plans resulting from Federal formula-type grants to State and local governments. Reduction in the wide variations in boundaries of Federal administrative regions.

18. Bringing Federal Executive Boards under Bureau of the Budget supervision and providing at least one full-time staff member for each of the major Boards.

19. State action to remove restrictions on the length and frequency of State legislative sessions including serious consideration of annual sessions by those States now holding biennial sessions. (Governor Dempsey dissented.)

20. Establishment by State legislatures of machinery for following Federal legislation and for presenting State legislators' views at Congressional hearings.

21. Revision by Congress of Section 701 of the Housing Act of 1954 to strengthen comprehensive planning at State, regional, metropolitan and local levels, and to require review and comment by State planning agencies of project proposals impinging upon

State or local comprehensive plans. The Commission took no position on assignment of responsibility within the Federal Government for financial assistance to State and local planning activities.

22. Serious consideration by the States to providing more constitutional flexibility for long-range State financing.

ADVISORY COMMISSION ON INTERGOVERNMENTAL RELATIONS

Farris Bryant, Chairman (Director, Office of Emergency Planning).

Price Daniel, Vice Chairman, Austin, Texas.

Ben Barnes, Speaker, House of Representatives, Austin, Texas.

William O. Beach, County Judge, Montgomery County, Clarksville, Tenn.

Neal S. Blaisdell, Mayor, Honolulu, Hawaii.

Ramsey Clark, Attorney General.

Dorothy I. Cline, Professor of Government, University of New Mexico, Albuquerque.

John Dempsey, Governor, Hartford, Connecticut.

C. George De Stefano, Member of the State Senate, Barrington, R. I.

Florence P. Dwyer, Member of the House of Representatives.

Buford Ellington, Governor, Nashville, Tennessee.

Sam J. Ervin, Jr., Member of the Senate.

L. H. Fountain, Member of the House of Representatives.

Henry Fowler, Secretary of the Treasury.

Alexander Heard, Chancellor, Vanderbilt University, Nashville, Tenn.

Jack D. Maltester, Mayor, San Leandro, California.

Angus McDonald, Commissioner, Yakima County, Washington.

Theodore R. McKeldin, Mayor, Baltimore, Maryland.

Karl E. Mundt, Member of the Senate.

Edmund S. Muskie, Member of the Senate.

Arthur Naftalin, Mayor, Minneapolis, Minnesota.

James A. Rhodes, Governor, Columbus, Ohio.

Nelson A. Rockefeller, Governor, Albany, New York.

Gladys N. Spellman, Commissioner, Prince George's County, Maryland.

Al Ullman, Member of the House of Representatives.

Jesse M. Unruh, Speaker of the Assembly, Sacramento, California.

THE REAL ISSUE IN THE TAX-SPENDING IMPASSE

Mr. STEIGER of Arizona. Mr. Speaker, I ask unanimous consent that the gentlewoman from New Jersey [Mrs. DWYER] 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 Arizona?

There was no objection.

Mrs. DWYER. Mr. Speaker, it is a source of considerable encouragement to me, and I am certain to many of our colleagues as well, that there is beginning to emerge from the debate on Federal spending and taxes and from the impasse presently existing between the Congress and the administration a new awareness that the central issue is more than the immediate one of dollars and cents and involves nothing less than the purposes, the structure, and the organization of the Federal Government.

Faced with mounting demands on limited Federal resources, the proliferation of Federal programs to meet those demands, and the increasingly amorphous and unresponsive character of the Federal bureaucracy, we can no longer postpone the effort to reorganize the executive branch and reshape its structure and functions in a more rational way. Only in this way, I believe, can we achieve such objectives as the identification and measurement of national needs, the establishment of priorities, the evaluation and improvement of program effectiveness, the control of expenditures, the elimination of unnecessary delay and duplication, and a generally higher quality of governmental performance, accountability and responsiveness.

The distinguished chairman of the Ways and Means Committee, whose statement last Friday has contributed greatly to the reorientation of the debate around this key issue, summed the problem up most clearly and succinctly when he said:

Let's start now on the big job of making sure our Government does what we want it to, the way we want it to, when we want it to, and as much as we want it to.

The response in the press to the chairman's statement has been immediate and gratifying, and I am pleased to include as a part of my remarks the editorials published in the Washington Post and Washington Star on October 9 and in the Wall Street Journal on October 10.

I also include as a part of my remarks, Mr. Speaker, the text of my current "Report to the People," which I prepared on October 7 for distribution to my constituents this week, in which I have tried to explore some of the implications of the chairman's statement and suggest some legislation which the Congress could immediately begin to consider.

The newsletter and editorials follow:

ECONOMY: A WAY TO OBTAIN BETTER GOVERNMENT

(Congresswoman DWYER'S "Report to the People," 12th District of New Jersey, October 12, 1967)

The distinguished chairman of the House Ways and Means Committee—the group whose great influence stems from its exclusive power to originate revenue (tax) legislation—raised an immensely important issue late last week when he criticized his own Administration for "missing the point" about Congressional insistence on cutting Federal spending this year.

It's not simply that Congress believes it is urgent to reduce the budget in the face of a inflation-producing deficit which could reach $30 billion—welcome as such cuts would be, Chairman Mills pointed out—but it's the more important objective of controlling and shaping the growth of the Federal government and the substance of Federal programs.

What we should be doing, he insisted, is looking beyond the next fiscal year or two and trying to make sure "that the kinds of things the Federal government does—the nature of its claims on the economy (the Nation's productive capacity)—conform with the Nation's changing preferences." Or, as he put it in the final sentence of his statement, "Let's start now on the big job of making sure our Government does what we want it to, the way we want it to, when we want it to, and as much as we want it to."

BY CHANGING THE SYSTEM

In other words, unless the system itself is changed—unless Federal activities and programs are subjected to a systematic and rational process of review and evaluation on a continuing basis—then the growth of Federal spending and Federal influence will become inevitable and unmanageable, contrary to all the canons of democratic theory. It's not a question of black-and-white or good versus evil. It's just the tax-financed programs, directed by officials who believe in those programs and supported by those who benefit from them, have a natural tendency to reproduce and multiply, and that the resulting structure of government—massive, ponderous, impersonal and relatively unresponsive—reduces the self-governing capacity of the people, the power of the people to decide their own future.

None of this is new, of course. But the significance of Chairman Mills' observations rests in the fact that he is one of the most respected and powerful leaders in Congress, a friend (though independent) of the Administration, a key figure in a critical position to influence crucial decisions. That a man of his stature should call attention so compellingly to facts which many would rather ignore, and at a time and place and under circumstances which cannot be avoided, provides hope that something may yet come of it.

There's been no shortage of solutions—only a lack of will. And while the chairman seemed to direct his criticism chiefly at the Administration, he might well have spared a share for his colleagues on Capitol Hill. For it is here, stacked away gathering dust on committee shelves, that some of the most hopeful and constructive devices for improving governmental performance and strengthening the people's control over the Federal establishment can be found.

ADOPTING SPECIFIC REFORMS

As a sponsor of many such measures, I've had occasion to describe them in previous newsletters, so I'll only mention a few in passing. You'll remember, for example, such proposals as: (1) the mandatory, periodic review of Federal grant-in-aid programs so as to eliminate the outmoded and unnecessary, improve the useful, and revise others according to changing needs; (2) the establishment of a new Hoover Commission to conduct a comprehensive and independent study of the entire Federal structure and recommend ways of simplifying, coordinating and re-arranging in a more efficient way the functions and activities of the Executive Branch; (3) the creation of a similar commission to determine how the Federal Government can utilize modern systems analysis and advanced management techniques to resolve problems in such major areas as housing, pollution control, education, etc., more effectively; and (4) the insistence that up-to-date cost accounting systems be installed in all departments and agencies as an essential step in controlling costs and evaluating programs.

And we have also failed to do our part, closer to home, by (a) reforming the creaky operations and outdated rules of Congress, (b) imposing on ourselves the kind of ethical standards and self-restraint which the responsible and representative character of this institution requires, and (c) establishing an oversight, or "watchdog," investigating committee chaired by the minority which could stimulate a higher level of supervision and watchfulness over the Executive Branch by the majority-controlled standing committees of Congress.

These, I believe, are some of the actions Congress could—and should—take as soon as possible to bring the results which Chairman Mills is seeking.

AND APPLYING THE HEAT

The need for such action was illustrated once again this week just four days before the chairman spoke out. In a commendable effort "to help find jobs and provide training for thousands of America's hard-core unem-

ployed," the President launched still another new program—a program poorly timed, administratively clumsy, and of questionable worth. Poorly timed, because the government should be concentrating on quality rather than quantity. Administratively clumsy, because the new program will overlap, duplicate and confuse the 21 other Federal manpower training programs on which $2 billion a year is being spent. And of questionable worth, because the new program fails to include necessary improvements in defining jobs and identifying job openings and because it further postpones the time when a program of maximum effectiveness can replace the less useful programs. I refer to the Human Investment Act which would employ tax incentives to permit private business to provide direct on-the-job training with assurances of follow-up employment. To date, this has been the missing ingredient in Federal manpower programs: training in needed skills for specific job openings, and our bill would do more—dollar for dollar—to accomplish this than anything yet suggested, including the President's new program.

It is this kind of program proliferation and insensitivity to climbing costs that drove Congress in the past two weeks to apply new heat to the Administration in our efforts to achieve some economies. In rapid succession, the House (1) threatened to tie up a resolution permitting Federal agencies to spend funds at last year's levels until this year's appropriations have been approved; (2) secured a promise from the chairman of its Appropriations Committee that legislation will be brought to the floor cutting back appropriations already made; (3) suspended formally its consideration of the President's 10 percent surtax proposal until spending cutbacks have been made; and (4) sent back to House-Senate conference committee the Labor-Health, Education and Welfare Departments appropriations bill with directions to remove another $20 million; while the Senate—ordinarily much more generous—rejected a committee recommendation for an extra $2.8 billion for the poverty program.

No one can say the Administration has not been warned of Congress' determination, a determination born of the people's concern with higher taxes, higher prices, higher interest rates and lower performance of public functions.

[From the Washington Post, Oct. 9, 1967]

A New Fiscal Dimension

Perhaps—after the rhetorical gunsmoke settles—the current fiscal encounter between Congress and the White House will prove to be just another in a long series of skirmishes that are resolved by token reductions in Federal expenditures. But Chairman Wilbur D. Mills of the House Ways and Means Committee opened a new dimension of an old dialogue by insisting that effective expenditure control can only be achieved by examining and making basic changes in Federal programs, not by "the broad ax spending slash approach." Surely that argument should be regarded as more than a tactical maneuver in an essentially sterile quarrel.

The real issue in the debate over Federal spending are obscured by ideological fog. "Liberals" automatically support the growth of Federal expenditures, especially those for non-military programs, while "conservatives" are quick to condemn them. But responses that are as predictable as the patellar reflex scarcely do justice to otherwise rational men. They should instead be concerned with two principal issues. How much of the Nation's resources should be transferred by taxation or borrowing from private consumption to public or collective consumption? Here there is question of registering the preferences of the electorate, an admittedly imperfect process. The second issue, assuming that preferences are known, involves the effectiveness of public expenditures. Are Federal programs assigned their proper priorities, and are specific programs achieving their stated goals?

The question of preferences—how much income Americans really want to transfer to the public sector—is at the heart of the dispute between Congress and the President. Mr. Mills maintains that the electorate is alarmed by the rapid growth of Federal spending in recent years and wishes to "curb the momentum of expanding Government activity." The Chairman's judgment could prove wrong. But no light at all is thrown on the issue when the Administration replies that Federal expenditures are below 16 per cent of the gross national product. Expenditures as a percentage of the GNP can decline while the absolute rise is very great, perhaps far greater than desired.

Interest groups frustrate efforts to control expenditures or assure their effectiveness. Once a Federal program is launched, strong, if not ineluctable pressures are exerted to expand it. That is why Congress is reluctant to levy a "temporary" increase in taxes. When funds are available, they tend to be spent, thus assuring the permanence of the increase in the level of Federal expenditures.

There are those who argue that no effort should be made to control expenditures because Congress will only decimate those programs designed to alleviate poverty. But even if that allegation were supportable—the appropriations suggest that it is not—there can be no valid defense of programs that fail to reflect the rational priorities of the society or that persistently fail to achieve their stated goals. Instead of "freezing" the more obvious pork barrel projects, a tactic that will only alter the timing of expenditures, not their amount, the Administration might meet Congressional objections by agreeing to a fundamental evaluation of all Federal programs.

[From the Washington Evening Star, Oct. 9, 1967]

Surtax Deadlock

As things stand, it looks very much as though rhetoric alone is not going to win a tax increase for the President.

On Saturday night, for the third time in as many days, Mr. Johnson made a strong, even emotional, appeal for a 10 percent surtax Addressing a Democratic fund-raising dinner ($1,000 a couple), the President said: "I have made my choice." He meant that despite his slump in the polls, he would not seek temporary popularity by yielding on the war in Vietnam, his tax proposal or "by abandoning the fight against discrimination—the fight for the poor here at home."

The implications of this last point are not going to help him. For his principal opponents on the tax issue, and especially Chairman Mills of the Ways and Means Committee, are not advocating that the fight against discrimination and the poor be abandoned. They will surely resent the President's insinuation to the contrary.

It has been and still is our belief that a tax increase coupled with reduced spending is necessary if inflation is to be held in check next year. The President has made some moves toward curbing spending. But he has not done enough to satisfy Chairman Mills, and the latter is in a very strong position as far as the tax increase question is concerned.

Backed by a 20-to-5 vote of his committee, Mr. Mills has simply tucked the tax increase measure in his pocket. "As of now," he has said, "the tax bill is dead." And he can make this stick if he wants to.

The Arkansas Democrat has not called for abandonment of the Great Society. But he has said that he and those House members who support him are trying to get the message across: "We want to pause in the headlong rush toward ever bigger government." To this end, he thinks the administration should review the 850 or more different government functions, decide which are no longer needed—which, though desirable, can be set aside during wartime—and send appropriate recommendations to Congress.

This does not strike us as an unreasonable attitude. And the President, when the speech-making is all over, ought to make an earnest effort to adjust to it.

[From the Wall Street Journal, Oct. 10, 1967]

Mr. Mills Makes a Point

The House Ways and Means Committee certainly startled the Administration last week when it voted to pigeonhole the proposed tax increase. Chairman Wilbur Mills, however, is fearful that the committee's message was not fully understood.

Obviously enough, the Ways and Means group does want the Administration to outline immediate cuts in spending. Yet, as Mr. Mills stressed, that objective is less important than progress toward keeping outlays under reasonable control in the future.

The Arkansas Democrat's concern may have been increased by the fact that the Administration's only important move toward lower spending recently has been a temporary freeze on several projects considered nonessential. Desirable as delays may be in these and other cases, they do nothing to limit the long-run outlay figures.

If Rep. Mills and other economy-minded Congressmen accept a few temporary spending cuts as evidence of Administration good faith, and then approve a tax boost, the very real danger is that outlays would grow enough to eat up any added revenue. The budget thus would be as badly out of kilter as ever and inflation would be very much with us; sooner or later, demands would be heard for still another tax increase.

To avert such a development, says Mr. Mills, Congress and the Administration must do some determined weeding among Federal programs.

"All of us know only too well," he declared, "that the present budget contains programs that may have lost their justification, and that we are called upon to approve others and vote vast sums for their operation without having any information about what their current objectives are and how well they are performing them or are likely to in the future."

One of the more discouraging aspects of the current situation, in fact, is that almost everyone in Government, from the President on down, has frequently spelled out the need for better budgetary control. Up to now, though, no one has done much toward that aim.

The basic changes needed are simple and sensible: Once the Government decides what it would like to do it should take a realistic look at available resources and then set hard priorities. Moreover, the Government should consider a number of approaches to any spending project, selecting the one that promises to deliver the most for the least cost. Finally, both the Administration and Congress must constantly check on existing programs, scrapping or revamping those that aren't doing the job.

As the Committee for Economic Development suggested some time ago, better fiscal control probably would call for beefed-up and better-coordinated budget staffs in the departments and agencies. The Budget Bureau quite possibly should also have greater power to ride herd on the agencies' requests and to review accomplishments or lack of same.

Then, too, Congress should have a chance to consider the budget in its entirety instead of piecemeal as the appropriations requests trickle in. The budget should also be broken down by programs so that it would be easier to spot the oft-occurring duplication of efforts among the multitude of agencies.

There are many other changes that are long overdue. As noted in these columns recently, the accounting practices of several agencies are sadly deficient, even by Federal standards. Perhaps, as the CED has proposed, the General Accounting Office should run regular audits of all the agencies.

Neither Mr. Mills nor anyone else is under any illusion that the Federal budget can be brought firmly under control overnight; there are, for one thing, too many political pressures for retaining the status quo. But he clearly sees that temporary spending cuts offer the economy no better sanctuary than a spot in the eye of a hurricane.

If the Administration doesn't get that idea, too, it will have missed the whole point of Mr. Mills' protest and set the stage for further financial deterioration.

IMPORTED MEAT LABELING

Mr. STEIGER of Arizona. Mr. Speaker, I ask unanimous consent that the gentleman from Minnesota [Mr. LANGEN] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman Arizona?

There was no objection.

Mr. LANGEN. Mr. Speaker, during recent years we have seen a great deal of controversy and substantial economic loss to beef producers throughout the country because of an excess volume of imported meat and meat food products from foreign countries. There has also been much concern expressed with regard to truth in labeling in order that the consumer might not in any way be misled because of a lack of, or misleading, label attached to any given product.

It would therefore seem to be in the best interests of both the producer and the consumer that we require that all imported meat and meat food products bear a label showing the country of origin of such imported meat. It has become even more significant of recent date that the Congress respond with legislation that would require imported meat products to be so identified.

On January 16, the U.S. Supreme Court upheld, without explanation, the decision of the Oregon district court which had held that State's meat labeling law was unconstitutional. This, of course, has the effect of nullifying many such labeling requirements which have been enacted by respective State legislatures.

It is obvious that the livestock industry and American agriculture have recognized and demanded that such requirements be enacted. The fact that many State legislatures have written into State law labeling requirements for imported meat is indicative of adverse market effects and resulting depressed prices having given sufficient cause for State legislative action in enforcing more protection.

Congress should take prompt action to restore the protection and validate the purpose for which 19 States wrote these labeling laws originally.

I have, therefore, joined my colleagues in introducing legislation which is designed to accomplish that purpose. I hope both Houses of the Congress will respond with favor to them.

FUNDING OF THE HIGHWAY BEAUTIFICATION PROGRAM

Mr. STEIGER of Arizona. Mr. Speaker, I ask unanimous consent that the gentleman from Illinois [Mr. COLLIER] 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 Arizona?

There was no objection.

Mr. COLLIER. Mr. Speaker, since the Congress and the administration are faced with dealing with the critical problem of the current budget deficit, there is certainly one bill which can be killed this year that will save $85 million. I refer to the funding of the highway beautification program. Not only will defeat of this spending bill contribute to reducing the budget deficit, but it will likewise save a host of administrative headaches at both the State and Federal level.

The ultimate cost of the program will be between $2 and $3 billion by the administration's own estimates, but I predict that it will run substantially higher than that figure in a matter of a comparatively short time.

Confusion with regard to implementation by the States as provided in the original bill is evidenced by the fact that 45 of the 50 States have not yet been able to reach any agreement with the Federal Highway Administrator with regard to advertising control.

LIMITING CATEGORIES OF 1970 CENSUS QUESTIONS

Mr. STEIGER of Arizona. Mr. Speaker, I ask unanimous consent that the gentleman from South Carolina [Mr. WATSON] 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 Arizona?

There was no objection.

Mr. WATSON. Mr. Speaker, in the past few years the Federal Government has increasingly become involved in the insidious business of privacy invasion. Evidence of this is clearly seen in the mounting attacks by our colleagues in the House and Senate upon the Government's gathering of data of a highly personal nature.

We hear a great deal these days about civil rights, and yet, often forgotten are individual rights. Especially overlooked in recent years has been an individual's right to enjoy privacy without fear of snooping by the Federal Government.

Mr. Speaker, it has been held in cases to numerous to mention that the right of individual privacy is sacred under the law. The fourth amendment to the Constitution guarantees our right to privacy, and the Supreme Court has not deviated in its judicial interpretation of that amendment. Historically, the Court has not encountered privacy cases in which a complex interpretation of the fourth amendment was needed since in most instances the issue was cut and dry.

But, the advent of modern scientific and technological achievements in the 20th century have rendered judicial interpretation of the fourth amendment in a broad new light. As is so often the case, scientific achievement in many areas has failed to parallel man's understanding of its advances. For instance, most Americans were amazed to learn just a few years ago that electronic listening devices could be used to monitor private conversations. However, electronic "bugging" was only the beginning of a whole new world of privacy invasion. It has now become an accepted fact that no man is an island as far as many bureaucrats in Government service are concerned. Although unknown to most Americans, some Federal agencies have at their disposal more statistical data on an individual than he knows about himself.

Yes; with pharisaical indignation some Americans are always ready to cry that their civil liberties are being violated while, at the same time, there are few cries about the direct and sinister methods of curtailing individual freedom currently being advanced with the full knowledge of the Federal Government.

Of course one of the most dangerous methods of privacy invasion concerns the increased used of tests for civil service employees. As I have pointed out on numerous occasions, various tests are necessary to determine eligibility for Federal employment, but I am unalterably opposed to personal tests which require an individual to answer questions wholly unrelated to the nature of his employment. The effort of many of these tests is nothing more than a bureaucratic form of employee harassment and an encroachment upon the employees' lives. There are healthy signs that Congress under the able leadership of our distinguished colleague in the Senate, the senior Senator from North Carolina [Mr. ERVIN], will enact a bill of rights for civil service employees. I have joined many of my colleagues in sponsoring this legislation which is so sorely needed.

Mr. Speaker, another indication that Congress is becoming more aware of Federal snooping occurred just recently when House and Senate committees failed to approve plans by the administration to create a national data bank. Although receiving very little fanfare, the establishment of a national data center with its interchangeable counterpart, a personal dossier bank, would contain fantastic amounts of information about every citizen of this country. During the hearings on this matter, testimony clearly indicated that such a statistical center could, if placed in the wrong hands, result in an effective snooping device on American citizens.

But, the end of the snooping business is far from over. Now, a far-reaching and dangerous method of privacy invasion is being advanced by the Bureau of the Census in its 1970 census forms. After reading a test questionnaire recently mailed by the Census Bureau to 25 percent of the households in New Haven, Conn., I am convinced that this Federal agency's thirst for information completely outstrips its need for it. While I

am not advocating that the American people ignore the 1970 census, I am suggesting that many of the questions posed on the New Haven sample forms constitute an invasion of privacy. It is, indeed, ironic that the Census Bureau was also a prime mover in the national data bank scheme.

Mr. Speaker, our colleague, the gentleman from Ohio [Mr. BETTS], in a forthright and courageous manner, has called this census questionnaire to the attention of the House. In my opinion it should be carefully reviewed by every Member of this body. In the final analysis I think that most of us would agree the census form is unnecessary, but more important that it is an invasion of privacy. Under existing law, penalties for noncompliance in answering census questions ranges up to 60 days in prison and a fine of $100. It is unconscionable to compel citizens of this country to answer a host of ambiguous and highly personal questions under penalty of law.

Today I am joining my good friend and colleague, the gentleman from Ohio [Mr. BETTS], in introducing legislation to limit the categories of information to be answered on the census questionnaire. Certainly, legislation of this type is needed to restrict the Census Bureau, or any other Federal agency, from tampering with the private lives of our citizens.

INSURANCE COMPANY CONCEDES NECESSITY FOR CONGRESSIONAL INVESTIGATION

Mr. STEIGER of Arizona. Mr. Speaker, I ask unanimous consent that the gentleman from New Jersey [Mr. CAHILL] 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 Arizona?

There was no objection.

Mr. CAHILL. Mr. Speaker, I was indeed interested to learn that one of America's largest insurance companies has publicly conceded the necessity for a comprehensive congressional investigation of automobile liability insurance. In a statement of policy appearing in Philadelphia newspapers on Monday, October 10, and signed by the board chairman, the company frankly admitted:

> For the past several years it has become clear that the present automobile insurance system in America is not working to the satisfaction of anyone: neither the consumer, the insurance companies, nor the state and federal governments.

In calling for action by legislators, the policy statement asserts:

> What happened was that the law and auto insurance stood still, while the auto itself and its place in American life changed radically . . . What is needed is an entirely new approach to the problem presented by the victims of auto accidents. . . .

Mr. Speaker, it is my understanding that this policy declaration will appear in most of the Nation's newspapers and periodicals during the next several weeks. As one who has long been concerned with the social problems presented by the automobile and automobile liability insurance, I have previously expressed the dissatisfaction of policyholders, lawyers, judges, doctors, claims adjusters, independent sales agents, and body repair shop operators with the present system of insurance. This latest declaration by a representative of a major company in the insurance industry should eliminate any lingering doubt that an in-depth congressional investigation of automobile liability insurance is long overdue.

THE "THIN" LINE OF ABM'S

Mr. STEIGER of Arizona. Mr. Speaker, I ask unanimous consent that the gentleman from Michigan [Mr. CHAMBERLAIN] 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 Arizona?

There was no objection.

Mr. CHAMBERLAIN. Mr. Speaker, after years of insisting that an anti-missile-missile system was both unnecessary and undesirable, the President has now found that our country's defense requirements dictate that at least its partial deployment can no longer be postponed. In making this quick reversal of policy Secretary McNamara announced that the go ahead had been given for a "thin" line of antiballistic missiles—ABM's—costing some $5 billion to protect against possible attack from Red China. In view of Peking's apparently rapid development of a nuclear and missile capability coupled with the unpredictable and belligerent attitude of the Mao regime, such a defense system is clearly, although regrettably, warranted. However, McNamara's assurance that this "thin" system would not protect, and is not meant to protect, against attack from the Soviet Union only underscores the concern of many over what may be a growing gap in our defenses. To date there has been no effective response by the administration to the challenge put forth by the Kremlin by deploying an ABM system of its own many months ago. Because the effort to seek a diplomatic agreement has apparently met with no success, the situation demands the closet scrutiny. We cannot look the other way indefinitely. Just hoping the problem will go away, for to do so risks an open invitation to miscalculation.

A recent editorial appearing in the State Journal of Lansing, Mich., of Wednesday, September 20, makes some cogent observations about the administration's ABM decision and I insert it at this point in the RECORD:

> A PARTIAL VICTORY FOR ABM SUPPORTERS
>
> After years of debate, the Johnson administration has reached a decision which fortunately represents at least a partial victory for those who have long urged deployment of an anti-missile defense against nuclear attack.
>
> Announcement that the government has finally decided to build a limited $5 billion anti-missile system was made Monday by Secretary of Defense McNamara in a speech described by administration officials as one of the most important statements on U.S. strategic thinking since the start of the Kennedy-Johnson administration.
>
> McNamara said the "thin" line of antiballistic missiles (ABMs) is designed to thwart a Red Chinese attack, protect against any accidental firing of Soviet offensive missiles and to render less vulnerable this country's force of 1,000 Minuteman intercontinental ballistic missiles (ICBMs).
>
> The defense secretary said construction of the new defense system would begin late this year. Other sources in Washington said it would take five to six years to complete.
>
> By that time in the mid-1970s, Communist China is expected to have a modest ICBM force capable of hitting the United States, according to McNamara.
>
> Because of a possibility that Peking might be able to achieve this capability earlier, it would have been better if the administration had not waited so long to decide on the course it disclosed Monday.
>
> McNamara said a nuclear attack by Red China would be insane and suicidal, but "one can conceive conditions under which China might miscalculate and we wish to reduce such possibilities to a minimum."
>
> The secretary said there is no plan for such an anti-missile system buildup against Russia—one that might cost $40 billion—because it is not believed that the Soviet Union, is seriously trying to develop a first strike nuclear capability against this country. It is fervently hoped that his guess as to Russia's intentions proves to be correct.
>
> Monday's announcement recalls a prod administered in June, 1967, by House Republican Leader Gerald R. Ford Jr., of Grand Rapids, who then urged the administration "to get off dead center and get going" on an ABM system.
>
> He said the almost unanimous opinion of the Joint Chiefs of Staff and congressional committees was in favor of proceeding with some form of ABM development.
>
> Taking note of Communist China's first hydrogen bomb explosion earlier in the same month in 1967, Ford commented that "the possession of even one Red Chinese nuclear weapon that can be carried in one conventional bomber radically alters the balance of power in East Asia and the Western Pacific areas . . ."
>
> J. William Fulbright, D-Ark., chairman of the Senate Foreign Relations Committee, said the decision announced Monday represented "a very serious failure of diplomacy."
>
> Throughout recorded history it has been demonstrated again and again that diplomacy in behalf of peace cannot be relied upon. If it could, no country would need military defenses.
>
> Because of failures of diplomacy, the United States has no safe alternative to striving to provide and maintain adequate defenses and, in the terminology of bygone years, to "keep its powder dry."

CAPT. EDWARD J. BURKE, JR.

Mr. STEIGER of Arizona. Mr. Speaker, I ask unanimous consent that the gentleman from Pennsylvania [Mr. MCDADE] 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 Arizona?

There was no objection.

Mr. MCDADE. Mr. Speaker, it is an undoubted fact of life that the most significant thing in the life of America today is its commitment in Vietnam. We read or we hear daily literally thousands of words on that war, in an ever-widening debate about the wisdom of our commitment or the desirability of bringing the conflict to an early termination. Unfortunately, in an enthusiasm for such debate, we do not often enough look at the men who are fighting in this terrible war,

and who are performing acts of bravery and heroism daily.

I would call to your attention, Mr. Speaker, and to the attention of all my colleagues here in the Congress, the recent award of the Air Medal to a distinguished officer in the U.S. Army who is presently serving in Vietnam.

He is Capt. Edward J. Burke, Jr.

Captain Burke is one of those brave men who flies over enemy territory in support of our counter-insurgency efforts in Vietnam. Thcse are the men who become the eyes of the army. They face constant danger on these flights; but because they face this danger, the men who fight below them in the jungles have a far better chance of coming home safe to their families.

I am certain that all of my colleagues here in the House will join with me in commending Captain Burke, not only for the Air Medal which has been conferred on him and the Bronze Star which was awarded him recently for personal bravery, but even more for the example he gives to all of us. It is a wonderful thing to know that the great tradition of bravery in the American fighting man still runs strong.

With your permission, Mr. Speaker, I will append here a short article from the Scranton Times concerning Captain Burke:

OLYPHANT MAN GETS AIR MEDAL—PROVIDED AIR SUPPORT FOR VIETNAM TROOPS

A new honor has been given to an Olyphant Army officer who is serving in Vietnam.

The Air Medal has been presented to Capt. Edward J. Burke, son of Mr. and Mrs. Edward Burke, 200 Mary St., Olyphant, and husband of Nancy O'Malley, 407 Delaware St., Olyphant. Just recently he was awarded the Bronze Star for personal bravery.

The Air Medal was awarded to the officer for "meritorious achievement while participating in sustained aerial flight in support of combat ground forces in the Republic of Vietnam."

The citation accompanying the medal said that from March 6 to July 1 "he actively participated in more than 25 aerial missions over hostile territory in support of counter-insurgency operations."

It added: "During all these flights he displayed the highest order of air discipline and acted in accordance with the best traditions of the service. By his determination to accomplish his mission, in spite of the hazards inherent in repeated aerial flights over hostile territory, and by his outstanding degree of professionalism and devotion to duty, he has brought credit upon himself, his organization and the U.S. Army."

Capt. Burke arrived in Vietnam last February. He is due to return home in four months.

THE CENSUS: INVASION OF PRIVACY

Mr. STEIGER of Arizona. Mr. Speaker, I ask unanimous consent that the gentleman from Ohio [Mr. BETTS] 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 Arizona?

There was no objection.

Mr. BETTS. Mr. Speaker, the right of privacy is a cherished liberty which is given protection by the Bill of Rights. Yet specific constitutional boundaries of personal privacy remain unclear. Development of an industrial society with vast new technology and Government expansion into many facets of the lives of our citizens has resulted in grave concern for the maintenance of individual rights.

Private citizens, educators, public officials, and civil libertarians have drawn attention to important areas of privacy invasion: psychological testing, listening and watching devices, physical surveillance, and collection and use of personal data. Congress, now alert to the dangers of unbridled Government intrusions on privacy, is beginning to act. Perhaps the greatest single agency collecting personal data of all kinds is the Bureau of the Census. Every decade, all who reside in the United States are required by law to comply with a census of population and housing. Over the years the number and type of questions asked have increased to the point where 67 separate subjects are scheduled for inclusion in the 1970 census.

I believe the 1970 census questionnaires violate the constitutional intent of the decennial census as well as constitute an invasion of the privacy of all Americans. It is this belief which has prompted me to relate these two subjects: the census and personal rights of privacy. They are indeed deeply intertwined as the following discussion will illustrate.

THE CITIZEN AND HIS GOVERNMENT

Basic to this inquiry is the concept of the proper relationship between a government and its citizens. A statement by a jurist, Judge Samuel H. Hofstadter, of the Supreme Court of New York State, is significant:

"In a democracy, we are concerned primarily with the relation of the individual to his government—a just government. And the maintenance of this over-all relationship has greater importance than the isolated search for fact—or even justice—in any specific case.[1]

Another constitutional lawyer and able legislator, U.S. Senator SAM J. ERVIN, has referred to the challenge of preserving individual freedom in an age of scientific technology as:

Many learned people have analyzed the legal and scientific issues raised by the needs to meet certain goals of government in a country as vast and diverse as ours. But they have balanced the interests back and forth until they have lost track of the basic issues of liberty involved.

The Founding Fathers drafted a constitution that was meant to protect the liberty of Americans of every era, for its principles are enduring ones. One of the fundamental aspects of our liberty as freemen is the privacy of our innermost thoughts, attitudes, and beliefs; this includes not only our freedom to express them as we please, but the freedom from any form of government coercion to reveal them.[2]

Defining the balance of interests[3] and determining the equities of privacy against Government information requirements is clearly the proposition now facing the Congress. We, in the National Legislature, are often presented with two extremes. On one hand it is clear that "in our recordkeeping civilization, the man whose name is not inscribed on the tab of someone's manila folder simply does not exist."[4] The quest for anonymity—the right to be left alone[5]—is deeply imbedded in the fabric of our culture. It must receive every consideration by all public agencies. Yet no one can reasonably deny the legitimate need for certain data by the Government.

This is one extreme, on the other is ingrained the truisms of Parkinson's laws. Prof. Edward Shils has described the factual hunger of all government bodies:

As the range of government activities widens, and as they reach more deeply into the structure of society, government departments gather more and more information about the persons whom they provide services or whom they seek to control.[6]

Must ours be a "Naked Society" as author Vance Packard grimly depicts? Can we not strike some median according to prudent needs of Government. I suggest one measure against which Government requirements can be checked is to determine the information sought according to its validity as a "public matter."[7] This method of evaluation, it seems to me, is present in an important bill affecting indiscriminate requirements placed on Federal employees.

PRIVACY AND THE RIGHTS OF FEDERAL EMPLOYEES

Evidence gathered by the Senate Judiciary Committee's Subcommittee on Constitutional Rights revealed that some Government employees and applicants for Government employment are required to disclose their race, religion, or national origin; report on their outside activities or undertakings unrelated to their work; submit to questioning about their religion, personal relationships, or sexual attitudes through interviews, psychological tests, or polygraphs; support political candidates or attend political meetings.[8] Are these "public matters" about which Federal employees should be compelled to divulge information? These disclosures have resulted in passage by the Senate of S. 1035, a bill now pending before the House Committee on Post Office and Civil Service.

If these requirements for disclosure by Federal employees are not public matters how can very similar questions posed by the Bureau of the Census to all Americans be legitimate requirements? Under present law failure to answer all questions on the decennial census of

[1] Letter to *Washington Post*, August 6, 1967.

[2] *Congressional Record*, September 13, 1967, page 25409.

[3] William M. Beaney, "The Right to Privacy and American Law," *Law & Contemporary Problems*, Vol. 31, Spring, 1966, page 256.

[4] Ibid., Kenneth L. Karst, "The Files": Legal Controls Over The Accuracy and Accessibility of Stored Personal Data," p. 342.

[5] See Griswold vs Connecticut, United States Supreme Court in this case defined a right of privacy as an independent constitutional doctrine and granted the people a right to be left alone.

[6] Op. Cit., *Law & Contemporary Problems*, Edward Shils, "Privacy: Its Constitutional and Vicissitudes," p. 298.

[7] Ibid., Kenneth L. Karst, p. 349.

[8] U.S. 90th Congress. Senate. Protecting Privacy and the Rights of Federal Employees, Report No. 534., 1967.

population and housing may result in 60 days in jail or a $100 fine, or both—title 13, United States Code, section 221. There are similar items on the long-form census questionnaire regarding employment, marital matters, income and earnings, and detailed information on a person's household.

In its report on S. 1035, the Subcommittee on Constitutional Rights said such legislation was needed to "establish a statutory basis for the preservation of certain rights and liberties of those who work for the Government." The report endorses the views of former Civil Service Commission Chairman Robert Ramspeck, who stated:

We (the Federal Government) need better people today, better qualified people, more dedicated people, in Federal service than we ever needed before. *And we cannot get them if you are going to deal with them on the basis of suspicion, and delve into their private lives, because if there is anything the average American cherishes, it is his right of freedom of action, and his right to privacy.*[9] (Emphasis added.)

It will be the height of irony if those who work for the Federal Government are given a statutory basis of privacy—and I support this legislation—and the plain old average citizen is denied similar protection.

Mr. Speaker, I have introduced H.R. 10952, which would limit the mandatory questions to be included in the decennial census. Only the essential data would be allowed. All other extraneous inquiries, as deemed desirable by the Director of the Census, would be voluntary and presented on a separate, plainly identified form. This is in keeping with the constitutional intent of the census as the official enumeration of population for the purpose of determining congressional districting. It would also serve to protect individual rights of privacy.

THE 1970 CENSUS QUESTIONS

Let me list some of the actual questions proposed for the 1970 decennial census of population and housing which will be asked 16 million or more American citizens.

(If a woman) How many babies has she ever had, not counting stillbirths?
Have you been married more than once?
Did your first marriage end because of death of wife or husband?
Where did you live in April, 1962?
What was your major activity in April, 1962?
Place of birth of parents?
What is the value of this (your) property?
What is your rent?
Last year, 1966, what did sales of crops, livestock and farm products amount to?
Did you work at any time last week?[10]

In my judgment, all of these questions invade personal privacy and have no place on a mandatory, or even voluntary census form.

On October 4, I presented my suggestions on where and how the proposed 1970 census questionnaire should be limited. That statement can be found in the CONGRESSIONAL RECORD at pages 27553 to 27555.

The following excerpt from that statement gives a comprehensive list of subjects I feel can be excluded:

QUESTIONS TO OMIT

I would recommend the omission of questions which fall into the following categories: Information of principal use to local communities having little Federal relevance, subjects which are already contained on questionnaires used by other Federal agencies making the need to ask them on a decennial census minimal, questions simply nonessential to a decennial census, and types of information private market research firms should gather because it is primarily of business or commercial interest. A good hard look and each question will reveal that many, if not most, subjects which have been proposed for 1970 fit into these categories. When the long list of questions is separated into smaller units along the lines I have outlined, I believe their omission becomes clearly justified.

Here are the four principal reasons for dropping a large number of questions together with the exact subjects I would omit:

First, questions essentially of local interest: Place of work, means of transportation to work, number of units at this address, sewage disposal, and source of water.

Second, questions for other Federal agencies to provide statistics: Self-employment and income last year, farm income, other income, citizenship and year of immigration, hours worked last week, hours worked last year, and last year in which worked.

Third, questions not significant to merit inclusion on a decennial census: State or country of birth, activity 5 years ago, number of children ever born, mother tongue, year moved to this house, place of residence 5 years ago, married more than once, and date of first marriage.

Fourth, questions of a commercial nature referred to private research organizations for collection of data: Heating equipment, telephone, tenure, vacancy status, months vacant, value, contract rent, trailer, bedrooms, automobile, air conditioning, television, radio, clothes dryer, washing machine, bathroom, dishwasher, and second home.

The complete list of questions contains many more items that similarly could be omitted from at least the mandatory provisions of the census.

THE COURTS AND PRIVACY

Although the fourth amendment to the Constitution serves to protect the liberty and property of the individual from violation against probable cause, it falls short of protecting the people from the activities of the Census Bureau. In my view the fourth amendment should apply to all invasions on the part of the Government and its employees, of the sanctity of a man's home and the privacies of life. It is not breaking of his doors, and rummaging of his drawers, that constituted the essence of this offense; but it is the invasion of his indefensible right of personal security, personal liberty, and private property, where that right has never been forfeited by his conviction of some public offense.[11]

The decennial census in the minds of many citizens is an unreasonable search and seizure of information clearly without probable cause or justification as being a public matter.[12] Mr. Justice Black in his dissenting opinion in the Griswold case interprets personal privacy in a broad, realistic framework:

Privacy is a broad, abstract and ambiguous concept which can easily be shrunk in meaning but which also, on the other hand, easily be interpreted as a constitutional ban against many things other than searches and seizures.[13]

Litigation will be forthcoming, no doubt, to further clarify the scope and application of matters of privacy for such definition is sorely needed.

USE OF CENSUS DATA

The foregoing discussion referred to but one phase of the issue of the census and personal privacy. Whether questions are public matters and should be included on census forms are solely related to the Government's input of personal data about our citizens. The compilation and utilization of these statistics is a second vital part of the privacy issue. This problem is explained well by my colleague from New Jersey, Congressman CORNELIUS GALLAGHER, a leading spokesman for protecting individual privacy. Congressman GALLAGHER's statement in opposition to a mid-decade census contained this observation:

When the private citizen is asked to respond to census questionnaires, he is guaranteed by title 13, section 9 of the United States Code that the information he furnishes to the Government will be examined only by "sworn officers and employees" of the Census Bureau; that it will be used only for "the statistical purposes for which it is supplied"; and that it will be compiled in such manner that the data supplied by him cannot be identified as such. The census form itself states that the report "cannot be used for purposes of taxation, investigation, or regulation." But it does not state what census data can be used for, and the question of what this data can be used for is becoming an increasingly serious one.[14]

Concern over the use or potential use of census data has been the subject of hearings under the chairmanship of Congressman GALLAGHER and U.S. Senator LONG of Missouri. Computer privacy, confidentiality and sharing of census information were carefully reviewed by members of these subcommittees.[15] The magnitude of computer collection and processing of data and the growing threat to privacy are exceedingly well analyzed in a new book by Prof. Alan F. Westin, of Columbia University. This book, entitled "Privacy and Freedom," is worthy of personal attention by every member of Congress and their legislative staffs, professor Westing writes:

The issue of privacy raised by computerization is whether the increased collection and processing of information for diverse public and private purposes, if not carefully controlled, could lead to a sweeping power of surveillance by government over individual lives and organizational activity. As we are forced more and more each day to leave documentary fingerprints and footprints behind us, and as these are increasingly put into storage systems capable of computer retrieval, government may acquire

[9] Ibid., p. 3.

[10] From Special Census of Metropolitan New Haven, a pretest for 1970 census, conducted April 5, 1967.

[11] From address by U.S. Senator Sam J. Ervin, Jr., "Privacy and Employment," April 15, 1967, p. 3.

[12] See U.S. v. Rickenbacker, C.A.N.Y. 1962, 309 F. 2nd 462, Cert denied 371 U.S. 962.

[13] Op Cit., Senator Ervin, April 15, 1967, p. 5.

[14] *Congressional Record*, August 10, 1967, pages 22335–22337.

[15] Alan F. Westin, *Privacy and Freedom*, Atheneum, New York, 1967, p. 158.

a power-through-data position that armies of government investigators could not create in the past eras.

Let me make one point clear, I do not challenge the present statute requiring confidentiality of Census Bureau material. I praise the enviable record the Bureau has had in its history of dealing with hundreds of millions of individual cases. In order that the present requirements for confidentiality may be fully recognized, I refer to title 13, United States Code, section 9(2) which forbids, under penalty of fine or imprisonment, any officer or employee of the Department of Commerce or the Bureau of the Census to:

First. Use the information furnished under the provisions of this title for any purpose other than the statistical purposes for which it is supplied;

Second. Make any publication whereby the data furnished by any particular establishment or individual under this title can be identified; or

Third. Permit anyone other than the sworn officers and employees of the Department or bureau or agency thereof to examine the individual reports.

Census Bureau publications on their work scarcely refer to the principal purpose of collecting decennial population statistics. Any mention of counting the people to determine the number of U.S. Representatives for each State is buried with a hundred other uses for this information. I do not imply this is wrong, but pose this question. Are there limits to the uses of population and housing data collected under penalty of fine or imprisonment at taxpayers' expense? To answer that question I refer to three types of Census Bureau uses for population and housing tabulations.

First. This data is sold to Government agencies, private businesses, and anyone else who wishes to purchase it. In fiscal year 1967 the Census Bureau expected to sell $19,021 million in materials to Federal agencies and $4,995 million of such data to non-Federal or private organizations. This includes all types of statistical information on file, not just population and housing reports. These are strictly reimbursements for clerical and printing work. No charge is made to pro rate the cost of the original collection and tabulation of one data. Block-by-block information is available on population and housing characteristics. This constitutes a tremendous pool of market research data for business. Are citizens being exploited by commercial enterprises because such localized facts are released? If ZIP codes are required on 1970 forms will this lead to exploitation of people by mail-order firms or door-to-door salesmen who can pinpoint good market areas?

Second. The national data bank, if created, would result in the consolidation of many statistical centers into one. Should population and housing facts submitted by every citizen be used as a basis for longer dossiers containing reports from the Internal Revenue Service, Federal housing loans, welfare programs, social security, and medicare reports, and personal information collected by other Federal agencies? Senator EDWARD LONG noted in hearings earlier this year that—

> The names of American citizens already appear 2.8 billion times in government files: Social Security, 1.5 billion; police records, 264.5 million; medical history, 342 million; psychiatric history, 279 million; court actions, 19 million; security reports, 17.6 million; and others, including personnel and employment questionnaires.[16]

According to Carl Kaysen, chairman of a task force in 1966 which recommended creation of a single statistical agency, information from 21 principal statistical gathering agencies, spending $122 million in fiscal year 1967, would be collected, stored, analyzed, tabulated, and published by such a center.[17] What limits would such a data bank have and how would privacy be protected?

Third. In addition to consolidation of data in a single statistical center, the interchange of facts about particular citizens among or between agencies must be prohibited. At the present time I understand some of the reports filed with the Internal Revenue Service are given to the Census Bureau but that no reciprocal arrangement is possible. Do the citizens have any right to limit the transfer and circulation of decennial census reports? Once the population characteristics have been tabulated, should this information be drawn upon by any other Federal statistical user? These are questions I am not aware have been raised about the many uses of census reports. To me they are relevant to personal privacy and should be answered through hearings by committees of the Congress.

CONGRESSIONAL ACTION IMPERATIVE

A statutory basis is essential to insure that rights of personal privacy are guaranteed. There are three specific courses of legislative action the House and Senate must take, as I see it, to see that rights of privacy will be more than a hackneyed slogan only to be violated by an overcurious government. Except for the bill to protect rights of Federal employees from unwarranted disclosure, action appears distant for other such protective legislation. I see the following three courses of action as most important:

1. LIMIT MANDATORY CENSUS QUESTIONS

The scope of mandatory census questions must be severely limited. This can be done by adopting my bill, H.R. 10952, or by the Congress establishing a clear and binding requirement on the Census Bureau as to subjects for compulsory questioning. A hearing is scheduled on the proposed 1970 census questions on October 18 before the Subcommittee on Census and Statistics, Committee on Post Office and Civil Service of the House. This may be a start in the direction of curing invasion of privacy through the census.

2. DATA BANK CONFIDENTIALITY

The Gallagher and Long hearings on privacy and computer technology indicate a need for new protection against violation of confidentiality if a data bank is created. The Kaysen report contained this statement:

> At the present time different agencies view the problem of the right to privacy very differently. In some agencies the policy of protecting the privacy of the information reported by individuals and businesses is formally stated and protected by law; in such instances the enforcement of such policies has also been found to be very good. In other instances, formal policies regarding disclosure have not been set up, and in many of these cases the protection depends on the judgment of those who are in charge of the different programs involved. Understandably, the growing decentralization of statistical programs has thus led to considerable unevenness in the nature and enforcement of disclosure rules. It is quite possible that without some overall policy which can be responsibly supervised major violations of individual privacy may take place.[18]

The Joint Economic Committee in a report issued in August called attention to the privacy question, even though the committee recommended establishment of such a consolidated data facility.[19]

These have been the major warnings against deferring action on a National Statistical Center until proper safeguards to protect personal privacy can be enacted by Congress. Plans are moving forward, however, to centralize Federal statistical information. I recently asked Dr. Raymond T. Bowman, Assistant Director for Statistical Standards, Bureau of the Budget, to tell me if studies are currently underway on this proposal, whether legislation is needed to formalize such a data center and when it might be sent to Congress. Dr. Bowman responded as follows:

BUREAU OF THE BUDGET,
Washington, D.C., October 3, 1967.

Hon. JACKSON E. BETTS,
House of Representatives,
Washington, D.C.

DEAR MR. BETTS: Below I provide brief answers to the three questions which you raise in your letter of September 27.

1. Currently the Bureau of the Budget—with the participation of the statistical agencies—is attempting to formulate the details of purpose, content, organization and operations of a Federal Statistical Data Center. Particular attention is being given to finding ways to insure that such a Center would not pose threats to personal or business privacy.

2. The Bureau of the Budget has indicated to Committees of Congress that any proposal for a Statistical Data Center would be presented to the Congress for legislative authorization. There is, at this time no target date for advancing a formal proposal.

3. The detailed language of a legislative proposal to insure that a Federal Statistical Data Center would not make available to the public or governmental agencies any information about individual persons or businesses has not been developed as yet.

Please call on me if you have further questions.

Sincerely,

RAYMOND T. BOWMAN,
Assistant Director for Statistical Standards.

Time is short. It would be a tragedy to see a data center initiated before proper confidentiality is assured. Let citizen protection precede establishing a data cen-

[16] New York Times, March 15, 1967, p. 48.

[17] Report of the Task Force on the Storage of and Access to Government Statistics, Executive Office of the President, Bureau of the Budget, October, 1966, p. 3.

[18] Ibid., p. 7.

[19] U.S. 90th Congress, Joint Committee Print, The Coordination and Integration of Government Statistical Programs, Joint Economic Committee, August, 1967.

ter, not follow it. Congress must develop legislation to secure the rights of privacy for our citizens from potential misuse of a data bank.

3. OMNIBUS RIGHT OF PRIVACY BILL

The need for development of an inclusive bill to protect private rights against encroachment or harassment by the Federal Government is at hand. There may be aspects of such legislation which should be considered separately such as the wiretapping issue now under active consideration. Yet no legislation is pending on a number of facets of the privacy issue. Interest and expertise is growing. A well presented challenge to Congress has been advanced by Prof. William A. Beaney:

Whether legislatures can be induced to maintain a systematic review of administrative behavior affecting privacy is doubtful. It would be helpful, for example, if one or more subcommittees maintained a constant surveillance of the information gathering activities of government. There may be plausible reasons for accumulating more and more information about each citizen, in order to improve efficiency of tax collection or to permit planners and administrators in other agencies to carry out their functions more efficiently, since any government agency operates more rationally when provided with adequate information. But clearly there are data that lie outside the pale of government concern and other matters that must be treated as confidential and with stringent safeguards of confidentiality.[20]

Mr. Speaker, so often the eerie implications of George Orwell's "1984" come to mind. In January of this year author Vance Packard provided a current interpretation of his own to the impending dangers 17 years hence:

My own hunch is that Big Brother, if he comes to the United States, will turn out to be not a greedy power-seeker but a relentless bureaucrat obsessed with efficiency.[21]

IS THE CREDIBILITY GAP REAL?

Mr. STEIGER of Arizona. 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 Arizona?

There was no objection.

Mr. CURTIS. Mr. Speaker, allegations that the Johnson administration plays fast and loose with the facts are appearing in increasing numbers and couched in blunter and blunter terms.

Nothing could be more blunt than the caption on an article appearing in the September 1967 edition of the Progressive magazine, "The White House Lies." The article is written by two respectable news reporters, William McGaffin, a Washington correspondent for the Chicago Daily News, and Erwin Knoll, White House correspondent for the Newhouse National News Service, who are collaborating on a book about the credibility gap, from which the article was adapted, to be published early next year by G. P. Putnam's Sons.

[20] Op. Cit., William A. Beaney, page 268.

[21] New York Times Magazine, January 8, 1967.

The article contains detailed examples which the Johnson administration may rebut, if rebuttal is available. The objective reader may also check out the specific examples set out in the article to reach his own conclusions.

The country has experienced in recent years two well organized propaganda campaigns designed to deceive the people on two very important issues affecting their welfare. One, the so-called missile gap, which involved the security of the Nation, and the other, the so-called full employment gap, which involves the economic well-being of our people. The falseness of the missile gap has now been exposed, but what remains unexposed is who participated in this propaganda campaign designed to deceive the people and what were the techniques employed to promulgate it. The falsity of the full employment gap propaganda has not yet been exposed and it lies at the base of ancillary propaganda programs such as the alleged poverty in the United States.

Other well-financed and centrally directed propaganda campaigns are in full bloom in our country. I think of one in particular which has no particular name but is designed to denigrate the U.S. involvement in world affairs when this involvement follows policies contrary to those of Soviet Russia. Another is the campaign to denigrate the Congress as an institution to study, deliberate, and make decisions in behalf of the people.

What I am leading up to is this. The credibility gap is a well-designed propaganda campaign. It does not have its origin as some say in a segment of the "disgruntled press" or as others may think in the Republican Party, although both groups would tend to pick it up and give it momentum. Certainly the news reporters and the Republicans and the general public who are concerned about the truth—and I think this covers the great majority—would be happy about the success of the program if it produces more accuracy in the information released by the Federal Government.

The way to stop the propaganda aspects of this program is to deprive it of ammunition. I think it is very important that this propaganda campaign be stopped short because nothing can undermine the proper functioning of government and an orderly society more than a true credibility gap and nothing can hurt the United States more in world opinion and in world influence than such a gap.

I am inserting in the CONGRESSIONAL RECORD the article referred to in my remarks. I would be happy to insert a response to it from the Johnson administration:

THE WHITE HOUSE LIES

(By William McGaffin and Edwin Knoll)

The credibility gap—what a polite, impersonal term! A term with bureaucratic overtones, like "the national debt," or "the balance of payments," or "the nuclear deterrent." A term coined only recently, but one that has passed into the language wherever Americans talk of public affairs. A term whose use is, as Walter Lippmann has observed, "rather like the habit of our Victorian grandparents who spoke of limbs when they were too shy to speak of legs." Newspaper reporters began talking about the credibility gap in the mid-1960s when they were too shy to speak of lies—the lies that increasingly, alarmingly emanate from their Government through its official spokesmen, including the President of the United States.

It is a new idea to Americans—the idea that the Government lies to them—and one that does not go down easily. It runs counter to the American grain. It does not square with what the civics textbooks say about democracy or what the Founding Fathers said about the people's right to know, the people's need to know. But it is a fact. As Washington correspondents we have watched that fact take hold in recent years and become part of the national consciousness. We have seen the Government become attuned to falsehood as a routine way of conducting its affairs, to the point where hardly a day passes without producing its own challenge to credulity. We have listened to official lies on matters large and small, foreign and domestic, and often we have reported them as truth for lack of better information. We have felt the steady erosion of the public's confidence in what it is told by its leaders and the loss of faith in the news media that relay the word.

The President's plans for the coming weekend, the projected size of the Federal deficit—no topic is too trivial or too important to be dealt with deceptively. But truth has been treated most recklessly in official pronouncements about the gravest, most complex and controversial issue of the decade—the war in Vietnam. Each new wave of American involvement in Vietnam has washed up the debris of previous prevarications. To many citizens of the United States—and perhaps more of other nations—the war in Vietnam is the credibility gap.

The Gap was opened, although no one knew it at the time, on August 11, 1964, when Lyndon Johnson, a candidate for election to the Presidency that he had inherited the previous November, addressed himself to the question of the American role in Vietnam. "Some others are eager to enlarge the conflict," he asserted. "They call upon us to take reckless action which might risk the lives of millions and engulf much of Asia, and certainly threaten the peace of the entire world. Moreover, such action would offer no solution at all to the real problem of Vietnam."

The United States had a few thousand "military advisers" in South Vietnam in the summer and fall of that election year, and their orders were to fire only when fired upon. Their mission, as the slogan had it, was to help the Vietnamese help themselves. President Johnson's Republican opponent, Senator Barry M. Goldwater of Arizona, was asking, "Why not victory?" and urging that the war be carried to North Vietnam, but the President counseled a far more moderate course.

On September 28, Mr. Johnson asserted that it was "an illusion that force or the threat of force can resolve all problems." American military power, he said, "cannot be used to compel and frighten others into following our command." The only consequence of such action "would be constant, rising hostility and deepening tensions." The United States, Johnson warned, could not "demand resolution" of all the world's problems. The President was particularly concerned about the perils in Goldwater's proposal for air warfare against North Vietnam. "Before I start dropping bombs around the country, I would want to think about the consequences of getting American boys into a war with 700 million Chinese," he said.

In the Defense Department, as the President spoke, plans for a massive escalation of the war were well advanced. The case for bombing raids and large numbers of U.S. combat forces was being actively argued within the Administration, but there was no hint of this in Mr. Johnson's campaign oratory. Some 190 American lives had been lost in Vietnam, the President said on the stump,

"but it is not like the 190,000 we might lose if we escalated the war." On October 21, 1964, he told the American people, "We are not about to send American boys nine or ten thousand miles to do what Asian boys ought to be doing for themselves."

The first major step in escalation—the sustained bombing offensive against North Vietnam—began in February, 1965, three months after the election. The initial attack was on an ammunition dump at Dong Hoi, just across the Seventeenth Parallel, and the Administration took pains to deny that it constituted an expansion of the war. The raid, it explained, was a "reprisal" for a Vietcong mortar attack on an American barracks at Pleiku in South Vietnam. As the bombing offensive continued in the weeks and months that followed, officials insisted that there had been no change of strategy, only of "tactics." The air war against North Vietnam became the longest reprisal raid in history.

Escalation on the ground began in March, 1965, when the President sent two battalions of Marines to Da Nang. The troops were dispatched, Secretary of State Dean Rusk explained, "to provide local, close-in security." It was "not their mission to engage in the pacification operations," but merely to protect American installations. Secretary of Defense Robert S. McNamara offered similar assurances. The Marines, he said, would "patrol within narrow limits of the area and thus should not tangle with the Vietcong." As the air attacks continued and the American troop commitment doubled and redoubled, reporters in Washington asked whether the war was being escalated. "That's an operational matter, not a policy matter," replied White House Press Secretary George Reedy. He referred us to the Pentagon—and the Pentagon referred us back to Reedy.

In May, 1965, two months after the first Marine contingents landed in South Vietnam, an anonymous military spokesman in Saigon acknowledged that the troops were there "to render combat support which includes, if necessary, fighting."A month later, on June 8, this was confirmed by the State Department's official spokesman, Robert J. McCloskey. "American forces will be available for combat support together with South Vietnamese forces as and when necessary," he said.

Other State Department officials reported that an order to this effect had gone out to the American military commander, General William C. Westmoreland, "within the past several weeks." By this time, such official statements merely confirmed the obvious. Nonetheless, they infuriated the President. A White House statement to the press on June 9 firmly denied that there had been any change in the mission of United States ground forces in Vietnam, or that the President had sent any recent order of the kind reported to Westmoreland. Instead, the White House said, Westmoreland had been given "discretionary authority" from the very beginning to use his troops in combat. If this was the case, why had the Secretaries of State and Defense denied that the troops had a combat mission? The White House never said. Neither did Rusk or McNamara.

These were the beginnings of what was to become an undeviating pattern of official concealment and deception about the war. While the United States troop commitment in Vietnam rose into the hundreds of thousands, while casualty totals mounted into the thousands, while great and growing areas of North and South Vietnam were systematically devastated, while the war cast a heavy pall on the President's Great Society at home and on American foreign policy abroad, official spokesmen in Washington and Saigon and at the United Nations in New York continued to disseminate a steady stream of misinformation. And as controversy over the war mounted at home, the President and his aides added insult to injury by charging that their critics lacked the information needed to form intelligent judgments.

By the fall of 1965, the Credibility Gap was no longer merely a specter conjured up by frustrated reporters and crotchety critics of the Administration. The Opinion Research Corporation, in a national poll commissioned by the Columbia Broadcasting System, found that two Americans in three were convinced their Government only sometimes told the truth about Vietnam. Thirteen per cent believed the Government was "almost never" truthful. Historian Henry Steele Commager deplored the "increased trend" in Washington to disguise the truth, and blamed it on "the heavy role of the military." Said Commager, "Countries confronted with military problems act this way. They justify it in terms of national security." And he warned that "the habits of deception carry the danger of self-deception; you can begin to believe your own propaganda."

Truth has fallen casualty to considerations of "national security"—real or imagined—in previous Administrations. In 1960, President Eisenhower was caught in a flagrant falsehood about the U–2 photo espionage plane downed over the Soviet Union. A year later President Kennedy morosely (and privately) referred to his ambassador to the United Nations, Adlai Stevenson, as his "official liar" about United States involvement in the Cuban Bay of Pigs invasion. In 1962, Kennedy's chief lieutenants lied about the Administration's knowledge of Soviet missiles in Cuba, and one of them later publicly asserted the Government's "right to lie" in a national crisis.

Even on purely domestic matters, the Kennedy Administration's record for veracity was far from immaculate. Six days before the 1962 Congressional elections, for example, Secretary of Labor W. Willard Wirtz announced that unemployment had reached a three-year low during October and that the number of unemployed had declined by two million since the Kennedy Administration had taken office. *The Washington Post* cautioned, in an editorial on November 3, that the claims smacked of election eve partisanship. After the election returns were in, Wirtz admitted to James McCartney of the *Chicago Daily News* that his statement had contained "invalid" statistical comparisons because the figures had not been adjusted for seasonal variations.

Wirtz had also claimed, before the election, that "4,500,000 more Americans have jobs than when this Administration took office in January of 1961." This total, too, required seasonal adjustment and shrank, after the votes were in, to 1,224,000. Reporters, of course, had no way of independently ascertaining the correct figures.

The Johnson Administration has engaged in similar juggling of statistics. With appropriate fanfare, the White House announced that personal income in the United States had reached an all-time high in August, 1965. A footnote to the White House release said additional details were available from the Commerce Department. One detail not announced: The rate of farm income had suffered a $1 billion decline. What sets the Johnson Administration apart from its predecessors, in fact, is merely that the dissemination of half-truths and untruths has become a matter of day-to-day routine. The results of this policy of deliberate deception have been far-reaching, abroad as well as at home.

In December, 1965, Adlai Stevenson's successor, Ambassador Arthur J. Goldberg, felt compelled to tell the United Nations that "we have a great problem maintaining our credibility with our own people." In June, 1967, when the United States was accused by Arab leaders of military intervention on the side of Israel in the six-day Middle East war, Goldberg found it necessary to offer elaborate inspection opportunities to support the flat (and truthful) American denial. Even some Washington insiders, inured to the self-serving unreliability of official pronouncements, found it difficult to accept the Government's assurances of non-involvement at face value. But the Middle East war produced its own new widening of the Credibility Gap—the tragic case of the Navy "communications" ship, the *U.S.S. Liberty*, which was stationed so close to the fighting that Israeli planes and torpedo boats attacked it, killing more than three dozen American sailors.

When Congressmen, responding to letters from relatives of the dead sailors, demanded to know why the ship had been so close to the Israeli shore, the Pentagon offered an explanation that *The Washington Post* called "nothing short of ludicrous." It said the position was required so that the *Liberty* could use the moon as a passive reflector for its communications. "How hitting the moon, 238,000 miles away, had anything to do with changing the position of the ship by a comparatively minuscule distance was not explained," George C. Wilson wrote in the *Post*, "When pressed for an explanation last week, the Pentagon fell back on 'no comment.' One Defense official, who winced at his Department's claim, quipped that the *Liberty*—to keep up with the changing position of the moon—'would have had to sail right across the sands of Sinai.'"

In the news release, the Pentagon asserted that the *Liberty's* function was "to assure communications between U.S. Government posts in the Middle East and to assist in relaying information concerning the evacuation of American dependents and other American citizens. . . ." The truth, which leaked out soon enough, was that the ship was a spy vessel, equipped with elaborate electronic surveillance gear and assigned to the National Security Agency, which specializes in breaking the military codes of foreign nations. Presumably, the *Liberty* was monitoring Israeli and Arab battlefield communications. The Pentagon's thin cover stories were the Middle East war's contribution to the Credibility Gap.

President Johnson is understandably sensitive to talk about the Gap, although he tries at times to make a joke of it. "I don't want to appear incredible," he tells reporters when he tries to duck a news conference question, or "I don't want to jeopardize my credibility." If there is any realization on his part that he is largely responsible for the growing lack of confidence in his Administration's veracity, we have not been privileged to observe it. Instead, we have heard him complain that charges of untruthfulness arise from the reporters' personal dislike for their "corn-pone President" or from the captiousness of the "Eastern establishment."

Johnson's lieutenants contend that the Credibility Gap is just a catch phrase invented by disgruntled members of the press corps. Yet there are times when the President and his aides appear to bring a spirit of zestful competitiveness to the game of public deception. One such occasion—by no means unique—arose at a televised news conference on March 9, 1967, when Johnson was asked whether there was any truth to reports that he was searching for a successor to Henry Cabot Lodge as U.S. Ambassador in Saigon. "No, there is no truth that I am looking for a successor," the President replied. Lodge, he added, had told him on several occasions that in due time he would leave his post, but there was "no definite date set at this moment for his departure." Less than a week later, Ambassador Ellsworth Bunker was named as Lodge's successor, and the White House press secretary, George Christian, smugly explained to reporters that the President's news conference reply had been "absolutely accurate"—Johnson was not looking for a successor on March 9 because he had already found one.

"Accurate, perhaps, but not truthful,"

the *Chicago Daily News* protested in an editorial. "In the context of the question, the answer clearly implied that Lodge would stay on. Newsmen were put off the track, the country misled, by a technical escape hatch." The editorial acknowledged that "no great harm was done in this instance," since it mattered little whether the shift of ambassadors was announced one week or the next. But the clearly demonstrated preference for deviousness was disturbing. "If the President, and all the Government spokesmen who follow his orders and example, employ the same tricky sidestep on other, more serious matters, what can we believe?" the *Daily News* asked. "How can we know when we're getting the news straight or in such a form that makes it seem to mean the exact opposite of the truth?" The Administration, the newspaper concluded, had so far undermined its credibility that only massive doses of straight talk could begin to close the gap. No doses of straight talk, massive or minuscule, were administered. The Chicago newspaper, incidentally, was one of very few that bothered to take editorial note of the Lodge-Bunker flim-flam. By 1967, such exercises in the gamesmanship of deception were so routine that they hardly merited comment.

Every correspondent we know has his own favorite examples of the Credibility Gap, and his own favorite definition. Henry L. Trewhitt once defined it in the *Baltimore Sun* as "the degree of refusal by the public to accept at face value what the Government says and does." Such refusal comes slowly and is based on hard experience, but there has been no lack of experience in recent years. An early lesson was provided in Mr. Johnson's first Presidential press conference on December 7, 1963, when he was asked about the size of the Federal budget he would submit to Congress the following January. The President gravely implied that the budget could not be kept below $100 billion. President Kennedy's last budget had come to $98.8 billion, Mr. Johnson pointed out, and he would have to add about $3.5 billion to cover built-in cost increases. The prospect of substantial budget increases was reinforced later that month by high (and anonymous) Administration sources at a briefing for correspondents at the vacation White House in Texas. The reporters were taken in; they believed what they were told, and wrote it. The public was prepared, weeks ahead of time, for the first peacetime budget to exceed $100 billion. The budget that was sent to Congress came to $97.7 billion, and Mr. Johnson was praised for a remarkable achievement in economizing. The White House correspondents thought it was a remarkable achievement, too, but in their view economizing was the least of it.

"Under President Johnson's leadership," Jack Anderson wrote in the January 30, 1966, issue of *Parade* magazine, "many Government departments have issued announcements that tend to mold the facts as the Administration would like them to appear. For example, when the Ranger-6 spacecraft failed in its mission to photograph the moon, the public was told failure was due to a minor malfunction. But a report classified 'secret' said an investigation disclosed 'weaknesses . . . so extensive that in combination they suggest that the present hardware . . . is unlikely to perform successfully. . . .'"

Another hardware failure, and a disastrous one, was the Apollo I moon capsule fire in January, 1967, that claimed the lives of three astronauts. The National Aeronautics and Space Administration, sensitive to charges of mismanagement and perhaps malfeasance in the Apollo program, placed every conceivable obstacle in the path of reporters trying to ascertain the facts. In its 1967 report, the Freedom of Information Committee of the American Society of Newspaper Editors charged that "NASA information not only was late and sparse, but some of it was deliberately misleading, some of it inaccurate. Although the agency knew within five minutes, it took two hours for reporters to learn that all three astronauts were dead."

George Reedy was still the White House press secretary when the *Los Angeles Times* reported on good authority that President Johnson was preparing to ask Congress for a $4 billion reduction in excise taxes. Reedy scoffed at the figure and declared it bore "no relationship" to any decision that had been made. The total reduction eventually proposed by the President, as it turned out, was $3,964,000,000.

Mr. Johnson himself denounced the *Washington Star* for reporting—erroneously, he said—that he would propose a three per cent average pay increase for Federal employees. The pay raise proposal followed shortly after the denunciation; it averaged three per cent.

On January 22, 1965, two days after the Johnson inauguration, a reporter asked Reedy whether the President had executed an agreement with Vice President Hubert H. Humphrey about the procedure to be followed in the event that the President became disabled. (The Constitution had not yet been amended to provide for this eventuality.) "No, we just haven't gotten to that yet," the press secretary replied. A few days later, Johnson was hospitalized for treatment of a respiratory infection and the question came up again. Yes, Reedy said, Mr. Johnson and Mr. Humphrey did have a disability agreement. In fact, he added, they executed it "sometime before the inauguration."

The President's health was in the news again in October, 1965, when Johnson underwent surgery for removal of his gall bladder. Before entering the hospital, he announced to the press that "a thorough examination showed this to be the only trouble." After the operation, however, the surgeons disclosed that they had also removed a kidney stone. Their curiosity aroused, reporters asked whether there was anything else they had not been told. Just another stone which had not been removed, Johnson's personal physician replied. It was lodged in the left kidney, and the doctors had known about it "for some years."

A catalogue of such deceptions, major and minor, could be extended over many pages. Some are, indeed, no more than little white lies—but even little white lies loom large when they are uttered by the President of the United States. Reporters who accompanied Johnson on his trip to the Far East in the fall of 1966 were astonished to hear him tell American troops in South Korea that "my great-great-grandfather died at the Alamo." This was a bit of Presidential family lore that had previously escaped their notice. Richard Dudman of the *St. Louis Post-Dispatch* was sufficiently intrigued to ask the Texas Historical Society to look into the claim, and eventually received the report that there was no evidence to support it. Such lapses are of little moment to the conduct of national affairs—except to the extent that they reflect a strong propensity for playing fast and loose with the facts. The reporter who accepts any official statement at face value does so at the peril of misinforming readers who depend on him for an accurate account of the day's news.

The problem has become the topic of a special Washington brand of black humor. It is said that the old Chesapeake & Ohio barge canal, which runs from Washington to the mountains of Maryland, is bounded by the Cumberland Gap at one end and The Credibility Gap at the other. Before he left the White House press office to become publisher of the Long Island newspaper *Newsday*, Bill D. Moyers quipped at a private dinner that "the crisis of credibility has gotten so out of hand that we don't believe our own leaks." Not long ago, White House correspondents devised what they called the LBJ Credibility Test. It went like this: "When the President smoothes down the hair on the back of his head, he's telling the truth; when he strokes the side of his nose, he's telling the truth; when he rubs his hands, he's telling the truth; but when he starts moving his lips, he's lying."

If the rule is overstated, it has its practical applications nonetheless. Many reporters find it prudent to assume that today's denial will turn into tomorrow's confirmed news, and to prepare themselves accordingly. This was what happened, for example, at the vacation White House in Texas over the New Year's holiday weekend in 1967. When Deputy Press Secretary Robert H. Fleming insisted that no announcement was imminent about the proposed supersonic transport plane, careful newspapermen began boning up on the SST. Their wariness was rewarded the very next day, when the Federal Aviation Agency announced that Boeing had been selected as the contractor to build the air-frame for the huge airliner. Even while that news was being released in Washington, however, the President was telling a press conference in Texas that "we don't have any definite date" for the decision on the SST.

This was only the latest instance of news manipulation on the jet transport project—an enterprise that will eventually cost the nation's taxpayers up to $5 billion. At the very outset, Mr. Johnson had secretly assigned a "DX" priority to the SST—a classification usually reserved for defense and space programs affecting the national security. "The suspicion must arise in many minds," *The New York Times* commented when it learned of the secret "DX" priority, "that Mr. Johnson took this course because he wanted to avoid a vigorous public debate about the wisdom of the controversial supersonic transport project." Congress and the nation, the *Times* concluded, "should have been allowed a direct voice in deciding whether to put the giant transport ahead of the War on Poverty and the associated effort to give the Negro full equality."

In the face of this background, White House press secretary George Christian found it possible to tell a nationwide radio audience this year that Mr. Johnson is "a very candid man," who is "rather open in his discussions with the press and with the public."

When the prime minister of Singapore, Lee Kuan Yew, announced in the summer of 1965 that a CIA agent had offered him a $3.3 million bribe five years before, the State Department automatically issued a stiff denial. Unfortunately, Lee produced proof—a letter of apology signed by none other than Dean Rusk. Understandably embarrassed, the Department admitted that Lee was right and explained that its spokesman had been unaware of the facts. It did not explain why Rusk allowed the denial to be issued.

"This city is awash in lies and deceptions of many kinds," Richard H. Rovere wrote in his "Letter from Washington" in *The New Yorker* of March 18, 1967, "and the mere fact that a State Department official says the Department has the evidence to prove that it is telling the truth does not, of course, mean that such evidence exists. Nor would it necessarily mean, in the event that what he said turned out to be false, that the man was himself a liar. It would not be the first time that the truth has been kept from or misrepresented to high Government officials by other high Government officials. In 1960, the U–2 affair, and in 1961, after the Bay of Pigs, a number of respected spokesmen were caught in lies that were the product not of their own mendacity but of their having been deliberately misinformed or left uninformed." If high Government officials can't count on the candor of their colleagues, what chance do the press and the public have?

The press, of course, is not exclusively dependent on official statements (although we

must confess that all too often it behaves as if it were). In virtually every instance cited in this article, reporters eventually ascertained the facts, and they were published. As a rule, however, publication came long after the facts had lost their urgency—and after Government decisions had been made without the benefit of informed public discussion. This is the most dangerous aspect of the Credibility Gap. Another peril lies in the persistent undermining of confidence in the established institutions of political life. As much as the Vietnam war or any other specific aspect of U.S. policy, the Credibility Gap accounts for spreading disaffection and alienation among thoughtful citizens. Yet there has been no indication that the nation's leaders are aware of these dangers or ready to cope with them.

J. R. Wiggins, the editor of *The Washington Post*, has observed that "a government that too readily rationalizes its right to lie in a crisis will never lack for either lies or crises." Both lies and crises are in plentiful supply in Washington today.

HOW SECURE IS YOUR SOCIAL SECURITY?

Mr. STEIGER of Arizona. 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 Arizona?

There was no objection.

Mr. CURTIS. Mr. Speaker, on September 27, 1967, my colleague, Mr. MILLS, placed in the CONGRESSIONAL RECORD, pages 27026–27029, an article appearing in the October issue of the Reader's Digest, entitled "How Secure is Your Social Security?" He then placed in the RECORD a statement by Wilbur J. Cohen, Under Secretary of Health, Education, and Welfare, in rebuttal to this article.

Mr. MILLS stated in reference to the Reader's Digest article:

> I have read the article very carefully and find that it contains a number of half-truths that lead to misleading conclusions.

I, too, have read the article very carefully and although it reaches some conclusions with which I disagree I find that it has raised some important points and challenges some half-truths and misleading conclusions that have been promulgated by the Social Security Administration for many decades. It essentially calls upon the public to put on its own thinking cap and examine into the matter itself. I find few "half-truths or misleading conclusions" and those that occur do not detract from the basic points of the article. The conclusions in the article I disagree with can be expressed by me, or others, forthrightly so the dialogue can be moved forward.

I find the scholarship in Mr. Stevenson's article sound and his syllogisms generally stated fairly, if somewhat too vehemently on one or two occasions. But sometimes vehemence of expression is helpful in putting people in the frame of mind to ask questions that need asking and to seek for honest answers to these questions.

I have also carefully examined Mr. Cohen's rebuttal. I find it seeks to build upon the half-truths and misleading conclusions the Social Security Administration has been promulgating for some time. I find that it does not forthrightly state what the basic differences of opinion are between the defenders of the social security system and its present-day critics so that the public can understand the dialog and reach some conclusions of its own.

I believe the social security system is in serious trouble, primarily because its promoters will not listen to honest criticism and reply to it forthrightly. I think the system can be and must be saved. But I believe if we continue much further along the path we are pursuing by accusing anyone who dares raise these questions of performing "a great disservice to the millions of social security beneficiaries and the millions of people who are counting on social security benefits in the future," the system will be destroyed.

I recall a study I prepared several years ago which I entitled "Politics Can Destroy Social Security," see CONGRESSIONAL RECORD, volume 107, part 3, page 3292, also see CONGRESSIONAL RECORD, March 7, 1967, pages 5728–5731. I regard Mr. Cohen's rebuttal as the kind of politics I had in mind in this article.

However, let me state that I am pleased with Mr. MILLS' actions in putting both the Reader's Digest article and Mr. Cohen's rebuttal in the RECORD, even though I disagree with my colleague Mr. MILLS' introductory remarks. This should help to move the dialog forward if those who read the article and the rebuttal will cut through the rhetoric to get to the meat of the points raised.

Let me point out, on the same day these materials were placed in the RECORD by Mr. MILLS, I placed in the RECORD a scholarly editorial from Business Week—CONGRESSIONAL RECORD, September 27, 1967, pages 27002–27004—which raised one of the basic points raised in the Reader's Digest article; namely, whether the social security system was being moved from one of social insurance to one of welfare. Notably, Mr. Cohen in his rebuttal does not refer to these observations or discuss the points raised but he needs to do so.

I agree with Mr. MILLS' observations that the bill we passed out of the Ways and Means Committee, and which passed the House, did "strengthen both the wage related and contributory features of the program." But I think Mr. MILLS would agree that the program needed strengthening in this respect because there has been an erosion in this area and even with this strengthening the erosion is still great. I think Mr. MILLS would also agree that in other revisions in this same bill we moved in a serious manner away from wage related and contributory features. Medicare benefits, for example, are completely unrelated to wages or contributions. Freezing in people over age 72, and reducing retirement ages, liberalizing the work prohibition clause—which I supported for other reasons which I felt overbalanced the wage relation aspect—certainly weakened this relationship as have many other amendments in the present bill and in prior revisions.

In other words, the concern lest social-insurance become welfare is serious, a concern which all of us on Ways and Means who have studied the system share. It does no good for us to pass off outside criticism on this score as being half-truths and drawing erroneous conclusions. Indeed, we need a great deal more examination into this matter than we have undertaken in the past. Mr. Cohen in his ad hominem defense of the system refers to the various advisory councils which have given Social Security an upcheck. These councils were composed of fine and distinguished men, but notably the written reports of these councils show that they have not done their homework in examining into this aspect of the matter—or into other basic aspects to which I will refer. Furthermore, these councils have not been selected in a manner designed to get a diverse and impartial panel. Indeed the panels chaired by the Director of Social Security have been selected because they were partisans of a particular point of view about the social security system and its development. To say they were partisan is not to detract from their knowledge or their integrity. It is to say that these panels were not well balanced or designed to attract and examine criticism, constructive or otherwise.

Indeed we do need a blue ribbon committee of top experts to study our social security system who have diverse views on the issues involved, as the Reader's Digest article advocates. I have had occasion to criticize in the past the manner in which these councils have been selected and the manner in which they have made their reports and studies on which the reports are based.

See CONGRESSIONAL RECORD, volume 109, part 7, page 9246, entitled "Social Security Advisory Council Window Dressing," also insert of September 17, 1963, volume 109, part 13, pages 17309–17313, in which I develop the point at some length and insert an exchange of correspondence between Robert M. Ball, Commissioner of Social Security, on the point of the Advisory Council not being representative of a broad and unbiased point of view. Because Mr. Cohen leans so heavily in his rebuttal on the findings of the Advisory Council, I shall insert these two items at the conclusion of my remarks.

The Reader's Digest article points up another serious question: How far can the payroll tax be increased before it reaches the point of diminishing returns? Is it 10 percent of payroll or what? What are the economic and social problems involved in increasing the rate and the base of the payroll tax—the most regressive Federal tax we have? Many scholars are now seriously concerned about this matter. Notably, the Ways and Means Committee turned down my request for an objective study and/or even an appearance by economists to set forth the issues involved in this serious matter. The most we received this year was a cursory report that the President's Council of Economic Advisers "had studied the matter" and they said there was no problem. The various Social Security Advisory Councils have not

studied this matter. Notably Mr. Cohen ignores this issue too in his rebuttal.

In my supplemental views accompanying H.R. 12080—CONGRESSIONAL RECORD, September 27, 1967, pages 27002–27004—I pointed out the need to relate social security retirement system to the other two basic systems which in conjunction with social security provide for the total retirement of our people. I raised the question in these supplemental views of whether we should not be relying more heavily on funded programs rather than pay-as-you-go systems such as social security. The various Social Security Advisory Councils hardly touch upon this most serious issue. Mr. Cohen touches it briefly by pointing out that since social security, private pension plans have grown remarkably. He fails to point out that the real growth occurred since 1944, when Congress finally revised the Internal Revenue laws so that corporate pension plans could qualify for tax deductions in a practical way. He does not point out that private pension plans have just recently been given the opportunity to grow even more since the Congress extended the tax treatment of corporate pension plans to the self-employed and their employees. This extension, it should be noted, the administration fought bitterly. And he does not discuss how increasing the social security tax rate and base will affect this healthy growth. Yet these are further points that the Reader's Digest article seeks to raise.

Mr. Cohen's rebuttal misses another basic point made by the Reader's Digest article; namely, the amount of benefits young persons in their twenties can get from a funded pension plan vis-a-vis a pay-as-you-go social security plan. What rebuttal there is uses half-truths. The half-truths are hidden in the words "they will pay," "they pay," "their contributions" in referring to what young persons will pay for their private pension plan benefits. The employee pays at most only half. Most qualified pension plans call for the employer paying at least half of the payment—indeed many pension plans require no employee contribution. The employer pays it all. In considering what a pension gets in the way of benefits, the total payments to the plan must be computed, not just what the employee pays. In social security, the employer's payment which is equal to the employee's, of course, is added to compute the benefit. So it should be, and is, with private plans.

The data in the Reader's Digest article which points to the increased benefits a person can get from a private pension plan—because it must be funded—is accurate. The rebuttal of Mr. Cohen is inaccurate.

This leads to the key point at difference in the dialog over the soundness of the social security system. The social security system is not an insurance system. It is a social-insurance system. The words chosen by the promoters of the social security system to describe a system which is based upon entirely different assumptions than private insurance creates the basic confusion in the public's mind about what the system is and what it is not. It is this confusion which brings about erroneous criticism of the system, the erroneous criticism which Mr. Cohen and his group delight in exposing. Some of this misinformed criticism is contained in the Reader's Digest article.

Mr. Cohen and Mr. MILLS are eminently correct when they say with emphasis that "the program is actuarially and financially sound." What they do not say, however, is that this depends upon accepting the assumptions on which the actuarial and financial calculations of a social-insurance system, not an insurance system, are made. The points at issue are the validity of and the nature of the assumptions. These assumptions are entirely different from the assumptions upon which insurance, not social-insurance, are based. To be actuarially and fiscally sound, private pension plans meet entirely different assumptions. For example, they must have and do have $90 billion in their trust or reserve funds. If social security were based upon these same assumptions, the social security trust fund would have to have $350 billion in it, not the $23 billion that is in it. The civil service retirement system is based upon the same assumptions as private retirement programs. It has $19 billion in its trust funds—and these funds are critically low. So the critics of the social security are correct in saying that the system is actuarially and financially unsound applying the standards of private insurance.

To state it another way. If social security were to be frozen as of this date—taking in no new entrants, but allowing all those who are already paying in to pay in until they reach 65 and qualify for their benefits, and then it were to pay out all who are now receiving, and all those who will qualify for benefits—the fund would be short $350 billion.

Why is there this difference? Mr. Cohen states it, but obliquely, not forthrightly, so people can grasp its real meaning:

> The article attempts to show that social security is unsound by referring to "unfunded outstanding obligations" of $350 billion and stating that under the Administration bill this amount will rise to $417 billion (pp. 79–80). The $350 billion referred to is the amount that would be needed—if social security were a private, voluntary insurance program—to pay off all obligations on the assumption that there would be no new entrants into the system. The idea of there being a huge unfunded liability in the social security system is wholly meaningless and irrelevant for any practical purposes. There is no need in a Government program such as social security for funding on the basis referred to in the article. It would not only be unnecessary but also unwise to build up such a huge accumulation of social security funds. No life insurance expert nor social security expert, nor business nor labor organization, and no Advisory Council or Committee of the Congress has ever recommended such funding.

Mr. Cohen seeks to throw the inquirer off the track by pointing out the undesirability of having a large trust fund in social security. It is not undesirable as far as the security of a retirement system is concerned, I can assure you. It is undesirable because of the effect this would have on the economy. It would be particularly undesirable to have the Federal Government have control over the investing of these huge sums. Indeed, it is for this very reason, I argue, if we are to have a social-insurance program run by the Government it should be a pay-as-you-go system, not a funded system. But one reason for not relying too heavily on a social-insurance system and relying more heavily on private pensions and savings programs is that they can be funded and bring in desirable economic and social benefits concomitantly. This is what I was seeking to discuss in my supplemental views to the Social Security Act of 1967.

The social security system depends for its fiscal soundness upon the payments of future entrants to pay the benefits to the present beneficiaries. As long as wage scales rise, and as long as Congress increases the wage base upon which social security payroll tax is based, and as long as the population continues to increase, and as long as the system is compulsory, then the social security system is actuarially and fiscally sound. These are the assumptions of a social-insurance system. These assumptions, as anyone can see, include political premises. Perhaps these political premises and the demographic premises are sound, but let us discuss these premises not try to shout down those who raise questions about them. If, indeed, young people are the ones who pay for those who preceded them and came into the system with little or no payment on their part, then it becomes quite obvious why a young person could get more from paying in the same amount for himself into a private funded program. The rebuttal of the Social Security Administration, which Mr. Cohen does not clearly set out, is that the Congresses of the future will increase the benefits for these young people. The anticipatory future increases in the pay-as-you-go system are less than what they can bargain for now. And as young people dominate the voting—and one-half of our population today is under age 26—how long will they keep such a system?

This is where the points made in the Reader's Digest article about the lack of contractual obligation on the part of the Federal Government to pay benefits come in. These are sound points. Again I find that Mr. Cohen's rebuttal avoids the issue and seeks to obfuscate it. Social-insurance benefits are gratuities, the Supreme Court held, not contractual rights. Congress can take away the payments if it chooses. It must take the payments away from all citizens who have qualified equally, but it can take them away. Note the choice of words I use—"citizens who have qualified." The words used by the Social Security Administration are usually "benefits to which they are entitled" and these words are in error.

To illustrate the point further. Civil service retirement benefits are based on contracts. The Government cannot take these away. These payments can be enforced in the Federal courts. Social security payments are not based on contracts, they cannot be enforced in court except on an equal treatment basis.

On this basis, the Internal Revenue

Service held that the payments made to people qualified under social security were not taxable income, they were not earned rights, contractual rights, but gratuities and under the Federal income tax laws gratuities have not been taxed and are not taxed.

From a practical political standpoint the 90th Congress is not going to take away social security benefits—nor any Congress in the next 10 years. But what about Congresses elected by people who do not pay in $1 and get out $20 as those who have received social security did, or pay in $1 and get out $10, as those presently receiving payments did, but by people who are required to make up some of this difference? And who, if they paid in—with their employers—an amount of money equivalent to their social security tax to a funded program would get out twice or thrice as much in benefits and be able to enforce their right to benefits in the courts? I am not so certain. Nor am I so certain, as Mr. Cohen seems to be, that future Congresses will merely increase the benefits these young people are to receive—because increasing these benefits, if the system, on its own assumptions, is to remain actuarially and fiscally sound—will require further increasing the base upon which social security tax is levied and probably further increasing the rate as well.

The half-truths of Mr. Cohen and the Social Security administrators, and, yes, the advisory councils, are basically hidden in the semantics they have carefully employed over the years to make the term "social-insurance" appear to be insurance. They use all the words developed in the insurance field with which the public is familiar, "premiums," "benefits entitlements," "actuarially," and so forth knowing that these terms if they have meaning in social-insurance have different meanings when used in private insurance. Social-insurance is not insurance. It is a totally different concept and it has totally different assumptions lying behind its soundness. People have been taught to believe they have paid into a system, that they have saved, that they are entitled to benefits. This is untrue. Yet they believe it because this has been the propaganda that the Reader's Digest article has dared to contest. As citizens they can qualify for social security benefits established by law and the law if changed can only be changed to relate to all citizens equally. But the law can be changed—at least in theory, if not from a practical political standpoint—to pay all citizens equally, a zero amount.

There is much more than can and should be said about Mr. Cohen's rebuttal and about the Reader's Digest article. I have tried to say just enough hopefully to keep the public dialog which the Reader's Digest article has started going.

I note that on September 28, 1967, the Social Security Administration's bulletin, No. 63, "To Administrative, Supervisory and Technical Employees" prints Mr. MILLS' introductory remarks in the RECORD and Mr. Cohen's rebuttal. What Mr. Cohen is rebutting—the Reader's Digest article—is noticeable by its absence. The fairness exhibited by my colleague [Mr. MILLS], in printing both documents so the reader had some opportunity of exercising his own judgment is noticeable by its absence.

Under these circumstances I doubt if this surrebuttal which I have prepared will be sent to the "Administrative, Supervisory and Technical Employees, or the Social Security Administration" in bulletin No. 64, but even so the dialog is not going to be stopped. Time is catching up with us. Let us hope that politics does not destroy social security.

Following are remarks I made in the CONGRESSIONAL RECORD, volume 109, part 7, page 9246, and in volume 109, part 13, pages 17309–17312, concerning the lack of breadth and objectivity of the Social Security Advisory Councils:

[From the CONGRESSIONAL RECORD, May 23, 1963]

SOCIAL SECURITY ADVISORY COUNCIL WINDOW DRESSING

(Mr. CURTIS (at the request of Mr. MORSE) was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. CURTIS. Mr. Speaker, the other day my attention was called to a news story in the New York Times of May 17 which should be of great interest to every single Member of Congress. This news story was headlined "Wider Benefits Due in Social Security."

Now I would like to quote from this news story which originated from Yonkers, N.Y. It says:

"An expansion of social security taxes and benefits will be drafted by an Advisory Council to be appointed in the next 10 days by the Secretary of Health, Education, and Welfare.

"Commissioner Robert M. Ball, of the Social Security Administration, disclosed the plan here today."

These and other remarks were made by Commissioner Ball before 150 social security employees from New York and New Jersey.

The Council to which the Commissioner was referring is called for in present social security law. It provides that the Secretary of Health, Education, and Welfare shall appoint before the end of this calendar year "an Advisory Council on Social Security Financing for the purpose of reviewing the status of the Federal old-age and survivors insurance trust fund and of the Federal disability insurance trust fund in relation to the long-term commitments of the old-age survivors and disability insurance program."

The law further specifies that the Advisory Council to be appointed this year shall "in addition to the other findings and recommendations it is required to make, include in its report its findings and recommendations with respect to extensions of the coverage of the old-age survivors and disability insurance program, the adequacy of benefits under the program, and all other aspects of the program."

This Council has not yet been appointed. It must complete its deliberations by the end of 1964, and make its report and recommendations to Congress by January 1965. The Chairman of this Council is the Commissioner of Social Security. This is also specified in the law.

Now this is why I believe this news story is of such great significance. It says that the Commissioner disclosed the plan—for what this Advisory Council—not yet appointed—will draft in its report to us by January 1965. And in this meeting of social security employees, the Commissioner told them the Council will draft an expansion of taxes and benefits. I'm wondering what other social security changes the Commissioner and his staff have already decided this Advisory Council will draft in its report to the Congress.

When I helped to develop this particular amendment to broaden the scope of the Advisory Council's purview back in 1960, I had fully expected that this Advisory Council would be composed of people each of whom would be permitted to make up his own mind, independently, on the basis of the evidence presented. However, the Commissioner is here telling us in May 1963 one of the things that this Council will report to us some 18 months hence. He is in effect saying that this Advisory Council, advisory not to the Commissioner, advisory not to the Secretary of Health, Education, and Welfare, but advisory to the Congress of the United States—this Council is in fact a rubberstamp advisory council.

In the light of this, how can any trust at all be put on the report that this Advisory Council will submit to us when the Commissioner is already telling Social Security employees what this Council will report. When this Council is appointed, I intend to write each person appointed to it and send him a copy of this news clipping, and of my remarks, so that each will understand exactly what the Commissioner of Social Security—the Chairman of this Advisory Council—expects from him.

Make no mistake about this news story and its accuracy. A check with the Commissioner's office reveals that he was reported accurately in the remarks he made before this group of 150 Social Security employees.

Perhaps the Commissioner has rendered a great service to all Members of Congress by revealing that this Advisory Council is really "window dressing" for things some of the Social Security staff want put into law.

I might add that this is not the first instance in which the present Commissioner played an important part in setting up an advisory panel to circumvent an explicit directive from Congress. Fortunately, the distinguished Senator from West Virginia, Mr. ROBERT BYRD, as chairman of a Senate appropriations subcommittee straightened out that situation.

The social security law calls for an Advisory Council of 12 persons and the Commissioner of Social Security. Employers and employees shall be equally represented, plus representation from self-employed and the public.

I would like to know how this Advisory Council is being selected? Has the Secretary of Health, Education, and Welfare written to organized labor for suggestions? Has he written to the large employer organizations for names of businessmen who would reflect the thinking of the business community? This is the procedure followed for many years by the Secretary of Labor in selecting people for the Federal Advisory Council on Employment Security.

Are we going to have a hand-picked Council of safe people? Perhaps one from Cleveland? And some others who almost perennially have served on Social Security Advisory Councils?

The Commissioner, in his remarks, has cast a deep dark shadow on anything this Council—not yet appointed—will send up to us in 1965, when he, as its Chairman, admits there is a plan of what the Council will report. If the report is already written, we might as well have it now.

"[From the New York Times, May 17, 1963]

"WIDER BENEFITS DUE IN SOCIAL SECURITY

"YONKERS, May 16.—An expansion of social security taxes and benefits will be drafted by an advisory council to be appointed in the next 10 days by the Secretary of Health, Education, and Welfare.

"Commissioner Robert M. Ball, of the Social Security Administration, discussed the plan here today.

"Speaking to 150 New York and New Jersey executives of the department at the Westchester Town House, he predicted that a hospital insurance program would be added to social security by Congress this year, or next year at the latest.

"He said that the hospital insurance would include nursing home care, but no payments to physicians.

"Mr. Ball said that the council would consider increasing the social security base, revising disability payments to cover short-term disability, and gearing benefits to the actual value of the dollar at the time of retirement and after."

[From the CONGRESSIONAL RECORD, Sept., 17, 1963]

THE ETHICS OF THE NEW FRONTIER

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Missouri [Mr. CURTIS] is recognized for 60 minutes.

(Mr. CURTIS asked and was given permission to revise and extend his remarks, and to include extraneous matter.)

Mr. CURTIS. Mr. Speaker, some time ago I called the attention of may colleagues to a story in the New York Times about what the Federal Advisory Council on Social Security Financing will report to the Congress—CONGRESSIONAL RECORD, vol. 109, pt. 7, p. 9246. This was significant then, because that Council had not even been appointed, and it is not to report to the Congress until January 1965.

Four days after I made my remarks here I received a letter from the Commissioner of Social Security which I will now read for the RECORD:

"MAY 27, 1963.

"Hon. THOMAS B. CURTIS,
"House of Representatives,
"Washington, D.C.

"DEAR MR. CURTIS: I have read the remarks you inserted in the CONGRESSIONAL RECORD for May 23 reflecting on the independence of the members of the next Advisory Council on Social Security.

"Your reaction was evidently prompted by a newspaper report referring to a talk I made in Yonkers, N.Y., to a group of social-security district office managers. If you had checked with me about this brief newspaper report before making the insertion in the RECORD, I would have told you then, as I tell you now, that it was inaccurate. I did not say that an expansion of social security taxes and benefits will be drafted by the Advisory Council.

"What I did say, and what may have prompted the newspaper report to mention an expansion of social-security taxes, was to remind the district managers that the present schedule of tax rates now in the law will result in increased tax payments over the next 5 years. I did not say that the Council would or would not recommend further increases over those now scheduled.

"I also pointed out to the managers that since the statute calls for the Council to examine not only the financing of the program but also extension of coverage, the adequacy of benefits, and all other aspects of the program, the Council is very likely to take up all of the issues in social security that are currently in the air. I mentioned some of the issues. I did not indicate in any way, however, that the Council will or will not take up any particular issue or will or will not come to any particular conclusion.

"I do not know who told you that my office confirmed the accuracy of the newspaper story but the story is not accurate and, moreover, I can find no evidence that anyone from my office said anything to give anyone a contrary impression.

"I am sure that your sense of fairness will lead you to want to correct the mistaken impression which has been created and which, if allowed to persist, could damage the ability of the Council to carry out its important assignment.

"As you know, the membership of the Advisory Council has not yet been announced but I can assure you that the persons being considered are persons of independence, ability, and integrity and that they are not the sort to be a "rubberstamp" for anyone.

"Sincerely yours,

"ROBERT M. BALL,
"Commissioner."

Following receipt of this letter, I proceeded to make further inquiry as to the reliability of the New York Times news story even though at the time I made my remarks a check had been made with the office of the Commissioner and it was stated that he was accurately reported. I also am informed that staff of the Social Security Administration, in a position to know, accept that news story as reliable and accurate.

Mr. Robert Garst, the assistant managing editor, wrote that the Times had received no complaints as to the accuracy of the story. However, he rechecked the accuracy of it with the news reporter and was assured the facts as printed were accurate.

Now to the meat of the matter.

When I made my observations originally in May, I asked some questions about this yet-to-be appointed Council on Social Security Financing. I asked how this Council is being selected? Has the Secretary of Health. Education, and Welfare written to the AFL–CIO or to independent labor unions for suggestions? Has he written to the large employer organizations for names of businessmen who would reflect the thinking of the business community? I also asked: "Are we going to have a handpicked Council of people, most of whom are in agreement on the most controversial social security proposal before this or any other Congress? Medicare?"

The specific directive authorizing the Secretary of Health, Education, and Welfare to establish the Council is provided in the Social Security Amendments of 1956. It reads as follows:

"The Council shall be appointed by the Secretary and shall consist of the Commissioner of Social Security, as Chairman, and of twelve other persons who shall, to the extent possible, represent employers and employees in equal numbers, and self-employed persons and the public."

The thinking of the Ways and Means Committee at that time—and I was a member and took a personal interest in developing this language—was that the people selected should represent specific segments of our population—the employers, because they pay almost 50 percent of current social security taxes, employees because they pay a like amount, self-employed persons who are taxed at a rate 50 percent more than employees, and the public because they could take a broader view with respect to benefits on the one hand, the tax burden on the other.

This provision as to Council members who represent these segments of our Nation is all the more important for the new Advisory Council for in the amendments of 1960, we directed them to broaden their study and report on such issues as extensions of coverage, the adequacy of benefits and all other aspects of the program.

You will note that the Commissioner in his letter to me did not see fit to answer the basic questions I raised about the method of selecting people for this Advisory Council which were entirely apart from the grave impropriety of stating what the nonappointed Council would find.

Sunday, June 9, the appointments of the 1963–64 Advisory Council were announced and the first meeting was scheduled for the next day, June 10.

I am still concerned about the criteria employed by the Commissioner and the Department in selecting those who have now been appointed to this Advisory Council and I still wonder about the manner in which such selection was made.

I can report to you that from the detailed check I have made, the Department made no serious effort to follow the directive provided in the law, so far as the selection of employer and self-employed representatives is concerned. I wrote to the leading national organizations of employers to learn whether or not they have been approached officially by the Department of Health, Education, and Welfare to supply names of businessmen who would represent the employer thinking on social security matters. The Chamber of Commerce of the United States, the National Association of Manufacturers, and the National Small Business Association replied that they had not been approached in any manner whatsoever.

There are three men on this new Advisory Council who ostensibly serve as employer members to reflect the thinking of employers across the country. I cannot regard that employer thinking is represented by these men. One of the men has retired from active business and his only connection with business now is as a member of the board of directors of the company which formerly employed him. Moreover he recently authored an article on the medicare issue in a current magazine—Atlantic Monthly, June 1963—and I am sure that his views on this very important issue would have little, if any, support in the employer community.

This man incidentally will reach his 70th birthday this fall, is retired, and may now be a social security beneficiary.

Another man appointed, ostensibly as an employer member, retired from his company in August of this year at age 67. He can then become a social security beneficiary.

May I say that both of these men are very fine gentlemen and able, and are very familiar with social security. The only point I am making here is to question whether they are suited to represent the views of the employer community on the subject of social security.

I also wrote to the leading national organizations whose members are characteristically self-employed to determine whether they had been approached by the Department of Health, Education, and Welfare. Without exception, each replied that it had not been approached.

The only person appointed to this new Advisory Council who might be regarded as self-employed—and I am sure he is a fine reputable doctor—is the president-elect of the National Medical Association. This organization, the National Medical Association, must not be confused with the American Medical Association. But is it reasonable to believe that this gentleman will represent the social security thinking of the self-employed, such as the farmers—let alone his own profession—whose organization, the American Farm Bureau Federation, has opposed medicare, when the gentleman's organization to which he has been elected president has recently endorsed medicare?

Now when we turn to the five appointees who represent the public, we find four come from the academic field and one from a professional organization of social workers. Every single one of these has gone on public record endorsing medicare. No opinion poll I have heard of has shown 100 percent support by the public for medicare. The most recent Gallup poll I have seen showed only 44 percent endorsed it.

In consequence, I must conclude that the public cannot be fairly represented by the five individuals selected, at least so far as the medicare issue is concerned.

Now let me turn to the three individuals selected to represent employees. I have no doubt that the Department of Health, Education, and Welfare was in close communication with the AFL–CIO about these appointments. However, I must point out that the

AFL–CIO represents no more than some 14 million employees. Certainly, if this national organization and its legislative objectives were broadly acceptable to the working people across the country, the membership of this organization would be vastly larger—at least two or three times its present size. I cannot conclude that the two selected from international organizations of the AFL–CIO and the one from its staff here in Washington appropriately represent the social security views of the some 50 million employees currently covered by social security. And, of course, these three endorse any kind of health and medical care services paid for by social security.

Thus, of the 12 persons appointed to this Council, 10 are on the public record as committed to support social security medicare, a measure fraught with profound implications to the financial soundness of our existing cash benefits program, and to our unequalled system of health and medical care.

I want nothing that I have said so far to be interpreted as a criticism of a single person appointed to this Advisory Council. I am sure that they are all fine people.

However, I conclude that in its selection of people for this Council, the Department of Health, Education, and Welfare has chosen to ignore completely the explicit congressional intent in the amendments of 1956 and has in effect packed the jury for narrow partisan reasons. It is the Department which has put these individuals in a most embarrassing position for the Council members will not and cannot with their preconceptions broadly represent the social security views of the more than 50 million employees covered by social security, the several million of self-employed, the millions of employers, and the public. In consequence, the labors of this Council during the ensuing 18 months as far as coming forth with an objective report is concerned is foreordained to failure and will meet with public skepticism, even if the Commissioner had not been so unthinking as to announce some of the major conclusions the Commission would reach even before it was appointed.

Under these circumstances, who can reasonably attach the significance to this Council's forthcoming report and recommendations which the Congress had in mind and the Nation so badly needs?

The failure to follow congressional intent is, in my view, most tragic. During the next 10 years, the two social security cash benefits programs will face the severest tests of financial support. The first of this year an increase in the tax rate went into effect—without any increase in benefits. Further tax increases are now provided in the present law. The first takes effect in 1966 and the second in 1968. These increases are also necessary like the one this year, merely to enable the system to continue paying cash benefits already promised.

Notwithstanding this added financial support, the board of trustees announced in its most recent annual report that both programs, the old-age and survivors benefits program and the permanent and total disability benefits program, are out of actuarial balance. In fact, the intermediate cost estimate of the chief actuary of social security indicates that the trust fund of the latter program will be exhausted by 1971. In consequence, the chairman of the House Ways and Means Committee, the gentleman from Arkansas, Mr. WILBUR MILLS, has wisely introduced a bill which will improve the financial support of both programs.

I would like to call your attention, however, to what has been happening in the larger of these two—the old-age and survivors benefits program. In 1950, the trust fund was then $13.7 billion and benefits and other costs were slightly in excess of $1 billion. Thus, the trust fund could have continued benefits for more than 13 years. In 1960, when the trust fund was $20.3 billion, benefits and other costs had increased to $11.1 billion. The trust fund was thus equivalent to no more than 1 year and 10 months of benefits. The most recent figures I have are for June 1963. The trust fund amounted to $18.9 billion and benefits and other costs to $14.7 billion. In 1953 the trust fund was approximately the same, $18.7 billion, but the benefit and other costs were then only $3.1 billion. Thus, the trust fund in 1963 is equal to only 1 year and 4 months of benefits—at the present level of costs for benefits and administration.

I do not mean to imply by these statements that Congress will not see to it that financial support for benefits already promised will be forthcoming when needed, so long as Congress reasonably can. My purpose here is to emphasize that the trust fund today is truly a contingency reserve fund. The system is on virtually a pay-as-you-go basis. In consequence, Congress must in the future examine with extreme care each and every proposal that would increase further the costs under social security.

This is true, even though such Congress also prescribes further tax increases. For there must ultimately be some limit—at least in our lifetime—to the social security tax burden. We can expect American workers willingly to carry just so much social security tax load; and American employers to absorb just so much in additional tax costs, or the American consumer public to pay for it in higher prices. However, today we are beginning to realize that apart from our own will there is a discipline over which we have little or no control entering the picture—the international market place. We cannot just increase prices as we may wish if we are to sell our products and keep our gold reserves.

That is why I was so deeply concerned when I read in the New York Times that the Social Security Commissioner, and now also Chairman of the new Federal Advisory Council on Social Security Financing, had said last May that this Council will draft an expansion of social security taxes and benefits. This is one of the reasons I am so deeply concerned about the Kennedy administration's willful decision to tie the costly and untried compulsory health insurance program to our social security system.

There is one bright spot in this otherwise gloomy picture and the present pay-as-you-go financial status of the old-age benefits program dramatically highlights it. One fundamental difference between Government social security on the one hand and financing of insured retirement benefits by private plans on the other is that private plans are funded, the Government plan is not. Today, when the social security old-age trust fund is equivalent to less than 2 years of benefits, we find an entirely different story with insured private retirement programs. According to the Social Security Administration, private insured pension funds had total reserves in 1961 of $20.2 billion and the annual benefit payments aggregated $440 million. In addition the private trusted pension funds have about $30 billion total reserves and the annual benefit payments are probably of the same ratio. Thus, the reserves were the equivalent to more than 45 years of benefits payments at the present rate.

I think this and other differences between social security and insurance should be told to the American people and repeatedly emphasized. I am aware that the Social Security Act, title II, uses insurance terminology, such as "insured status." I think this is most unfortunate because it has not only led to a misunderstanding by the American people as to the nature of social security, but it has also provided a basis over the years for misleading statements in some of the publications of the Social Security Administration. The social security program is not insurance in the dictionary and legal sense of the word; it is social-insurance which is a new term and to be used correctly and without confusion should always be hyphenated. Far from hyphenating the word, the Social Security Administration in its printed public material and in the speeches of its Administrator and high officials deemphasizes by whatever means it can the fundamental differences between private insurance and social-insurance. It seems apparent that the reason for trying to simulate the label of a superior product is the usual one, to capitalize on the fine reputation that private insurance rightly enjoys in our society.

I would hope that one or another individual on this new Council will want to conscientiously reconsider acceptance of his appointment, since his participation and contribution will be gaged not individually but as part of this group. Certainly the public generally and the Congress in particular should be made well aware of the tactics that are being employed by the Kennedy administration in its zeal to push through the programs it has decided in camera are best for the people, whether indeed straightforward factfinding and debate would support their conclusions or not.

To complete the record, I include at this point in the RECORD my letter of June 5, 1963, to Commissioner Ball and his reply to me of June 13, 1963:

"DEPARTMENT OF HEALTH,
"EDUCATION, AND WELFARE,
"SOCIAL SECURITY ADMINISTRATION,
"Washington, D.C., June 13, 1963.

"HON. THOMAS B. CURTIS,
"House of Representatives,
"Washington, D.C.

"DEAR MR. CURTIS: I have your letter dated June 5 replying to mine of May 27.

"So that there can be no possibility of misunderstanding I should like to repeat: The newspaper story on which you base your charges was inaccurate. I did not say that 'an expansion of social security taxes and benefits will be drafted by an advisory council.' I mentioned some of the issues in social security that are currently in the air and which the Council might take up, but I did not indicate in any way that the Council will or will not take up any particular issue or that it will or will not come to any particular conclusion. I referred in my talk—in the contest of a discussion of public attitudes toward social security—to the tax increases over the next 5 years that are now scheduled in the law. I did not indicate in any way, however, that the Council would or would not recommend further increases over those now scheduled.

"Sincerely yours,

"ROBERT M. BALL,
"Commissioner."

"JUNE 5, 1963.

"MR. ROBERT M. BALL,
"Commissioner, Social Security Administration, Department of Health, Education, and Welfare, Washington, D.C.

"DEAR MR. COMMISSIONER: This is to acknowledge receipt of your letter of May 27.

"In your letter, you flatly deny the accuracy of the news story in the New York Times of May 17. You go on to relate what you did say to a group of Social Security district office managers and suggest this remark 'may have prompted the newspaper report to mention an expansion of social security taxes.'

"According to your letter, you were reminding the district managers that the present schedule of tax rates now in the law will result in increased tax payments over the next 5 years.'

"It is incredible to me that any person, least of all a news reporter could so misunderstand such simple language as to write in the news story something about what 'the Advisory Council will draft.' Your explana-

tion is based upon a strange premise that you as Commissioner, with many years of close experience with the Social Security district managers, felt they need reminding about the tax increases already in the law.

"This is not a matter of fairness or unfairness as indicated in your letter. Let me assure you that your office was contacted as to the accuracy of the New York Times story. Not only did your office know of this story, but they affirmed that you were accurately reported. If you contend that you were inaccurately reported, it seems to me that you have some responsibility to see that this news item is corrected in the same newspaper.

"Nothing in my remarks could possibly 'damage the ability of the Council to carry out its important assignment' as you indicate—provided this Advisory Council is selected in a manner wholly consistent with congressional intent, clearly expressed in the law. May I refer you to the section (116(b)) which says 'the Council * * * shall consist of the Commissioner of Social Security, as Chairman, and 12 other persons who shall, to the extent possible, represent employers and employees.'

"When I made my remarks to the Members of the House of Representatives, I raised a question about whether those selected would be truly representative. Your failure to comment in your letter on my questions about this reveals far more than it conceals. It is perfectly apparent that you have not, for example, written large organizations representing employers, asking for names for businessmen who would reflect the thinking of the business community.

"Let me assure you that, as a member of the Ways and Means Committee, I do not intend to stand idly by while another effort to circumvent the clear intent of Congress is made, as seems to be indicated by the circumstantial evidence.

"Sincerely yours,

"THOMAS B. CURTIS."

HISTORIC EDUCATOR ENDS CAREER

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Massachusetts [Mr. CONTE] is recognized for 1 hour.

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

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

There was no objection.

Mr. CONTE. Mr. Speaker, on several occasions I have risen in this distinguished body to speak of my great and good friend, Frank L. Boyden, the beloved headmaster of Deerfield Academy. It has just been announced by the trustees of Deerfield that Dr. Boyden will retire this coming June after serving for 66 years as headmaster of this famous old school. This is a record of distinguished service that is unparalleled in the history of education, and I feel that it is a real privilege for me to pay tribute to him and to the institution which he serves.

In making this announcement to the Congress, it is almost like saying that Gibraltar has melted into the ocean. For generations, Frank Boyden has been one of the most significant influences for good that American education has had. He has trained dozens of college presidents and headmasters. His graduates are located in all of the States of the Union and in nearly every foreign country. Deerfield alumni have distinguished themselves in the public service. Many of you here today in the Congress have been influenced by Frank L. Boyden, either as students, or friends, or both. He, with his wife, Helen Childs Boyden—a chemistry teacher of wide repute—are teachers whose influence will remain eternal. If society is to save itself, these are the kind of teachers we must produce for the future.

Frank Boyden came to Deerfield after graduating from Amherst College in 1902. He took a small New England academy of 14 students and built it into one of the greatest independent secondary schools of America. His honors are legion. Only last April, the President of the United States, at a White House luncheon, presented to him a special citation for distinguished service to the Nation. He serves on dozens of boards; as president of the board of trustees of the University of Massachusetts, he has fought long and hard to bring it to its present high position amongst American universities.

Frank L. Boyden is still a young man—young in heart and young in mind. We will continue to seek out his sagacious counsel for many years to come. I regret his retirement from Deerfield, but at the same time, rejoice that Deerfield Academy and American education have had the benefit of his inimitable leadership for these many years.

Mr. Speaker, I include with my remarks the biography of Frank Learoyd Boyden, as well as a bibliography on his works, and articles from the New York Times, the Boston Globe, and the Boston Herald of October 9, 1967:

BIOGRAPHY OF FRANK LEAROYD BOYDEN

Frank Learoyd Boyden b. Foxboro, Massachusetts, September 16, 1879. m. Helen Childs of Deerfield, Mass., 1907. c. John Cary, Theodore, Elizabeth.

B.A. Amherst College 1902—M.A. Amherst 1922—A.M. Williams 1924—A.M. Yale 1926—Sc.D. Colgate 1930—Ph.D. NY State College for Teachers 1931—LL.D. Wesleyan 1933—L.H.D. Amherst 1935—L.H.D. Bowdoin 1936—L.H.D. Williams 1936—LL.D. Kenyon 1937—L.H.D. Princeton 1940—LL.D. Harvard 1947—Litt.D. Tufts 1947—L.H.D. Dartmouth 1949—LL.D. Lehigh 1951—L.H.D. Trinity 1952—D. Pub.Ser. Denver 1952—LL.D. Univ. of Mass 1957—LL.D. Ripon College 1963—LL.D. St. Anselm's 1963—Ed.D. Suffolk Univ. June 11, 1967

Headmaster, Deerfield Academy 1902–.

Trustee of:

Aiken Preparatory School,[1] Aiken, South Carolina.

Amherst College, Amherst,[1] Massachusetts.

Andover-Newton Theological School.[1]

Avon Old Farms,[1] Avon, Connecticut.

Berkshire School,[1] Sheffield, Massachusetts.

Clarke School for the Deaf,[1] Northampton, Massachusetts.

Cushing Academy, Ashburnham, Massachusetts.

Dana Hall,[1] Wellesley, Massachusetts.

Darrow School,[1] New Lebanon, New York.

Deerfield Academy, Deerfield, Massachusetts.

Governor Dummer Academy, South Byfield, Massachusetts.

Hebron Academy, Hebron, Maine.

Heritage Foundation, Deerfield, Massachusetts.

Leland and Gray Seminary, Townshend, Vermont.

Masters School,[1] Dobbs Ferry, New York.

New Salem Academy, New Salem, Massachusetts.

Nichols College Bus. Admr., Dudley, Massachusetts.

The Northfield Schools,[1] East Northfield, Massachusetts.

Northwood School, Lake Placid, New York.

Rogers Hall,[1] Lowell, Massachusetts.

Stoneleigh Prospect-Hill School, Greenfield, Massachusetts.

Suffield Academy, Suffield, Connecticut.

University of Massachusetts, Amherst, Massachusetts; Chairman of the Board since 2–23–60.

Vermont Academy,[1] Saxtons River, Vermont.

The Winchendon School, Winchendon, Massachusetts.

CLUBS

Century Association, New York City; Yale, New York City; Tavern, Boston; Harvard, Boston; Buckland Historical Society, Massachusetts; State Club of Massachusetts; Princeton Club, New York; Pocumtuck Valley Memorial Association, Deerfield, Massachusetts.

MEMBERSHIPS

Phi Kappa Psi Fraternity; Mt. Sugarloaf Masonic Lodge (50 yr. award 10–63); Honorary Member of Rotary International; Deerfield Republican Town Committee; First Church of Deerfield.

PUBLIC SERVICE

President, New England Assn. of Colleges & Secondary Schools.

Chairman, Franklin County Chapter, Amer. Red Cross 1920–56.

Honorary Member, Board of Trustees, Franklin County Fair.

Director, Franklin County Trust Co.

Former Vice President, Massachusetts Civic League.

National Youth Administration Advisory Committee, appointed by FDR.

White House Conference on Education, appointed by DDE.

Civilian Advisory Committee, U.S. Navy, appointed by HST.

Massachusetts State Constitutional Convention 1917–18.

Former member Massachusetts State Board of Education.

Member, Draft Board, Greenfield, Massachusetts, 1940–.

Jamestown-Williamsburg-Yorktown Commission, appointed by DDE.

Delegate, Republican National Convention, 1960.

Former Constable of Deerfield.

Member and former President of the Headmasters' Association.

Director of the Student Achievement Institute, Inc. Worcester, Mass., Jan. 17, 1966.

Corporator, Franklin County Public Hospital.

Member, Board of Directors—Franklin County, Y.M.C.A.

SPECIAL AWARDS

Presidential Citation: "The President of the United States of America awards this commendation to Frank Learoyd Boyden for distinguished service to the nation. As Headmaster of Deerfield Academy, he has enriched the minds, guided the spirits, and uplifted the aspirations of several generations of young Americans. Through his achievements, his kindly wisdom and his commitment to human welfare, he has encouraged standards of excellence which have enabled America's independent schools to become a continuing source of vitality in American education and quality in American life."—*Lyndon B. Johnson—May 10, 1967.*

Distinguished Public Service Award, United States Navy.

Silver Buffalo Award, Boy Scouts of America.

United States Patriotic Society Award.

Shattuck School Centennial Award.

[1] Emeritus

Sportsmanship Award by the Sportsmanship Brotherhood, Inc., 1953.

Special Citation for Distinguished and Exceptional Service by the Mayor of New York, the Hon. Robert F. Wagner.

Distinguished Service Award, Amer. College Pub. Relations Assn.

Harold M. Gore Award in Rec. of outstanding work in schoolboy basketball.

Thayer Academy Award for Distinguished Educational Leadership & Citizenship, 1958.

Williston Academy Citation for significant contribution to the development and success of secondary education in USA, Oct. 17, 1965.

The Reginald T. Townsend Award of the New England Society in the City of New York for 1966. For distinguished achievement and service.

The Silver Medal Citation. Given by the Tavern Club, May 1, 1967.

Adelphia—University of Massachusetts—1962 (Senior Society).

Dedication of Frank L. Boyden Physical Education Building, University of Massachusetts, May 17, 1964.

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MAGAZINE ARTICLES

1936: Fortune, article on American Prep Schools.

Ladies Home Journal, February and June, stories based on Deerfield and Frank L. Boyden by Ben Ames Williams.

1937: The Shield of Phi Kappa Psi, "Frank L. Boyden and Deerfield Academy," by Robert McCollum.

1942: Atlantic Monthly, "Boyden of Deerfield," by Lewis Perry.

1949: Life, "An Old School Celebrates."

1951: Reader's Digest, "The Most Unforgettable Character I Have Met," by John Gunther.

1953: The Morgan Horse, "The Man at the Reins."

Philanthropy, "Deerfield Academy's $3,000,000 Campaign."

1955: Sports Illustrated, August 15.

1957: Newsweek, June 3, "A Wonderful Time."

1962: Newsweek, February 19, "The Head Man."

Life, November 30.

1963: Esquire, "The Select Sixteen."

1966: New Yorker, March, "Profile."

1967: The Shield of Phi Kappa Psi, "Frank L. Boyden—Headmaster Extraordinary."

BOOKS

"The Headmaster," by John McPhee, Farrar, Straus, and Giroux, October 1966.

"The Headmaster," by John McPhee, paperback edition, Scholastic Books.

"The Headmaster," by John McPhee, the Reader's Digest Condensed Book, Winter 1967.

SOME NEWSPAPER ARTICLES

Holyoke Transcript & Telegraph: June 10, 1937; June 9, 1938; June 8, 1939; June 4, 1942; June 11, 1945; June 6, 1946.

"Pleasant Little Man Who Heads Deerfield Has Great Stature," by Alvin Oickle, December 19, 1951.

"Deerfield Headmaster To Be Honored on Anniversary," April 25, 1952.

1951: New York Herald Tribune, November 25, "The Man Who Came to Deerfield," by Fred Hechinger.

New York Times, October 11, "50 Years a Coach," by Michael Strauss.

New Britain, Connecticut, Herald, December 14.

Christian Science Monitor, December 14, "Deerfield Grows with Boyden."

1952: New York World-Telegram, May 6, "Sun Dial," by H. I. Phillips.

Sunday Herald, Bridgeport, Connecticut, March 23.

Springfield Union, October 27.

1953: Springfield Republican, February 1, "State and Local Topics."

Daily Hampshire Gazette, September 19, "Thought for Today."

New York Times, November 2, "Prep School Sports," by Michael Strauss.

New York Herald Tribune, November 15, This Week Magazine, "The Boydens of Deerfield," by Fred Hechinger.

Hampshire Gazette, December 10, "Accent on Youth."

1955: Syracuse Herald-Journal, January 14, "Russian Sleigh Given by Syracuse Alumni."

1957: Springfield Republican, July 14, "A Golden Wedding Anniversary."

1959: Greenfield Recorder-Gazette, November 28, "A man and His School."

The Boston Herald, December 8.

1960: Worcester Telegram, May, "Deerfield Academy's Remarkable Headmaster."

1961: Boston Sunday Globe, October 22, "Frank Boyden Came for Two Years—Stayed for 60."

1962: The Jewish Advocate, June 4, "A Worthy Institution."

Brattleboro Daily Reformer, April 10, "Deerfield's Frank L. Boyden Marked 60 Years There."

1963: Boston Globe, August 15, New England Resort Personalities: "Old Deerfield—An Educator—Academy and Street—All Famous."

1964: Springfield Union, April 25, The Morning Line.

1966: Holyoke Transcript, Summer.

Boston Globe, January 26, "Deerfield's Personal Touch—Mr. Boyden."

1967: Springfield Union, June 12, "Dr. Frank Boyden Rates Salute on Father's Day."

No dates: Albany Knickerbocker News, "Sermonettes of Week," by Norman V. Peale.

Foxboro Reporter, "Dr. Frank Boyden Pays Nostalgic Visit to His Hometown for Big Day."

SOME REFERENCES TO FRANK L. BOYDEN IN MAGAZINES OR NEWSPAPERS

1936: New York American, May 15, "Ministers's Sons," by Bruce Barton.

1937: Springfield Republican, June 13, "Our Hill Town Neighbors," by D. J. Malcolm.

1955: Newsweek, September 19, "The Prep School Now," by Terry Ferrer.

1957: This Week Magazine, November 3, "Cerfboard," by Bennett Cerf.

1959: Philadelphia Inquirer, September 13, "Romance for All," by Norman V. Peale.

1960: Esquire, November, "17 Best Prep Schools in America."

1961: Reader's Digest, "You Are Tougher Than You Think," by Norman V. Peale.

1963: Holiday, June, "New England Preparatory Schools."

1965: Boston Globe, April 19, "A Nickel Tour."

1966: National Geographic, December.

1967: Saturday Review of Literature, April, "Tale of the Headmaster," by Donald Barr.

[From the New York Times, Oct. 9, 1967]

A MASTER HEADMASTER: FRANK LEAROYD BOYDEN

DEERFIELD, MASS., October 8.—In the fall of 1902 a young Amherst graduate took over the direction of a 14-pupil academy here as a way to save money toward a career in law. But the challenge to his instincts as an educator overcame any thought of the law; and now, ready to retire with Deerfield Academy one of the nation's best known preparatory schools, Frank Learoyd Boyden has become a legendary figure in the world of education.

The academy's board of trustees, announcing today that Mr. Boyden planned to step down from his post at Deerfield next June, said that his record of service was "unparalleled by any other educational figure."

The 88-year-old headmaster has no intention of letting retirement remove him altogether from his activities at the academy. There is a $21-million fund drive, for instance, that remains to be attended to, and Mr. Boyden, who has had some experience at that sort of thing, will carry on with this one, too.

Deerfield Academy was chartered in 1797 by Samuel Adams, then Governor of the Commonwealth of Massachusetts. It now has an enrollment of 475 pupils, most of them well-informed young gentlemen who are accepted, and even sought after, by the nation's leading colleges and universities.

A FLEXIBLE SYSTEM

Under Mr. Boyden's leadership, the school has had no fixed system of operation.

There is no "plan book" for the faculty, who teach whatever they think is appropriate, and there are no report cards, although both pupils and parents are kept informed by Mr. Boyden of progress or lack of it. Until recently there was no set admissions procedures, with Mr. Boyden personally accepting those boys he thought had good potential.

When Yale University gave him an honorary degree in 1926 (one of 25 he has received) it was for "research into the hearts and minds of boys."

Mr. Boyden was born in Foxboro, Mass., on Sept. 16, 1879, and attended a one-room schoolhouse there until entering Amherst College.

When he took over at Deerfield, the school was a little red brick building on Main Street. Over the years Mr. Boyden transformed it into a 350-acre campus with 20 buildings in addition to 33 restored Colonial homes.

A white two-story pre-Revolutionary structure is the home of Mr. Boyden and his wife, Helen Childs Boyden, a teacher of chemistry and mathematics at Deerfield.

Mrs. Boyden, the daughter of a Deerfield farmer and bridge builder, joined the faculty in 1904 after graduating from Smith College. She and Mr. Boyden were married three years later.

They have three children—Elizabeth, who teaches history at nearby Stoneleigh-Prospect Hill Girls School; Theodore, director of the Center for Business and Economic Education at Georgia State College, and John, director of admissions at Deerfield.

No announcement was made as to whether Mrs. Boyden, who is now 88, will continue teaching or join her husband in fund raising trips around the country.

An indication of Mr. Boyden's stature in the education world came in 1924 when Deerfield was approaching financial ruin because of litigation. The headmasters of Exeter, Andover and Taft schools went on a fund-raising campaign for him and brought back $1.5-million. Among the contributors were classmates from Amherst and the presidents of Amherst and Cornell.

SUCCESSOR IS SOUGHT

The committee chosen to name Mr. Boyden's successor consists of John J. McCloy, former United States High Commissioner to Germany; Harry W. Knight of Darien, Conn., a business management expert; Robert W. Wilson of Washington, vice president of the Potomac Power and Light Company; Charles N. Stoddard, Jr., a lawyer of Greenfield, Mass.; Henry N. Flynt of Greenwich, Conn., president of the Board of Trustees, and Mr. Boyden.

Although Deerfield is not a one-man operation, little goes on that does not come and no major policy decisions are taken without his participation.

Five feet, four inches tall and smaller than some of his pupils, Mr. Boyden still shows great interests in athletics and until recently was coach of many of the school's teams.

He rides about the campus in a horse-drawn buggy when he is not in a hurry, but generally he can be seen darting about in an electric golf cart.

He meets with his students almost daily to discuss their problems and current events.

It has become traditional for the students to sit at his feet on the carpeted floor of the small auditorium. This started, he reminds them, during the days when he did not have enough money for chairs.

He believes in discipline "with persecution" and feels that this gives the students "controlled freedom." Some of his former students confessed that they toed the line because they did not want to hurt his feelings.

[From the Boston Globe, Oct. 9, 1967]

REGRETFULLY, AN ERA ENDS AT DEERFIELD—FATHER-ADVISER TO THOUSANDS RETIRES AFTER 66 YEARS

(By James Stack)

DEERFIELD.—Frank Learoyd Boyden, the spry octogenarian whose Yankee charm made him a towering figure in New England's academic community, will step down in June as headmaster at Deerfield Academy.

His departure after 66 years in the post will take from the scholars' ranks a gentle character famed for many things, including a lifelong career of stout resistance to the encroachment of the motor age on American life.

Dr. Boyden, who never could bring himself to admit the automobile was here to stay, relented recently by purchasing an electrically-powered golf cart for his rounds of the picturesque campus at Deerfield.

News of the purchase shocked hundreds of disbelieving alumni, whose fondest memories of prep school days centered around the figure of Boyden, bent over the reins of a fringe-topped surrey drawn by a spirited horse.

Dr. Boyden is now 88, but looks much younger. His bright-eyed countenance, set off by a generous crop of silver-gray hair, has been left unmarked by time.

The Foxboro native is short and slender, with a scholarly bearing marked by the manners of an old-world gentleman. But he has the heart of a boy.

Dr. Boyden, a bookish youth whose love for scholarship caused him to forget his boyhood dream of owning a livery stable, became an educator through an accident.

He graduated from Amherst in 1902 and taught at Deerfield, then an obscure New England academy, to earn enough money to pursue a career in law.

Boyden found at Deerfield a single building accommodating 14 scholars. He will leave it with more than 45 buildings, including a new library, an enrollment of more than 500—and a reputation of high national standing.

More important than the bricks and mortar, or the charm of the campus landscape, though, are the human qualities engendered by Boyden and his wife, Hilda Childs Boyden.

They succeeded in making Deerfield more than a school.

"I've always wanted to run a livery stable," he confided to a friend before his retirement announcement. He is now in a position to fulfill that long-abandoned dream.

"He's got three horses," said Robert D. Crow, Deerfield publicist. "And he's got at least 30 surries, buggies, sleighs and what-have-you to hitch up to his worthy steeds."

"Everything seems simple to me because I was never tied up with the theories of education," he explained.

For years, the Boyden "office" was a desk in front of the fireplace in the main hallway of the school building. It was a center for students in need of advice, consultation or a mere greeting from the sage.

Dr. Boyden, who holds degrees from Amherst, Williams and Yale, has been honored by 18 American colleges and universities.

President Johnson cited him last May for "distinguished service to the nation" in the field of education.

The selection committee has about eight months in which to find a replacement for this man who left his stamp on the school and its alumni.

"He throws a long shadow," a committee member said. "We'll find a replacement, but we'll never find anyone who can take his place."

[From the Boston Herald, Oct. 9, 1967]

SIXTY-SIX YEARS AS HEADMASTER: DEERFIELD ACADEMY LEADER IS RETIRING

DEERFIELD.—Frank Learoyd Boyden, at 88 the dean of American schoolmasters, will retire next June after 66 years as headmaster of Deerfield Academy.

Under his direction, Deerfield Academy has grown from 14 boys in 1902, when he took over, to an enrollment of 500 students and some 35 buildings. He accepted the headmastership after graduating from Amherst in 1902.

He originally planned to stay two years—as the only teacher of 14 day students—and then study law. Instead, he stayed to be headmaster to more than 5,000 boys.

He and Mrs. Boyden have every student in for Sunday tea at least once a year, and he is said to be able now to call all 5,000 by their first names.

HORSE AND BUGGY

For years he drove around the academy grounds in a horse and buggy. He regarded as one of his finest gifts the presentation by alumni, in the ballroom of the Waldorf Astoria in New York, of a horse and buggy in observance of his 50th anniversary as headmaster.

At the dinner he told his "old boys" that he was "just a nice, simple country sort of a person who loves boys. Everything seems so simple to me because I was never tied up with the theories of education."

He was born in Foxboro. He obtained his masters degree from Amherst in 1922, and was awarded honorary degrees by Harvard, Yale, Princeton, Dartmouth, Williams, Wesleyan, Amherst and many other colleges. Last May he received a citation from President Johnson.

Dr. Boyden is president of the New England Association of Colleges and Secondary Schools, a member of the draft board for the Greenfield area, a former member of the state Board of Education and served on government commissions by appointment of Presidents Franklin Roosevelt, Truman and Eisenhower.

NAME COMMITTEE

The academy trustees in announcing his retirement named a committee of parents and alumni trustees to choose his successor. John J. McCloy, former U.S. High Commissioner to Germany, will be chairman.

Other members are Dr. Boyden; Henry L. Flynt of Greenwich, Conn., president of the Board of Trustees; Harry W. Knight, Darien, Conn.; Dean Mathey, Princeton, N.J.; Robert W. Wilson, Washington; Charles N. Stoddard Jr., Greenfield.

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

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

Mr. KEITH. Mr. Speaker, I would like to join my colleague from Massachusetts in paying tribute to Mr. Frank Boyden.

Mr. Speaker, it is with mixed feelings of pleasure, honor, and keen nostalgia that I join my distinguished colleague from Massachusetts [Mr. CONTE] in paying tribute to Frank Learoyd Boyden. His belief in the need for patience, encouragement, and lots of hard work for young men has directly influenced over 5,000 lives during his 66 years as headmaster of Deerfield Academy.

Mr. Boyden—despite the fact that he was entitled to be called "Doctor," he preferred the simpler form of salutation—had no secret formula for educating boys in secondary school. Once, when asked what the "Deerfield method" was, he replied succinctly:

Work 'em hard, play 'em hard, feed 'em to the nines, and send 'em to bed so tired that they are asleep before their heads are on the pillow.

More years ago than I care to remember, I was one of the boys fortunate to experience and benefit from the wisdom of Frank Boyden's philosophy. Some have said that the most important lesson learned at Deerfield is the love of knowledge; I would say that an even more important lesson, instilled in every boy from the day of his arrival, is that of consideration for others. Consideration for others, to the point of going out of one's way to assist a stranger on the schoolgrounds with the thoughtful greeting "Can I help you?" is a character trait common to all men who claim Deerfield as their alma mater.

My ties with Deerfield Academy are deepened by the fact that all three of my brothers also attended the school. All four of us profited from years of character development under the watchful eye of Mr. Boyden. That common experience forged strong bonds of communication and rapport among us which endured long after we had gone on our diverse ways.

Frank Boyden was always available to his students—in fact, his only office was a desk in the main hall, where anyone could stop and talk with him, ask his advice, or get a bit of encouragement when it was needed. From that vantage point, Mr. Boyden kept a tight finger on the pulse of the academy. He seemed to sense, instinctively, the mood of the student body, and was always able to do or say the appropriate thing.

And, Mr. Speaker, as our colleague, Mr. CONTE, has said, Mr. Boyden has been greatly aided in his work with boys by a superb faculty and, in particular, by Mrs. Boyden, whose personality and character complimented that of her husband. Together they were wonderful parents to their own children as well as to the thousands of young men of Deerfield.

A few months ago, author John McPhee asked Mr. Boyden what his philosophy is, and received this reply:

My philosophy—I can't express it really. I believe in boys. I believe in keeping them busy, and in the highest standards of scholarship. I believe in a very normal life. It generally seeps in. I try to do the simple things that a well-organized home does for its boys.

Mr. Speaker, at Deerfield Academy I worked, learned, grew, and played under the guidance of Mr. Boyden. Thus, it is with a warm feeling that I join in today's tribute to one who truly has been a "headmaster extraordinaire." I wish him a long and fruitful retirement, and agree wholeheartedly with those who say, "We will find a replacement, but we will never find anyone to take his place."

Mr. McCORMACK. Mr. Speaker, some of the praise that he will receive as he retires may be intended to make it easier for Frank L. Boyden, one of the great men of American education, to reduce

his enormously productive activities at Deerfield Academy, to bring to an end his tireless attention to the needs of his students and their teachers, and, free from the press of academic and administrative duty, to contemplate the lovely Deerfield countryside on long and quiet afternoons.

But praise has never had that effect on Frank Boyden before, and it probably will not now. No honors—and he has had many—and no praise—and he has had much—ever slowed him down during the 65 years in which he has led Deerfield Academy—founded in 1797—to its present distinction as one of the country's outstanding private schools for boys.

In "The Directory of Private Schools," he is described as "possibly the most influential and respected among the 'old school' of dominant headmasters whose institutions directly reflect the personal philosophy of their leadership." It says further:

> Long active in the formulation and encouragement of new approaches which are now accepted by others as well-established ways, Mr. Boyden has played an important part in the reorganization and planning of other schools. Former masters trained by him are following in his footsteps as headmasters elsewhere.

He was born in Foxboro, Mass., the son of Benjamin and Anna Wales "Cary" Boyden. He began his career at Deerfield Academy after his graduation from Amherst. During his long and successful career as headmaster of Deerfield, many honorary degrees were awarded him and many tributes to his character and his achievements were given. Perhaps none of these adequately summed up the nature of his triumph in making Deerfield Academy a showcase of private secondary education in America.

His marriage to Miss Helen Childs in 1907 was blessed with three children, John Cary Boyden—who has assisted his father as an administrative officer of the academy—Theodore Childs Boyden, and Elisabeth Boyden. Mr. Boyden's beloved wife, Helen, taught science and mathematics at the academy for many years.

Deerfield Academy's headmaster is held in the highest esteem and affection by the academy's alumni, by the residents of Deerfield, and by all who have come to know him professionally and socially.

As he retires from a career of true achievement, I join all his many friends in extending the warmest best wishes to him.

Mr. BOLAND. Mr. Speaker, will my distinguished colleague yield?

Mr. CONTE. I am happy to yield to my colleague from Massachusetts.

Mr. BOLAND. I commend my friend from Massachusetts for taking this time to record for all those who read the CONGRESSIONAL RECORD this tribute to Frank Learoyd Boyden, of Deerfield Academy in our home State.

Mr. Boyden has announced his retirement as headmaster of Deerfield Academy as of June of 1968. At that time, he will bring to a close the remarkable record he has built for his academy. He will ring down the curtain on his own personal active service to that superlative educational institution. I said, Mr. Speaker, "his academy" for no other secondary school in this or any other nation has been so personalized as Deerfield Academy has been by the hand and the mind of Frank Boyden.

When he retires next year, he will have served 66 years as Deerfield's headmaster. That alone is significant but more important is what he has done for this school and all those who have passed through its doors. By his spirit and dedication, by the devotion and respect of those who have been charmed by his personality and persuasiveness, by the affection of all who studied there, he has built a physical plant that ranks with the most beautiful and impressive of secondary academies.

How well he knew that brick and mortar were not what makes a school of learning is attested to by the truly excellent, outstanding faculty that surrounded him. And then, he enriched the young, who came from all parts of the Nation and some from other corners of the world, by his deep personal interest in and guidance of them all during their time at Deerfield.

Mr. Speaker, it has been said:

> Institutions are but the lengthened shadows of men.

If this be so, and I believe it is, then it surely can be said that Frank Boyden is the lengthened shadow of Deerfield Academy.

I am delighted that my friend, Congressman CONTE has recorded in these proceedings the biographical data of Mr. Boyden. It is given to few men to have lived such a life and upon whom so many, many honors, degrees, citations, and tributes have been heaped. I am confident that he is the only man in his particular educational sphere who has won such and so many accolades.

Frank Boyden, Mr. Speaker, has contributed much to his community, to Massachusetts and to our Nation. No matter how occupied he was with his duties as Deerfield's headmaster, he always found time to lend his genius and his talents to the good of mankind. It is no wonder that he has been cited by the President of the United States, Lyndon B. Johnson, for his distinguished service. It is readily understood why he has been signally honored by so many colleges, universities, and organizations. It is understandable why he has been the subject of countless stories and articles in all kinds of publications. The uncommon man is always pursued in story and honored by his contemporaries. And, Frank Boyden is, indeed an uncommon man.

Mr. Speaker, I have been privileged to know personally and to admire greatly Frank Boyden. As he finishes his final year at Deerfield Academy, I convey my congratulations to him and wish for him many more years of health and happiness.

Mr. REID of New York. Mr. Speaker, Frank Boyden is the great headmaster of our time.

He has known, worked with, and inspired many generations of boys in his 66 years as headmaster of Deerfield Academy.

He has lived to see their sons, grandsons, and great-grandsons come to Deerfield—and to leave imbued with a certain spirit, a sense of citizenship, and an abiding concern for public responsibility.

Throughout his years of service and accomplishment, Helen Boyden, his devoted wife, has been his helpmate in all things and a teacher of rare quality and sensitivity.

Dr. Boyden will retire in June of 1968, but he will go on as headmaster emeritus; in new endeavors strengthening Deerfield and in the hearts of all who know his wisdom, his understanding of boys, his delight in competitive sports—even baseball—his wry sense of humor, and above all, his belief—not alone in the private secondary school—but in America and the qualities of commonsense and common responsibility that will always carry our heritage forward.

I am sure all Members of this House and the Congress share in saluting a unique American and a great schoolmaster—and in wishing the Boydens much happiness and accomplishment in their important work of new dimensions that lie ahead.

Mr. PHILBIN. Mr. Speaker, I am honored and pleased indeed to join my able, distinguished colleague and friend, the gentleman from Massachusetts, Congressman CONTE, in paying appropriate tribute to one of the greatest educators of the Nation who is retiring at the end of the school year next June as headmaster of the famous Deerfield Academy, where he has been so significantly associated for the past 66 years.

Congressman CONTE has touched upon the life and career of this great American with felicity and eloquence and with full recognition of the great place Frank Boyden holds in the hearts and minds of so many people of every field throughout the Nation, particularly former students and their families and friends, who hold this noted son of Deerfield in such high esteem, affection, and gratitude.

Frank Boyden is a great educational leader, a gifted, courageous innovator whose rich contributions to American education have been widely appreciated and preeminent. They constitute a truly precious legacy of noteworthy achievement, profound dedication, and vibrant aspiration fabulously transmuted by this great educator, scholar, and friend into concrete measures truly invaluable to our total educational process in the secondary schools and colleges of the Nation.

Fortunately, his great work will continue in many areas in which he is interested. His counsel, advice, help, and above all his inspiration, will continue to be sought and rendered, as always, with a warm, responsive desire and purpose to give unselfishly of himself in every way he humanly can—with deepest concern for our youth and the interests and well-being of our country so close to his heart.

It is inspired leaders like Frank Boyden who carry forward the torch of learning. Their influence is boundless. It moves from one generation to another through many channels, borne by many eager young men to refresh the fountainheads of civic virtue and patriotism

and to serve the public good in many constructive ways.

Frank Boyden is retiring, but he is still marvelously young in spirit and many more conquests lie ahead of him.

As a sincere admirer, who is unceasingly grateful for their tremendous contributions, I am happy and proud to join in wishing Frank and his gifted, gracious wife, all choicest blessings for many years to come.

May they and all their dear ones, in the time before them for many years, enjoy continued good health, success, and satisfaction in their chosen tasks and true happiness, contentment and peace.

The name of Frank Boyden will long be honored, praised, and loved with grateful appreciation for all he has done for our youth and to make our country a better and more rewarding place in which to live. God love him and his devoted wife and family.

Mr. MORSE of Massachusetts. Mr. Speaker, Mr. Frank L. Boyden has announced that he will retire from his position as headmaster at Deerfield Academy in June. I want to pay tribute to this great man who is a legend in Massachusetts and in educational circles throughout the United States and around the world.

Mr. Boyden, a native of my State, has been headmaster at Deerfield since 1902. Under his guidance, that academy has grown from a group of 14 students to the well-known and widely respected institution it is today. And Mr. Boyden's accomplishments and his impact on the Nation's education have gone far beyond his achievements at Deerfield. He is a trustee of 25 other educational institutions and his broad public service through the years has gained him the reputation and national stature which he so richly deserves.

Frank Boyden is one of those rare people in our society who truly can be called a "great teacher." To him, as to few others, belongs the surely immense satisfaction which comes from guiding, inspiring and influencing directly the lives of thousands of young men. His professional career has been long and distinguished. All of us who care deeply about the value and progress of education in this country owe him a great debt. Although he is stepping down after 65 years at Deerfield, we hope and expect that he will continue to involve himself in the great unfinished work of education and that our society will benefit from his wise counsel and valuable contribution for years to come.

Mr. BATES. Mr. Speaker, I am glad to join in paying tribute to one of the most renowned educators in this country, Dr. Frank Learoyd Boyden, who at the age of 88 is the dean of American schoolmasters and has just announced his intention to retire next June upon completion of 66 years as headmaster of Deerfield Academy in Massachusetts.

Dr. Boyden has always been in every sense a factual man, a realist who, unlike the theorist, has been close to his school and to the young men who have attended it. Unlike other distinguished institutions of learning, anytime anyone thinks of Deerfield Academy simultaneously the name and deeds of Dr. Boyden come into focus.

Cited by President Johnson only last May, and appointed to Federal commissions by Presidents Franklin Roosevelt, Truman, and Eisenhower, Dr. Boyden's abilities have long been recognized beyond such words as we may express here. He is still president of the New England Association of Colleges and Secondary Schools, and he formerly served on the Massachusetts Board of Education. Few men have been privileged to serve so long and so well, and we wish him many more years of good health and happiness.

Mr. ARENDS. Mr. Speaker, I am pleased to have the opportunity of saluting Frank L. Boyden on the occasion of his announcement to retire as headmaster of Deerfield Academy after many years of service to that institution. The lives of countless persons, young and old alike, testify to the beneficial influence of Frank Boyden on their lives. It was always Frank Boyden's desire to contribute to the lives of others through serving them, and I might add there is really no better way for one to live his life than to seek first to be of service to others. Frank Boyden's life is a living testimony that he who would be greatest among us must first be servant of all.

While dedicating his life to the service of young people, Frank Boyden became a legend in his own time. Few men ever attain the record of unselfish public service which he has so notably attained. Dedicating oneself to a worthwhile cause, maintaining a deep conviction in a high set of values, and possessing an abiding faith in mankind are the marks of one who would stand head and shoulders above others while setting a worthy example for others to follow. I am glad to say these are the marks of Frank L. Boyden.

A retirement announcement gives us all pause to reflect on our own lives to see where we have measured up and where we have fallen short. I look upon his life as a model of how each of us should strive to live in unselfish devotion to the good of others. Through following the example of Frank Boyden, all Americans everywhere would help create a better nation and a better world.

This is a special occasion for the House of Representatives to honor a special individual. I want to thank my good friend and colleague, SILVIO CONTE, for spearheading our efforts in the House of Representatives to give proper recognition to one of our Nation's finest gentlemen and a very special person, Frank L. Boyden.

Mr. CLEVELAND. Mr. Speaker, I would like to join my colleagues in saying a few words in tribute to Dr. Frank L. Boyden, who this June will retire as headmaster of Deerfield Academy. Frank Boyden is a man who has dedicated a lifetime to the education of the young of our country. He first came to Deerfield in 1902 when it was a small struggling academy of only 14 students. He leaves it now with an enrollment of 500 and as one of the foremost preparatory schools in the Nation. As a trustee of some 13 educational institutions and the president of the New England Association of Colleges and Secondary Schools, he has received widespread public recognition for his work, including last May a Presidential citation for distinguished service.

One of his most significant contributions has been in preparing others to take a leading role in the field of education. A remarkable number of Frank Boyden's students and faculty have become the leaders of educational institutions, too numerous to mention. He is truly an educator's educator.

I have had a long and warm association with Frank Boyden. I first came to know him as a student at Deerfield back in the midthirties. He was always ready to offer advice and encouragement to us struggling young scholars. I remember his "office" used to be simply a desk in the main hallway in front of the fireplace, and every student passing on his way to or from class would be greeted by his warm smiling face and his kind words. He took a personal interest in the problems of every student, and for many of us, he became a lifelong friend. Because he has a summer house in my hometown of New London, N.H., it has been my great good fortune to have enjoyed a continuing association with this great man. My early interest in public service and political activity evolved directly from Mr. Boyden's concern that his students participate in public affairs. He encouraged many of us to make a career of public service. He has inspired all of us to try always to do better, and be better.

Mr. Speaker, the inspiration that Frank Boyden has imparted to his students over the generations together with the development of Deerfield Academy into a great and growing institution are moments that will endure. Together with his beloved wife Helen, who is an equally great educator, Frank Boyden has been the life force of this school for 66 years. For Deerfield and her students and countless friends an era will come to a close next June.

Mr. TAFT. Mr. Speaker, the retirement of Frank Boyden as headmaster of Deerfield Academy should be the occasion for noting the tremendous contribution that he has made to American life through personal inspiration of his students and all with whom he had contact. As we ponder upon the difficult problems and questions of education and training today, we must not overlook the convincing results from great teachers and headmasters like Dr. Boyden, who have established deep and lasting influence on their students. Headmaster Boyden is living proof of the essentially personal nature of the teaching relationship.

The great esteem in which he is held in his own profession was testified to when headmasters of a number of other schools came to the assistance of Deerfield in 1924 and personally conducted a fundraising campaign to assure the continuation of Frank Boyden's work there. Among those headmasters was Horace Taft, founder of the Taft School and close friend and admirer of Mr. Boyden. It is significant that help at that time has been repaid many times over in intangible ways. One of these can be seen in John Esty, a graduate of

Deerfield, the headmaster of the Taft School today. This young school head is a fine example of the inspiration and teaching of Frank Boyden and his imprint upon American education and life.

On the occasion of Mr. Boyden's retirement, thousands of his former students and far greater numbers of his admirers and educational debtors join in recognizing his tremendous contribution and wishing to him and to Mrs. Boyden years of continued service and happiness.

Mr. O'NEILL of Massachusetts. Mr. Speaker, I am happy to join with my colleagues in honoring Frank Learoyd Boyden who will retire in June of 1968 as headmaster of Deerfield Academy.

Mr. Boyden has been headmaster of Deerfield since 1902 when he took over the position to support himself so that he could study law. It is fortunate for education that he never entered the field of law, for America would have lost one of her finest educators.

As headmaster of Deerfield Academy and trustee of over two dozen educational institutions, Frank Boyden has contributed immeasurably to the furtherance of liberal education in Massachusetts and in the Nation. Not only has he personally been responsible for thousands of young men at Deerfield, but many of these young men, inspired by their headmaster, have gone into education throughout the Nation. The love for learning which he imparted to these young men has borne fruit far beyond the normal ability of any one man.

Headmaster Boyden has often said that he has no real philosophy of education, of teaching. But I think we can see his philosophy as reflected in his work. He has looked "into the hearts and minds of boys." And because he has understood boys, he has been able to make them love learning and appreciate knowledge.

He has said:

> I believe in boys. I believe in keeping them busy and in the highest standards of scholarship. I believe in a normal life.

But he has not meant by this an ordinary life, but a rich, full one that combines an awareness of the world with a conscience to do good works.

I do not doubt that this retirement will mean no end of Mr. Boyden's activity; he is too involved in and important to education to really retire. However, in his retirement from Deerfield, I wish him and his lovely wife the warmest best wishes. They will be kept busy giving advice, aid, and information to people involved in education, but I am quite confident that retirement for Frank Boyden could never be any but a change from one activity to another.

GENERAL LEAVE TO EXTEND

Mr. CONTE. Mr. Speaker, I ask unanimous consent that all Members be granted 5 legislative days to extend their remarks on the subject of my special order.

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

There was no objection.

THE JOHNSON BLACKMAIL

The SPEAKER pro tempore (Mr. ALBERT). Under previous order of the House, the gentleman from Alabama [Mr. EDWARDS] is recognized for 15 minutes.

Mr. EDWARDS of Alabama. Mr. Speaker, the Johnson administration is trying to blackmail the American taxpayer into paying for all of the Great Society's handout programs.

Faced with a public call for cuts in spending, the President threatens to put the ax to legitimate Federal functions of long standing instead of the new and costly, but ineffective, Federal giveaways.

No other interpretation can be placed on the administration's action of yesterday in telegraphing the Governors about possible cuts in the Federal share of highway construction programs. Pure blackmail.

The same was true with the President's weekend reference to school lunch programs. The President said innocently:

> We tried to cut school lunch money, but Congress wouldn't let us.

The President has led us down the primrose path of paying the enormous costs of war while at the same time pouring equally as great amounts of money into wasteful, politically motivated, handout schemes.

Now he appeals to the country to pay for this irresponsible policy of his with a tax increase. Congress says in reply, "Before we raise taxes let us see what nonessential programs we can cut. A responsible cut in spending may be better medicine than a raise in taxes."

With the ball in the White House court, the President comes back and says OK, how about school lunches and highways. Surely the transparent nature of this Presidential ploy will not be lost on the taxpayers.

I will not be blackmailed.

The President is well aware what kinds of handout programs can be cut responsibly. He knows that school lunches and highway construction are phony issues. Federal participation in school lunch money is an infinitely small part of the total budget. The Federal share in highway construction is made through trust funds and so is only indirectly related to the budget. It is a longstanding program which, as the President knows, the States rely on, and which has proven itself as a legitimate Federal function. It helps create jobs and makes a major contribution to the welfare and the security of the Nation.

The real question is whether we are serious about the need to cut Federal spending. If we are, and if we do cut spending, then we will obviously have to tighten our belts, and of necessity some local projects will get hurt along the way. Some will have to be delayed, and I believe responsible people across the country will accept this fact.

But they will ask that cuts be made first in programs that were never justified in the first place, or programs that seemed justified but have proven to be unwarranted: programs where the Federal Government has usurped the functions of State and local government, where giveaways are encouraging laziness, and a no-need-to-work attitude. These are the areas where Federal spending should be cut.

The President is a newspaper reader like the rest of us, and he has read as we all have, about the surplus of Federal programs in some city areas and other poverty-stricken places. In some of these places there are so many Federal programs that the local people do not know what to do with them: they cannot use the money for intended purposes, and instead it ends up in the hands of commercial profiteers or political vote buyers.

The President can read the newspapers and surely he read the speech delivered September 23 by Mr. Daniel P. Moynihan before the national board meeting of the Americans for Democratic Action. Moynihan, brought to Washington by President Kennedy as Assistant Secretary of Labor, said:

> We do not change things very much with a piece of legislation and a bill-signing ceremony in the Rose Garden.

He spoke of the disappointing performances of the new agencies such as the Office of Economic Opportunity, the Department of Housing and Urban Development, and the Department of Transportation. He said:

> In these new agencies almost everyone feels there is no greater hindrance to the war on poverty and no greater force for the perpetuation of the slums than the public welfare system administered by the huge, entrenched, and complacent subbureaucracy in HEW.

The thing that frustrates the taxpayers of this country most of all, in my opinion, is that they feel the President is not going to cut back on the Great Society programs. They know that during the last year tens of thousands of people have been added to the Federal payroll, just in order to carry out these unwarranted Johnson programs, while at the same time he glibly has told the Nation he was cutting back on Federal employment.

Perhaps the credibility gap was first noted when the President made a good publicity issue about turning the lights off in the White House to save money while at the same time he began to pour millions of dollars into wasteful handout schemes.

But whenever it started to appear the credibility gap has been greatly widened in recent days.

When the President complains that he cannot cut spending until Congress makes the appropriations, he fails to win much sympathy from the American people. They are smarter than that.

They know that Congress, acting with solid Democratic Party majorities in both House and Senate, appropriates money largely in response to the President's statement of the needs. And they know that appropriations are not the same as spending, that the President spends the money, and can cut this spending as he wishes.

They know that it is the President's spending which has placed the country's fiscal and monetary situation in real trouble. They know we face an inflationary period with or without a tax increase,

and that the most effective medicine to combat this problem is reduction in Federal spending.

They know the President tried too long to maintain the fiction that we could fight a war and carry on the Great Society at the same time. Mr. Speaker, I have a feeling that the people of this Nation will not stand still to be blackmailed.

IMMIGRATION BILL TO AID BROTHERS AND SISTERS OF ITALIAN CITIZENS

Mr. MATSUNAGA. Mr. Speaker, I ask unanimous consent that the gentleman from New York [Mr. ROONEY] 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 Hawaii?

There was no objection.

Mr. ROONEY of New York. Mr. Speaker, just 2 years ago this week President Johnson, in ceremonies before the Statue of Liberty in New York Harbor, signed into law a new immigration bill which brought an end to 40 years of discrimination. Of that new law President Johnson said:

> This bill says simply that from this day forth those wishing to emigrate to America shall be admitted on the basis of their skills and their close relationship to those already here. It is a simple test. It is a fair test . . . the days of unlimited immigration are past. But those who will come will come because of what they are—not because of the land from which they sprung.

I am happy and proud, Mr. Speaker, that I was able to be a sponsor of the legislation of which the President spoke. But immigration, as we well know, is a knotty problem and one which does not have cut and dried, black and white options. It is, as is any subject that vitally concerns the lives of many, a problem of compassion and understanding as well as a legal problem. In the main, the new law has worked well and righted many injustices—injustices which were created in the first place by fear and the offspring of fear, prejudice. But the new law has also created some problems, particularly for brothers and sisters of U.S. citizens now living in Italy. As it stands now over 100,000 of these relatives and their spouses and children will have to wait 10 years or perhaps longer to enter the United States under a fifth preference immigration status. This category is heavily oversubscribed and I therefore am introducing legislation which I hope will break that logjam. The State Department Bulletin issued August 15, 1967, shows that as the immigration law stands now, Italian families are not being reunited, which was, after all, the purpose of the law. The Bulletin shows that while applicants from other countries whose petitions have been approved prior to July 1, 1966, can be admitted to the United States, petitions for brothers and sisters of American citizens of Italian descent can be admitted only if their petitions were approved prior to March 1, 1955.

I hope that my colleagues will look at the humanitarian aspects of this legislation and support this effort to unite families that are separated by an unfortunate set of circumstances over which they have no control.

I think it is fitting too, Mr. Speaker, in this week in which we celebrate Columbus Day, that we look at the many contributions which have been brought to these shores by the millions of Italians who have adopted the United States as their home. By their warmth, skills, arts and love of life they have made this country a better place to live. I think it only fair at this point, that we do something for them, something which is equitable and needs doing.

INTER-AMERICAN VOLUNTEER CORPS

Mr. MATSUNAGA. Mr. Speaker, I ask unanimous consent that the gentleman from New York [Mr. OTTINGER] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Hawaii?

There was no objection.

Mr. OTTINGER. Mr. Speaker, an important new program, with significant implications for Latin American development and self-help efforts, is being carried out in the Dominican Republic. Following the example of the U.S. Peace Corps inspired by the late President John F. Kennedy, six Latin American countries have contributed young men to form the first inter-American Volunteer Corps. They are presently teaching Dominican farmers to improve their agricultural techniques.

The program was organized by the Pan American Development Foundation, a private, nonprofit inter-American organization initiated by the General Secretariat of the Organization of American States, and by its affiliate, the Dominican Development Foundation which is supported by over 100 Dominican private companies and individuals.

The volunteers are providing the arms, legs, and brains to carry modern agricultural knowledge from research centers to the small farmers, applying it in practical ways where it is most needed. Their objective is to help the farmers or campesinos to understand and to adopt modern techniques, thus mobilizing a vital but latent human resource and creating a basis for sustained economic and social progress.

Young Latin Americans have responded enthusiastically to the prospect of volunteer service. Over 200 applicants volunteered within 3 weeks after the call went out. This is a promising reaction to an imaginative program which the governments of the hemisphere should carefully observe. With the assistance of the intergovernmental International Secretariat for Volunteer Service—ISVS—32 volunteers were selected: six from Colombia, two from Chile, three each from Costa Rica, Guatemala and El Salvador, and 15 from the Dominican Republic.

The volunteers, called Inter-American Volunteers for Development, have shown great spirit and initiative in teaching campesinos to raise an improved variety of corn, through proper planting and soil preparation and the use of fertilizers, insecticides, and pesticides, all contributed by private businesses. Through the efforts of the volunteers, and with the help of 110 trained campesinos leaders, demonstration plots were planted and cared for by over 850 farmers. Based on the favorable results, operations are now expanding to include extensive planting by some 4,000 campesinos.

In addition to its attraction for youth, the program has shown that the volunteers are potentially an important factor in the vital area of increasing agricultural output in the hemisphere. They have proven effective in transmitting complex, technical information in simple terms to the Dominican campesinos. The most promising accomplishment for the future of the program is the rapid rapport and acceptance achieved by the Latin American volunteers in the rural communities and their ability to adapt easily to the rigors of rural life. Minimal cultural differences have enabled them to be highly effective in the critical area of promoting attitude changes among the campesinos. The reports from the program indicate that the volunteers are enthusiastic about their ability to participate in development efforts. Through the learning experience and cultural interchange, the program promises to make them more mature Americans who will contribute to the advancement of their respective countries.

I wish to insert in the RECORD a recent article from Américas magazine which describes the program. This effort should be applauded as an excellent example of private initiative and inter-American cooperation, and the governments of the American nations should be encouraged to build into a strong and effective force for development. The article follows:

INTER-AMERICAN VOLUNTEERS FOR DEVELOPMENT

In the Dominican Republic a group of young volunteers from several American countries is at work in a pilot program that may have far-reaching results for the small farmers of that recently trouble land and for their counterparts in the other countries of the Hemisphere.

The Inter-American Volunteers are teaching a thousand farmers to plant improved corn seeds on their own land and to use chemical fertilizers, insecticides, and pesticides. Modern technology for growing corn is being translated into simple terms and demonstrated in the most immediate and convincing manner possible.

Initial kits of seeds, fertilizers, and insecticides are provided to the farmers as the donations of various private companies operating in the Dominican Republic. Thereafter the farmers, who will be taught the economics of the programs, will have to reinvest part of their income from their increased yield for more seed and fertilizer. The donating firms will follow up the gifts with a distributing system to ensure the availability of the needed materials. And the government agriculture bank is presently working on a system for supplying small crop loans to the participating farmers.

The project is sponsored by the private Dominican Development Foundation and the Pan American Development Foundation, a private, non-profit, inter-American organi-

zation initiated by the Organization of American States.

Cooperating in the venture are the Dominican Republic's business community, farmer organizations, agencies of the Dominican Government, the International Center for Maize and Wheat Improvement, in Chapinco, Mexico, which is supported by the Rockfeller and Ford Foundations and the Mexican Ministry of Agriculture, and the International Secretariat for Volunteer Services, an intergovernmental organization with headquarters in Washington.

The Director of Planning for the Dominican Ministry of Agriculture, Father Dorta-Duque, has reported to President Joaquín Balaguer that the program is already an important success because for the first time all of the country's meaningful organizations active in agriculture have been brought together into one coordinated program.

The project is also an important example of practical Hemisphere cooperation. The first volunteers, fifteen in number, are from Colombia, Costa Rica, El Salvador, and Guatemala. They work with counterpart Dominican volunteers. It is the first group of young Latin Americans to join together in an inter-American development program.

The ultimate objective goes beyond increasing the individual farmers' production of corn. The new techniques can later be applied to other crops. By learning how to utilize available credit the farmers will be able to pass from subsistence farming into the money economy. Resulting corn production should increase internal consumption and eventually serve as an export crop to earn foreign exchange.

Dr. José A. Mora, Board Chairman of the Pan American Development Foundation, has called the project just the beginning of a new approach to increase food production all over Latin America and to bring the farmers into the money economy and the national life.

SMALL BUSINESS FIRMS RECEIVE RECORD VOLUME OF SUBCONTRACTS

Mr. MATSUNAGA. Mr. Speaker, I ask unanimous consent that the gentleman from California [Mr. CORMAN] 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 Hawaii?

There was no objection.

Mr. CORMAN. Mr. Speaker, American small business firms received a record dollar volume of subcontracts from the Lockheed Aircraft Corp., for the first half of 1967. The Van Nuys, Calif., Valley News and Green Sheet edition of August 24, 1967, reported this Small Business Administration success story.

It is gratifying that our small business community is enjoying the benefits of the administration's subcontracting policies for small business firms.

Robert C. Moot, SBA's new Administrator, and the SBA deserve special recognition for this small Government agency's procurement program.

I am pleased to bring to the attention of my colleagues the entire text of this news story:

SMALL FIRMS GIVEN BOOST BY LOCKHEED

The Small Business Administration today had announced reports from Lockheed Aircraft Corp. for the first half of 1967 show that small firms received a record dollar volume of subcontracts from the California-based aerospace firm.

SBA Administrator Robert C. Moot said he was "extremely pleased" with Lockheed's efforts to utilize the capability of small companies.

"The outstanding job Lockheed and many other large prime contractors are doing by subcontracting to small business confirms the flexibility of small firms and their ability to deliver responsively to the needs of prime contractors," Moot said.

Lockheed reported that it subcontracted a total of $228,793,204 with small firms during January through June of this year, up from slightly more than $192,000,000 in the previous six months. "It is a very favorable trend," Moot said, "and one which I hope will continue."

Last year, the Small Business Administration presented Lockheed a special aerospace award for "outstanding leadership in developing design and procurement programs directed at the maximum utilization of small business firms in meeting the needs of the nation's defense and space programs."

Dollar volume of subcontracts awarded small firms by Lockheed during the first half of 1967 accounted for 38.7% of the firm's total outside procurment. This was nearly 10% higher than the 28.9% registered in the previous six months.

The nearly 270,000 orders Lockheed placed with small firms in the first six months of 1967 represented more than two-thirds of all individual orders placed by the firm in the period. Nearly 25,000 small suppliers across the country participated as subcontractors in Lockheed programs.

A GREAT DEMOCRATIC PRESIDENT SPEAKS TO HIS PARTY

Mr. MATSUNAGA. Mr. Speaker, I ask unanimous consent that the gentleman from Oklahoma [Mr. ALBERT] 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 Hawaii?

There was no objection.

Mr. ALBERT. Mr. Speaker—

The Democratic Party has never chosen the road of irresponsibility. This party, and the programs it has inspired and legislated and turned into action, has set a standard in the 1960's by which every administration that follows must be judged—

Thus, did President Johnson address his fellow Democrats Saturday night. It is clear, I think, that the President was speaking to all Democrats in every section of our Nation who share his view that our party is the party of the people.

In his speech, the President defined what is going to be the central theme of next year's campaign.

He declared:

The question our people are going to have to answer is clear:

Shall we go on building?

Or shall we become discouraged with ourselves, impatient that the work is not yet finished? Shall we bury all that we have begun—begun with such hope and promise—and bury it in a shroud of inaction and reaction?

I believe I know the answer to these questions. I believe that in 1968 the American people will vote overwhelmingly to continue the progress they have achieved under this administration.

They will vote to continue strengthening American education.

They will vote to continue the war on poverty.

They will vote to continue rebuilding our cities.

They will vote to continue to save the soil to light the farms and to bolster the rural economy of America.

They will vote to continue unprecedented economic growth.

They will vote to continue a "can do" administration and a "can do" Congress.

We Democrats in Congress have a very special responsibility to continue supporting the programs and policies of this administration that we have so promisingly begun.

Our goal is to give each man and woman in this country opportunity to be productive and to contribute to this society. The investments we make to create this opportunity will be small in the long run compared to the prices to be paid for poverty, ignorance, discrimination, and crime.

These measures have helped this administration to prove its faith in our people and our free enterprise system.

But the great work of the 89th Congress is not considered an end in itself. It is a promising beginning that must be reinforced and improved by the actions of the 90th Congress.

Today, there are some 50 administration proposals on vital domestic matters that await congressional action. This unfinished agenda of the Nation's business contains the bulk of our Government's response to the pressing needs of our cities, the rising crime rate, the burdens of the poor and elderly, and other major problems confronting the American people.

In answer to the President's question: "Shall we go on building?"—this Congress must be emphatic and affirmative.

We must continue to be a Democratic Congress, a Congress that votes "yes" for the people. If we do, the people will vote "yes" for us. For as President Johnson observed, the party that believes in building is the party that can best take its case to the American people.

THE ITALIANS IN CHICAGO

Mr. MATSUNAGA. Mr. Speaker, I ask unanimous consent that the gentleman from Illinois [Mr. ANNUNZIO] 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 Hawaii?

There was no objection.

Mr. ANNUNZIO. Mr. Speaker, I would like to call to the attention of my colleagues an article about "The Italians in Chicago" which appeared in the October 8 edition of Chicago's American, one of the leading newspapers in my city.

This article is poignantly written, with great feeling and forthrightness, by Barbara Tiritilli, who is herself a lifetime resident of the West Side of Chicago about which she writes.

The area described by Miss Tiritilli is the area around our Lady of Pompeii Church, located at 1224 West Lexington Street. I am proud that I was baptized in this church, I received my holy communion and confirmation in this church, and today, I have the honor to represent

this whole area, which is the Seventh District of Illinois, in the Congress of the United States.

Reading Miss Tiritilli's article has a certain nostalgia for me, because I was born and raised in this area, and Our Lady of Pompeii Church is located in the center of this area.

Miss Tiritilli was born and grew up in "Little Italy" in Chicago, and received her B.A. degree in journalism from Marquette University at Milwaukee, Wis. As an Italo-American who has grown up in the midst of Italo-American traditions, I feel she is well qualified to give other Americans a keen insight into who the Italian Americans really are and what they represent in this great country of ours.

Because in America today there are over 25 million Italo-Americans, their impact on our culture has been tremendous. They represent the largest ethnic group in my own city of Chicago as well as in many other cities throughout the United States.

Like other immigrants, they came to this haven of freedom, seeking new opportunities and a new way of life. They worked hard in this land of opportunity and contributed much to improving our way of life and to the outstanding growth and progress of our country.

Italo-Americans have served with distinction in every war our country has fought since the Revolutionary War. They have contributed leaders to every field of endeavor, including medicine, law, the arts, and the sciences. They have actually helped to build America as we know it today—a leader among nations and a bastion of freedom in the world.

Their joys and their sorrows, their successes and their failures, their achievements as well as their disappointments, have all been forthrightly recorded by Miss Tiritilli.

I do hope that my colleagues, many of whom have thousands of Americans of Italian descent living in their congressional districts, will read this article in order to gain a more profound understanding of the Italo-Americans and their contribution to the advancement of our American culture.

I do hope also that my colleagues will gain an understanding of the problems and difficulties that faced the early immigrants, like my own mother and father, who came to this country many years ago. This is a true story of America and of the Italo-Americans who pulled themselves up by their own bootstraps to make America one of the most powerful nations in the world. This story is particularly significant because it happened with all of the other ethnic groups who, like the Italian Americans, helped to build America.

The article follows:

THE ITALIANS IN CHICAGO

Who are the Italians?

Maybe you laugh, because there is no answer to that the way there is to a Polish joke. Ask a non-Italian and he thinks immediately of pizza, pasta, Sophia Loren, the Mafia, Cosa Nostra, Dagos.

There are 500,000 Italians in Chicago, including immigrants, second and third generation. I am one of them. We are not the Mafia. We don't know if or what the Cosa Nostra is. We in no way resemble Sophia Loren, detest being called Dagos. We do eat pasta.

In the past century, five million Italians left their homeland to come to a new life in this country. There were only 43 Italians living in Illinois in 1850, according to the United States census report. That year, in Illinois, there were 27,000 Irish, 38,000 Germans, 18,000 English, and 4,000 Scandinavians.

After 1900, more and more Italians emigrated here, steadily over the decades, so that now we are one of the largest ethnic groups in Chicago. One statistician reports that one out of every eight persons in America today is Italian. There are more than 20 million Italians thruout the United States.

In Chicago, the Italians settled near Clark and Harrison streets; around Illinois and Wells. Assumption church, the first Italian church here, was built at that corner. Most came from central and southern Italy; a few from Genoa. The immigrants created a Little Italy as they settled along Taylor street and Roosevelt road from Halsted street to Western avenue.

They lived in second and third floor walkups entered thru long dusty gangways. The women, accustomed to drying their laundry in the breeze off the Adriatic sea, soon learned to stretch a laundry line across a clearing between two tenement buildings.

The men worked with their hands, in construction, on railroads. Dirty, but honest work, and they were glad to have it. It was largely a two-stop-a-day life, the job and home. On Saturday nights, the men would gather for a game of bocce, a glass of wine, and conversation about the "old country" and the paesi [hometowns] they left behind.

The Italian women filled the city's slums with a thousand aromas of freshly baked bread, ravioli, home-made wine and sausage. The sound of opera broadcasts [from New York] filled their neighborhoods. If they had no radios, they sang. They staged religious pageants on their streets, and raised many children and grandchildren in this setting.

That is where we came in, the Italian-Americans. We grew up on the streets of Little Italy. There were no Joneses on our block. There were Serritellas, Panepintos, DeVitos, Di Fonsos, and Giagnorios.

Churchbells from Our Lady of Pompeii church, 1224 W. Lexington st., would awaken us, and on hot summer nights, when the windows of our stuffy, crowded apartments were opened, the sound of an accordion would waft from another rotting old porch and lull us to sleep.

Italians never learned the words "ghetto" and "minority"; there were no organizations, no protests. The only marches we ever have are those celebrating Columbus day and the patron saints' feast days.

State Rep. Victor Arrigo, a Sicilian-American, is a life-long resident of the near west side area. Arrigo for years has researched the history of Italians in America, and lectures on the subject. Arrigo said:

"No other racial group has so vitally affected the American way of life with their multiple contributions. One need only look at America's eating habits to bring this into proper focus—from antipasto to tortoni, Italian dishes grace the table of every American home from the Atlantic to the Pacific."

Historically, of course, Arrigo pointed out, the Italians could reach back centuries to a heritage of art, music, literature, law, science, and certain basic concepts of civilization. The roster is long: Michelangelo, DaVinci, Raffaelo, Bernini, Vivaldi, Verdi, Toscanini, Boccaccio, Dante, Pirandello, D'Annunzio, Cicero, Columbus, and on and on.

One paesano of 75 years, who came to Chicago when he was 25, made this remark:

"What's the use of pulling out the old names to prove we're nice people? Chicago is more Italian than parts of Italy. We have made our lives here for 50 years."

It was an Italian civil engineer, Josehua D'Esposito, who built Union station. There was Enrico Fermi, a Chicago Italian, who won the Nobel prize in physics in 1938. And Enrico Tonti, Italian explorer, is cited with the discoverers Father Marquette, Joliet, and La-Salle on a plaque on the Michigan avenue bridge.

The sons of Chicago's Italian immigrants are now doctors, lawyers, educators, businessmen, political leaders, judges. Italian names are on theater marquees, sports pages, television credits. In two generations, the Chicago Italians witnessed what they never would have dreamed possible—Francesca Cabrini, a west side Italian girl, was canonized the first American saint of the Catholic church, and Sam Giancana, a neighborhood bully of the old 42 gang graduated to the crime syndicate, was put behind bars.

There are some 400 Italian-American lawyers and eight judges and magistrates here, including Federal Judge Alexander J. Napoli, a barber's son.

There are Cook County Circuit Court Judges Daniel A. Covelli, George L. Quilici, Pasquale A. Sorrentino, and John J. Lupe; Associate Judges Richard A. Napolitano and Nicholas Bua; and Felix Buoscio, supervising judge of Traffic court. At least five others are on the county's list of magistrates. There are six Chicago area Italians in the Illinois legislature, and Congressman Frank Annunzio (Ill., D., 7th) in Washington.

Little Italy West is all changed now. Fish markets and bakers along Taylor street are gone. The horsedrawn fruit and vegetable pushcart has no more dingy little streets to plod thru, beckoning children from front porches.

These scenes have been replaced by expressways and sleek gray buildings of the University of Illinois Circle campus. New Italian families remain, the Pompeii church is there, and a bigger than life-size statue of Christopher Columbus in ensconced in Vernon Park.

Meanwhile, the move to suburbs has not separated Italians nor interrupted their way of life.

The community's information link is FRA NOI, monthly newspaper published by the Scalabrini league and circulated to 40,000 families here. The name means "among ourselves"; the paper is edited by the Rev. Armando Pierini and the Rev. Paul Asciolla, Scalabrini Fathers. Father Asciolla said:

"Wherever they went the Italians brought with them a joy in living. No matter how trying their problems, they were always ready to put them aside for a feast or party. They found consolation and identification within the group of relatives and friends."

The composite Italian character is now different from that of the immigrant generation's. At this point, it is difficult to define exactly who Italian-Americans are. The Rev. Asciolla said.

"It's time to ask ourselves, 'Will the real Italian-Americans please stand up? And, where do we go from here?'" he added. But we know this much: There are certain traits that quite evidently propel Italian life, right down to the third generation.

These are intense love of family, mothers and children especially, a love of music, cooking, eating, street festivals, and saints days. Italy's currently popular writer, Luigi Barzini, says we are people who feel obliged to make "la bella figura" [or, what the British call "good show"]. Barzini wrote of European Italians, but it also is true of Chicago Italians.

The Italian wedding, christening [especially of the first-born male], confirmation, and sometimes a wake, are the high points of family life. However, any other reason for celebrating between these events is welcome.

No Italian wedding is complete without at least 300–400 guests for dinner, dancing, and confetti. The occasion also requires at least one round of Tarantella, a folk dance, and the wedding could cost as much as $5 or $6,000. An Italian father who really can't afford such a blast will work and save a lifetime to give a daughter such a day.

Man is head of the family—really, not nominally. The Italian wife waits on him, pampers him, and asks him few, if any, questions. The Italian man is a good provider for the important women in his life—his mother and his wife. His mother is generally better informed of his activities than his wife. The wife and children obey him, right or wrong. No other relationship ever threatens the solidarity of an Italian family, and the padre di famiglia is happiest when reigning in his household.

The Italian mother or grandmother [Nonna] is a central figure in a household. She generally lives with one of her children, tho the son or daughter is married.

Some aged Italians are in Ville Scalabrini because they have no children [or other unusual reasons], but there is a continuous traffic of young groups who volunteer visits and entertainment for the residents.

Italian language radio broadcasts are beseiged with requests to play songs dedicated to Mamma. Indeed, the most commonly known exclamation associated with our people is—Mamma Mia.

On Sundays unfailingly, Nonna cooks pasta and bracciole for 10 or 15 persons assembling for family dinners that can last as long as five hours, like modern day orgies.

When Italians are celebrating the feeling is one of complete communion with the world in all its reality, good or bad, come what may. This moment is the one that matters. We want everybody to be happy for today, candidly, warmly. When Italians mourn, they grieve deeply. An older Italian widow still dresses in black from the day her husband dies until she dies.

Italian women do not in any way resemble Sophia Loren or other movie stereotypes.

Chicago's Italian women spend most of their lives washing dishes, cooking dinners, raising families, and washing clothes. Only within the past few years have the women of my generation of Italian-Americans become active in clubs. But even these clubs, such as the ladies' auxiliary of the Joint Civic Committee of Italian Americans, are centered on things Italian and minor activities which do not interfere with the main goals—home and pampering husband.

There are women like Mrs. Mary LaPorte, 74, 1539 N. Leamington st., who has a soft spot for the plight of skid row bums and their bad eating habits. So for the last 20 years Mrs. LaPorte has cooked 60 pounds of pasta and 600 meatballs every year and carted the hot meals to West Madison street. The bums line up and she sees they're all fed. "Poor souls," she says.

Then, there's Mrs. Serafina Ferrara, 64. Mrs. Ferrara is in the front line of every Columbus day parade with Mayor Daley. She came here from Salerno when she was 14 years old, and she and her late husband ran a pastry shop on Taylor street. Mamma Ferrara never learned to speak English, but after her husband, Salvatore, died in 1959, she managed to parlay the small pastry shop into a business empire that now includes a candy company and two catering houses.

One of the houses, Ferrara Manor, is a converted theater which she bought to build a place where Italians could hold arena-size weddings. The west side Italian kids call her Mamma because no youngsters ever left her shop without getting a free pastry in times when there wasn't enough bread to go around at home.

Columbus day remains the biggest local Italian holiday. The parade down State street, Italians believe, equals [even surpasses] St. Patrick's. Recent passage of a bill sponsored by Arrigo makes Columbus day, Oct. 12, a legal holiday in Illinois with schools closed.

St. Joseph's day, March 19, two days after the Irish St. Patrick's day, is the second largest feast. Special pastries [sfingi] are baked in Italian homes, and elaborate buffet tables are prepared to honor the saint. Outsiders, passers-by, everyone is invited in to eat.

Thruout the summer, street festivals are held in various church parishes. Largest of these is July 16, the feast of Our Lady of Mount Carmel in Melrose Park. More than 50,000 persons attended this year from thruout the middle west.

A throng gathered for outdoor Mass. Then, a life-sized statue of the Madonna was carried in procession thru the suburb's streets, Italian women and children followed the statue carrying lighted tapers, some walking barefoot for two miles.

Over the years, and particularly during the time when Capone and his cohorts were running the town, exploiting everyone, Italians included, many Italians sought to detach themselves from their community.

Dr. Mario Rubinelli, president of Joint Civic Committee of Italian-Americans, said there is now an effort to study seriously the formulation and/or effects of the image of Italians as gangsters, i.e., representatives of our community as depicted in movies, and television. The Human Relations committee of the JCCIA is discussing with sociologist Dr. Hans Adler a study of the mass media to determine if such an image exists.

Dan Becco, former assistant United States attorney and chairman of the committee, said:

"If it is not true that Italians are responsible for organized crime, then we should counteract this image with facts intelligently, and not just with defamation cries. We ought to do something constructive, but let's get the facts first."

Trouble is, there are no facts, figures or proofs of discrimination against Italians in employment, etc. Isolated cases turn up from time to time such as the Liuni case in Ulster county, New York, last year in which a welfare department denied adoption of a blonde child by an Italian-American couple because they were "dark-skinned Mediterraneans."

But Chicago's Italians do not rally to such causes, even the newspapers from coast to coast editorialized about the Liuni case as clearly discriminatory. Italians in Chicago are a unique group of dissenting individualists. For example, they were not particularly overjoyed at announcement in May that Frank Sinatra had been named in New York to head up an Anti-Defamation league.

Instead, Italians here are planning a national federation, along the lines of B'nai B'rith and the Greek Ahepa organizations. Midwest regional coordinator for Illinois, Indiana, Michigan, and Wisconsin in this effort is Joseph DeSerto, an insurance company executive and local Italian leader. DeSerto said:

"It's an auspicious step, but such an organization is sorely needed. So far, we have dozens of Italian groups, and not one single, national unifying force."

One purpose of the federation will be to preserve and promote Italian-American culture, and to act as the united voice of our national community, DeSerto said.

Meanwhile, a kind of "cultural renaissance" is happening among those Italian-Americans who shunned learning the Italian language and thought the customs old-fashioned and corny in earlier years. An evident demand by these persons to pick up the pieces of their heritage prompted Peter Scalise, an attorney and former Cultural Affairs chairman for JCCIA, to initiate a weekly program of adult, evening Italian classes at De Paul university. The project was called Sojourn in Italy, and classes and lectures in art, architecture, Italian fashions, etc., drew enrollments of several hundreds.

The '67–'68 Sojourn program is continuing under the name Center for Italian Studies. Evening classes in language and Americanization began is September at De Paul, with lectures in Center theater and the format essentially the same as Sojourn, according to Vincent Lucchese, Center chairman.

"We have combined the best of an old culture with the best America has to offer and infused the Italian-American way of life," Arrigo says.

Four years ago, when mobster Joseph Valachi went before a Senate investigating committee and first used the term Cosa Nostra, Italians were as astonished as everyone else. We knew the words meant "our thing," our affair. But there were few Italians in Chicago who knew what Valachi was talking about when he referred to "an organization of Italian families who dominate large-scale criminal activities." In fact, few here had ever heard of Valachi.

Several months ago, in Oyster Bay, N.Y., a panel of the nation's leading experts in organized crime officially rejected the term Cosa Nostra.

Donald R. Cressey, sociology professor at the University of California, who headed the panel, declared that American gangland operations are "not to be confused" with the Mafia. The Mafia is a Sicilian term referring to a Sicilian organization, and many participants in the American conspiracy are not Sicilian, Cressey said.

"The phrase Cosa Nostra incorrectly implies that all members of the conspiracy are Italian or Sicilian . . . and the term is not even widely known," another panel member said.

That is true, local Italians say. Of course, no Chicago Italian will deny that there have been notorious Italian names in the ranks of the city's underworld. There still are.

But older Italians here who lived thru the Capone era recall that many paesani who had small businesses and taverns were exploited by hoodlums. Newspaper files are filled with stories of victims, fathers of small children and young men who were shot to death—gangland style—on west side streets because they refused to answer the Black Hand letters of blackmail and extortion. These victims also bore Italian names.

They were immigrants, like my own grandparents, newly arrived in Chicago, trying to save a little money from earnings. They spoke no English; they did not know the laws. They would not have known words like "blackmail" and "extortion." There were no organizations to direct them.

These simple people knew only from the old country that when you received a Black Hand letter, the sender meant business. The alternatives were either to pay or to die.

One man here, now 75 years old, came to this city from a town in southern Italy 50 years ago. He recalled the bad old days:

"I worked on construction gangs. By the 1920s I managed to save a little money, but I didn't know how to use the banks. I couldn't speak English. I didn't even trust the bank, because in my town I never heard of a bank. I thought you just gave the bank your money and you never got it back, so we kept my savings at home in the mattress.

"Then, I start getting these Black Hand letters. I was really afraid. They want my money. They threaten my family. I didn't know how to go to the police. So we lived in fear, and finally I pay them everything."

That man's son is now a lawyer. The sons of his paesani are police officers and legislators fighting organized crime, working now to rid the city of these elements that created such fear.

Right now, there are more crime fighters among Italians than there are hoodlums. There are Charles Siragusa, head of the

Illinois Crime Investigating committee, and State Rep. Anthony Scariano [D., Park Forest], a maverick Italian with vehement anti-crime views.

There is Dan Becco, 33-year-old Chicago attorney and former special lawyer in the department of justice in Washington. Becco worked with Sen. Robert Kennedy in crime investigations. There is Joseph A. Lamendella, who was commended by United States Atty. Edward Hanrahan for his work in gaining the conviction returned here May 9 against Sam Battaglia, the crime syndicate's extortion specialist. And there is Anthony Sorrentino, who is with the Illinois youth commission.

The list goes on and on. There is also an association of Italian-American policemen with more than 500 members. We have reached the point where it is just a matter of simple arithmetic—Italian cops finally outnumber the robbers.

The Italian-American community, largest ethnic group in the United States, is "coming of age," said Rev. Asciolla. One symptom of this, he said, is that social scientists are beginning to study us as a group, and analyze our place in the social fabric of United States culture.

"The identity of the Italian-American is still to be discovered. . . . The community has passed thru the pangs of economic assimilation, for Italian-Americans generally have moved thru the lower class into a comfortable conservative middle class. The second phase of change is still with us, and is centered on the business, political, and social," Rev. Asciolla said.

Italian characteristics did, at least, contribute to the "melting pot" myth of the American dream and, in a way, were "the ferment of a way of life which until then had been staid, Victorian, and extremely discreet," he said.

GHETTO FORMULA: JOBS IN PARKS, SCHOOLS, HOSPITALS—WITH THE UNITED STATES PAYING THE BILL

Mr. MATSUNAGA. Mr. Speaker, I ask unanimous consent that the gentleman from California [Mr. REES] 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 Hawaii?

There was no objection.

Mr. REES. Mr. Speaker, I insert into the RECORD Vincent Burke's excellent article taken from the editorial section of the Los Angeles Times of Sunday, September 17. The column discusses major aspects of our complex urban slum problem and suggests affirmative proposals for their solution.

GHETTO FORMULA: JOBS IN PARKS, SCHOOLS, HOSPITALS—WITH UNITED STATES PAYING THE BILL

(By Vincent J. Burke)

WASHINGTON.—While President Johnson stands aloof, a national consensus is gradually forming in support of a new way to alleviate poverty in urban slums.

The approach: create jobs for the slum jobless in public services—hospitals, schools, parks—with the Treasury paying the wage bill.

Despite its high cost to the government this approach has merit and potential appeal for prudent conservatives as well as liberal spenders.

First, it pays due respect to the nation's puritan ethic. (Except for a small minority, including the hippies, some social philosophers and a few of the hard-core unemployed, we all share the conventional wisdom, or prejudice, of our forebears that work is virtuous and sloth is sinful.)

Second, the net cost to society of this approach is low because the ratio of benefits to monetary costs is high. (After all, an idle slum dweller produces no goods or services of value to society, but he still consumes such goods or services.)

Third, it can be portrayed as a truly "conservative" response to the ghetto upheavals which threaten to transform our society in ways most of us do not like. (Which is the more radical course: To try to "conserve" our institutions and values by eliminating root causes of violence or to ignore the smoldering resentments and rely solely on police action, military force, curfews, and, perhaps ultimately, martial law in many of our big cities?)

FINANCES HANDCUFF JOHNSON

Under less abnormal budgetary circumstances President Johnson probably would be making these arguments and leading the citizens' crusade that is forming in support of an emergency program to create jobs.

But a deluge of red ink has drowned his budget and paralyzed the President. He feels he is unable to move in any direction that requires much money.

Backers of a federally-financed job program hope to build up enough public pressure to force the President to move regardless of the budgetary situation.

For the foreseeable future a job-creating program is the only feasible method of getting more money into the hands of the ghetto poor.

The alternatives debated in academic circles—guaranteed income, negative income tax, family supplements, bigger welfare payments—have almost no political support.

Welfare has become almost a dirty word in the political arena. The public, which once viewed welfare as a temporary relief to tide families over misfortunes, has seen welfare become a permanent way of life, from one generation to the next. Even at this time of national prosperity the relief rolls continue to lengthen. Few politicians today are willing to champion bigger welfare payments.

Outside the government, the group supporting a federally financed job program includes more than a dozen captains of industry, along with chieftains of organized labor, civil rights, the clergy and big city mayors. They have organized into a lobbying force called the Urban Coalition.

Inside Congress, the coalition's allies include a majority of the Senate Labor Committee and 79 rank-and-file House members.

These advocates do not yet constitute a national consensus for action. What is significant is that powerful men outside the White House have reached agreement on what should be done.

This makes it likely that their program will sooner or later, in one form or another, become national policy, or at least the policy espoused by Mr. Johnson. The President is not inclined to originate. He searches for consensus.

The Urban Coalition has called for an emergency program to provide 1 million jobs. This would probably cost $4 billion a year. The first political test of strength will come late this month, when the Senate votes on an emergency job program costing $2.5 billion over a two-year period.

Despite White House opposition, the job proposal was added by the Senate Labor Committee to an Administration bill authorizing funds for another year of the anti-poverty program. The job section is almost certain to be erased from the bill on the Senate floor. But the vote is likely to show sizable support for the proposal.

Mr. Johnson cannot yield to the expensive pleas of the Urban Coalition without jettisoning his tax increase bill, pushed in the face of calls for government economy.

JOHNSON WANTS TAX FIRST

The President's strategy apparently is to make concessions to the Urban Coalition in his new budget in January, once the tax increase bill has been disposed of.

But congressional conservatives who want stringent economy may block this escape hatch. Citing voters' opposition to the proposed tax hike, Chairman Wilbur D. Mills (D-Ark.) of the House Ways and Means Committee has indicated he may delay action on the tax measure until January to satisfy himself that Mr. Johnson is serious about government economies.

Essentially, the Urban Coalition has posed this question: Why can't the richest country in the world guarantee a job to every urban dweller who wants to work?

It's an old question and the dream of a society without poverty is ancient.

Plato and Aristotle regarded poverty as a social ailment and said good government would not tolerate it. Plato proposed abolition of extremes of wealth and poverty. Aristotle called poverty "the parent of revolution and crime" and said public revenues should be distributed among the poor "to enable them to purchase a little farm, or, at any rate, make a beginning in trade or husbandry."

But 2,000 years after Plato and Aristotle in much of Western Europe poverty was viewed as a willful sin, resulting solely from refusal to work. Laws were passed that treated paupers as "voluntary" criminals. The British philosopher Thomas Hobbes wrote in 1651 that the poor should be "forced to work," unless physically unable.

The 18th century's Age of Reason revived the Greek idea that poverty is a defect of society. The French philosopher Montesquieu wrote that it was not enough to give alms to the poor. He said a well-regulated government provides for some of the poor such employment as they are capable of performing and teaches others to work.

The U.S. government intervened as an employer of last resort during the Depression of the 1930s, when the free enterprise system was prostrate. To propose that it do so again to help combat the crisis of the cities does not impugn the accomplishments of the private sector.

Business cannot nor should it be required to assure a job to everyone, regardless of qualifications.

As Henry Ford II, a leader of the Urban Coalition, puts it, "business cannot hire more people than it needs or hire people who are not qualified to do useful work or hire people for more than their work is worth."

The ghetto unemployment problem is a complex compound of the cultural disadvantages and lack of education of the slum dweller, overlaid with racial discrimination. Until recently his plight was worsened by society's ignorance. It did not grasp his misery; sometimes it did not know he existed.

This summer total U.S. employment set new records, and unemployment for the nation as a whole was below 4%. By past standards, this reflects an ebullient prosperity. But we now know what is hidden by such statistics.

In nine major cities checked by the Labor Department, the rate of Negro unemployment this summer was 9.4%. And that counts only those Negroes who were actively looking for work. About one in 10 are not even looking; some have given up hope.

Moreover, if "underemployment" figures are included, then one-third of the Negroes in these cities worked only part-time, or received such low pay as to be "poverty" cases.

THE END OF A DEBATE

The emergence of the proposal to make government the employer of last resort signifies the end of a debate over the basic cause of unemployment in the American sys-

tem. It was a debate that neither side won and that eventually proved almost irrelevant to solving the problem of hard-core ghetto unemployment.

One side argued that unemployment reflected what it called inadequate demand. It urged that fiscal and monetary managers force the economy to run at a faster pace. We have done this. And we have learned that the economy is like a merry-go-round on which the uneducated, unskilled, hard-core unemployed don't have a seat.

When the merry-go-round runs faster, more wealth is created. But the additional work is performed mostly through overtime by regular workers or by drawing middle-class housewives or other educated persons into the work force. This policy will produce intolerable inflation long before it makes a significant dent in unemployment in the ghetto.

The other side contended that unemployment merely is "structural." That is, there are plenty of jobs and the problem is to match people to the jobs. We have tried this. The federal government is running or financing a dozen or more training programs. Although there is some duplication of effort and sometimes people are trained for jobs which don't exist, it is essential to try to equip slum dwellers with job skills.

But to make fast and large inroads into ghetto unemployment requires the creation of new jobs—jobs for people with little or no job experience, people who are unskilled, uneducated, illiterate. Private industry can't create these jobs.

Essentially, it is the job which must be "structured" to fit the worker, not vice versa. That is the philosophy of the public service job approach.

Sen. Robert F. Kennedy (D-N.Y.) and others in Congress have proposed that permanent tax concessions be offered to induce businesses to locate in the ghetto and employ ill-trained Negroes there.

Although it has popular appeal, this approach is laden with "tax-loophole" booby-traps.

ON DANGEROUS TERRAIN

Possibly, a case can be made for limited tax incentives to encourage plants to locate in Negro ghettos. But we walk on dangerous terrain when we try to gear an employer's tax liability to the racial composition, place of residence or educational levels of his work force.

Such an approach is almost certain to prove either ineffective or productive of tax windfalls (public costs far greater than the social benefits obtained).

In the racial crisis now upon us, however, the harsh truth is that no matter what we do to improve conditions in the ghettos, we cannot expect a quick end to violence.

Two years ago in his perceptive book, "Dark Ghetto," Kenneth B. Clark, a Negro sociologist who is probably the country's leading expert on the psychology of the ghetto, wrote:

"It would not be realistic for the white community to expect protest to subside in the face of gains, for the closer the Negro community gets to the attainment of its goals—the removal of the causes and effects of racial exploitation and powerlessness—the more impatient will Negroes become for total equality.

"In the complex turbulence of the Negro ghetto . . . success feeds hope and provides the strength and the motivation for further activity. This, in turn, makes existing barriers even more intolerable."

TEXAS NEWSPAPERS SUPPORT WAR ON POVERTY

Mr. MATSUNAGA. Mr. Speaker, I ask unanimous consent that the gentleman from Texas [Mr. GONZALEZ] 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 Hawaii?

There was no objection.

Mr. GONZALEZ. Mr. Speaker, I think that in general, Texas newspapers are as conservative as any in the United States. Yet the Office of Economic Opportunity has been drawing praise from them, not brickbats. These newspapers have cast hard eyes on the antipoverty warriors, and what they have seen is encouraging to them, and should be heartening to all of us.

I believe that the war on poverty is too valuable to be halted or scaled down; and I believe that any honest observer will have to be impressed with the statements I have seen in the Dallas News, the Austin American, and the Houston Chronicle. I offer these statements as statements of honest views from critical observers:

[From the Dallas (Tex.) News, Sept. 18, 1967]

CASE FOR THE DEFENSE

It is generally conceded that the bad apples in the War on Poverty barrel did much to spoil the entire program's image this summer. The Office of Economic Opportunity ran a survey on the situation, and, in all fairness, that side of the story deserves to be heard.

For involvement in the riots, 16 poverty-war workers were arrested; 29,984 were not. Of the 16 suspects, only 6 were employed full-time in the program. None has been convicted.

Walter H. Richter, former state senator and now Southwest regional director for the OEO, recently ticked off what the War on Poverty was doing hereabouts while the riots were going on elsewhere.

In Dallas, in April, quick action by anti-poverty workers was credited with helping to keep a potential police-brutality explosion from occuring.

In Oklahoma City, five boys with police records were put to work with the recreation and police departments. The one with the worst record did the best job, organizing a highly successful trash cleanup campaign in the slums.

In San Antonio, off-duty police played big brother to Negro and Mexican-American youths, taking them to ball games, picnics, swimming pools and the like.

In Corpus Christi, reports the head of the police juvenile bureau, "criminal activity is almost at a standstill in those neighborhoods where the anti-poverty program is operating."

Those are some of the bright spots, but they do not erase the smudges. Allan Maley, who directs Dallas' arm of the poverty war, sought to put it in perspective: "If you really believe that a local community should have the right to run its own programs, then how do you keep the community from having the right to fail as well as to succeed?"

[From the Houston (Tex.) Chronicle, Sept. 25, 1967]

BUM RAP FOR POVERTY PROGRAM

Much was heard during and after the recent spate of urban riots about what the workers for the federal poverty agency might have had to do with fomenting the disorders. Some were accused of actively going out and inciting violence.

As a result of these accusations, Sargent Shriver's Office of Economic Opportunity in Washington conducted an investigation. The findings show the poverty agency has an almost clean record. In fact, of 30,000 workers in city slums, only six were charged with any offense. None were charged in Detroit and just one in Newark.

The report reveals another interesting fact. Of the millions of dollars in property damage caused by this summer's rioting, poverty agency property was damaged only in the amount of $1840. All this was in broken windows. None of the 224 poverty agency buildings was burned or destroyed.

The study found that poverty workers fulfilled a vital role in dispelling rumors and disseminating accurate information in cities where trouble was feared.

Of the 64 cities surveyed, 32 had had riots and 32 did not. All the cities have sizable minority populations and troublesome local problems concerning housing, de facto segregation and poor community-police relations.

Walter H. Richter, OEO's southwest regional director, said the survey "shows that most mayors and police officials felt that OEO summer programs helped to prevent violence in their cities. . . . Not one police chief or mayor in any of the cities—including the 32 where disturbances occurred—said that OEO heightened tensions." And not one mayor asked OEO to discontinue the poverty program. Rather, many requested additional poverty funds to prevent further trouble.

By the nature of their work, poverty employes are susceptible to the charge of inciting riots. Part of their job is motivating the poor and downtrodden. This naturally results in the poor becoming dissatisfied with their lot in life. Ideally, the poverty worker will then try to channel this dissatisfaction into constructive self-betterment projects.

Efforts need to be redoubled to convince the poor that rioting and violence will not help them in achieving equality but rather will set them back.

[From the Austin (Tex.) American, Sept. 27, 1967]

SOME PLUSES FOR WAR ON POVERTY

Despite the blasts of critics, the War on Poverty must be doing something right.

In 32 cities in which there were no riots or civil disorders this summer, most of the local authorities credited the summer programs of the Office of Economic Opportunity for helping to prevent violence.

This is what they told the OEO in a nationwide survey in which OEO inspectors talked to mayors, police chiefs, juvenile judges, heads of local Chambers of Commerce and other leading citizens.

Not one police chief or mayor blamed War on Poverty programs for heightening tensions, and in 15 cities, local Community Action Agencies were praised for calming down bad situations in specific instances.

In 14 cities, municipal police departments and CAAs had joint programs to prevent riots. In eight cities, the juvenile arrest rate went down this summer as a result, it is believed, of increased availability of summer jobs.

There is also negative evidence encouraging to the War on Poverty:

In the 32 cities that did experience riots, only 16 of the more than 30,000 CAA employees in those cities were arrested for taking part in them.

More than $300 million worth of property damage was done in riot cities, says the OEO, yet not one of its 244 buildings in the heart of the riot areas was burned or destroyed.

Total damage to Community Action buildings was $1,840 for seven sets of broken windows.

PRESS SUPPORT FOR THE GONZALEZ BILL TO STRENGTHEN THE RENEGOTIATION BOARD: FIRST IN A SERIES

Mr. MATSUNAGA. Mr. Speaker, I ask unanimous consent that the gentleman

from Texas [Mr. GONZALEZ] 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 Hawaii?

There was no objection.

Mr. GONZALEZ. Mr. Speaker, many commentators have noted that the Vietnam war has had little effect upon the lives of most Americans. Few belts have been tightened, and the outcry occasioned by the proposed tax increase shows little willingness to accept a wartime economy. Despite the fact that our largely military commitment in Vietnam is costing over $70 million each day, the sacrifices of war have fallen almost entirely upon the servicemen doing the fighting, and their families. Our servicemen are being called upon to face the ultimate sacrifice for their country and its principles of freedom and self-determination, but elsewhere it seems to be "business as usual."

But in one regard, it is not business as usual, but business better than ever. There are more defense contracts as a result of the war in Vietnam, but less of them, proportionally, are subject to renegotiating by the Board charged with limiting war profiteering.

The Renegotiation Board is empowered to review defense contracts to determine if the contractors' profits were excessive. From fiscal year 1953 to fiscal year 1966, the Board has reached total determinations of $936.4 million in excess profits, plus $1.2 billion in voluntary price refunds or voluntary price reductions.

In fiscal year 1966, the Board recovered $24.5 million in excess profits, and its proceedings resulted in another $23.2 million in voluntary refunds or price reductions from contractors. This is despite the fact that the Board's purview has been successively limited by Congress, by exempting from renegotiations more and more defense articles and more and more companies with defense contracts.

Mr. Speaker, the value of prime defense contracts has risen to $44.6 billion, a figure that exceeds the highest year during the Korean war. I believe that this situation alone would call for a renewal of the Board's authority to the Korean war level. This would be accomplished by the bill I introduced, H.R. 6792, on which I have requested hearings by the Ways and Means Committee.

To date, I have received no support for strengthening the Renegotiation Board from any Member of either body. However, several newspapers have supported my position, and I have permission to insert at this point the first of a series of these comments:

[From Labor, Jan. 28, 1967]

A TIMELY APPEAL TO CURB PROFITEERING IN WARTIME

Hardly mentioned in the daily press was a significant speech that Rep. Henry Gonzalez (D., Tex.) delivered in the U.S. House the other day. He charged profiteering by business on defense contracts and called for a recapture of inflated profits.

Gonzalez cited a sharp contrast in the way that the nation mobilizes human and non-human resources during a war like that in Vietnam.

On the one hand, manpower is conscripted. A young man drafted into service "does not get to bargain or negotiate for his pay and benefits," Gonzalez pointed out. "His compensation is fixed by law and is quite low. . . . This is part of the sacrifice he makes for the country."

On the other hand, property needed in wartime—equipment, arms and other supplies—is "procured"; that is contracts are offered to companies to furnish such material, Gonzalez explained.

"One would suppose," he continued, "that those persons who supply the government with property in time of war would be willing to do it without excessive profits. In light of the heavy sacrifices made by those who do the actual fighting, one would at least hope that those who stay home and do business with the government would not take advantage of the situation by profiteering.

"I am sorry to say, however, that profiteering is taking place," Gonzalez told the House. "Not only have certain private firms taken advantage of the war in Vietnam by gouging the government for excesive profits, but there is evidence that profiteering is on the upswing."

Yet, the one agency that is empowered to oversee defense contracts and to recover excess profits—that is, the Renegotiation Board—has had its hands tied by a series of statutory restrictions and slashes in appropriations, Gonzalez declared. Those who profiteer are trying to wipe out the board entirely, he said. The aerospace industries are in the forefront of this effort, he charged.

The Texas congressman urged that full powers of the Renegotiation Board be restored and that contracts of $250,000 or more be made subject to board scrutiny, instead of just those running to $1 million or more. He also urged other changes to provide more effective curbs on profiteering.

"There is no more heinous offense, in my opinion, than wartime profiteering," Gonzalez declared further. He compared that to "sabotage."

"Social justice and the Great Society will be frustrated if profiteering results in billions of dollars being diverted from the national wealth to private persons," he concluded. The need now, he stressed, is "to strengthen our laws against profiteering."

Most Americans, we are sure, will agree with Rep. Gonzalez that at a time when thousands of young men are making the supreme sacrifice in Vietnam and vast numbers of men are subject to conscription, it is no more than fair and just that business also do a little sacrificing.

Business should and must be satisfied with modest profits. The war should not become a vehicle for the creation of a new corps of millionaires. There should be as much power and authority to conscript dollars as to conscript manpower.

POST OFFICE DEPARTMENT

Mr. MATSUNAGA. Mr. Speaker, I ask unanimous consent that the gentleman from New Jersey [Mr. HOWARD] 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 Hawaii?

There was no objection.

Mr. HOWARD. Mr. Speaker, many of us take for granted the Post Office Department and the services it has provided to the people of this Nation since its founding by Benjamin Franklin.

Even more so, people fail to realize how the Post Office Department has helped, in fact, Mr. Speaker, been the basis for much of this country's growth economically, socially, and politically.

Last Thursday, Postmaster General Lawrence F. O'Brien spoke before the National Convention of the National League of Postmasters in Atlantic City, N.J. His address outlined the role the postal service has played in making the United States the most prosperous Nation in the history of mankind.

I call it to the attention of my colleagues and ask unanimous consent that it be printed in the RECORD:

ADDRESS BY POSTMASTER GENERAL LAWRENCE F. O'BRIEN AT THE NATIONAL CONVENTION OF THE NATIONAL LEAGUE OF POSTMASTERS, ATLANTIC CITY, N.J., OCTOBER 5, 1967

I am delighted that your outstanding president, and my good friend, Henry Womack invited me to join you at this National Convention.

Before I left Washington, President Johnson asked me to bring you this message: "At a time when more dramatic priorities, when international tensions and disruption of domestic tranquility command our attention, it is all too easy to lose sight of the importance of other functions of government. The mail service may not be dramatic," the President said, "but I think no American should overlook the important and continuing contribution to better government of a mail system that combines safety, security, and celerity. I can assure the members of the National League of Postmasters that this Administration will not be diverted by other issues from its pledge to assure that our mail service is the best in the world."

That, my friends, is the President's pledge. And, as his Postmaster General, it is a pledge that I intend to carry out to the letter!

And I want you to know that we are, every day, receiving new evidence of the willingness of Americans, from all walks of life, to cooperate with us in this endeavor.

But we have to be very careful how we ask them to cooperate.

For example, a rural letter carrier in Texas found that a post supporting the boxes of three different families was violating regulations by being nine inches too tall. This made it awkward for him to place mail in the boxes without leaving his automobile. So he left a form in each box requesting that the post be lowered the appropriate nine inches.

Next time around, he found that all three had complied, the post had been lowered by 27 inches. And now he complains of nagging back pains.

Sometimes public cooperation produces neither backache nor headache. Sometimes it manifests itself in ideas that serve to advance our mutual concern with better postal service.

Perhaps the finest example of such cooperation was the National Postal Forum held in Washington last month.

I can only say to you what I reported to the President. The Forum was a resounding success. We had 2,300 top-level executives from the private sector, and Congressional and government leaders who pooled their ideas in the interest of better postal service for all Americans. We had distinguished speakers with stimulating proposals. We had meaningful panel sessions.

I think the result of what we learned during that Forum will soon be shown. It will be shown by business mailers in a more cooperative spirit. It will be shown by their greater awareness of our problems and our needs.

And it will be shown by *our* efforts to meet their legitimate complaints.

This was a great creative dialogue.

It was also certainly a splendid reflection of a basic postal tradition, the tradition of seizing the intiative in behalf of more responsive and more effective government.

The pages of American history are full of examples of contributions made by the postal service to national development and to the protection of our most valued institutions.

Let us briefly examine that record. Such an examination can provide answers to a key question, as we seek ways to improve our operations.

That question is: What is the postal service?

On one level it is a channel of communication and a nationwide network for the exchange of ideas and of goods.

This is the way we usually see it.

But there are other, perhaps more basic elements here as well.

Economically, the Post Office Department was once employed as a lever by which Federal assistance could be channeled into infant industries.

When ways were sought to aid roadbuilding, the newly developed steamship, and the infant railroad and airline industries, the Post Office Department was a logical means to get the job done.

Six years after Robert Fulton piloted his *Clermont* up the Hudson River, mail was being carried regularly on steamboats. The first track was laid for the Baltimore and Ohio Railroad in 1828, and just three years later mail bags were being shipped by train.

Strangely enough, the mail delivery potential of the airplane and the subsidizing ability of the Post Office Department did not become engaged until May 15, 1918.

That engagement began with a rather ill omen. The air mail stamp was printed upside down.

Despite this somewhat misdirected beginning, the engagement between the Post Office Department and the airline industry developed into a marriage that has produced many dividends for the nation.

Thus, the postal service has served as a powerful means of supporting industries vital to our development as a nation.

We have also served to strengthen certain basic *political institutions.* I am not now talking about partisan politics, but of the basic political institutions underlying our continuance as a free people, and a people able to solve its problems through political and not violent means.

Perhaps the most obvious, and most important of these institutions, is that of freedom of expression. We take for granted that we can write anything we please in a first-class letter, knowing that it can be opened only as the result of a court order, and that such court orders are difficult to secure, and should be.

As early as 1792, postal rates were fixed at a minimum of *six cents* for letters and one cent for newspapers. This policy of low rates for newspapers made for a more informed and intelligent electorate; it had a powerful effect on uniting a nation despite the forces working for its dissolution; and, since many papers in those days were the organs of parties and factions, the low rates also had a great influence on the development of our political party system.

And the postal service still tries to have something for everyone. For those of you who like the good old days . . . we are trying to bring back that 6 cent rate.

In addition, the postal service has made, and is making, a basic contribution to the social structure of our nation. That our American sense of voluntary assistance and voluntary cooperation is aided by our postal rates is well known. But not as well known or understood are other important contributions to *social justice* and *social morality.* This we are doing in many ways, including equal job opportunity, aid to needy students, summer jobs for students, employment of the handicapped, non-discrimination among our contractors, consumer protection, and jobs for veterans.

And, finally, the postal service is making a major contribution to the problem of maintaining the rural communities and small towns of America. Without an effective mail service, areas outside our urban centers would participate far less fully in the mainstream of American life, and their attractiveness as places to live and work would be greatly diminished.

This has an important bearing on one of the nation's major problems today—the urban crisis.

Too often we, who every day must grapple with the enormous pressures that beset our decaying cities, forget that many of these pressures can be relieved outside the cities. Our urban problems of air pollution, of traffic strangulation, of noise, of violence, of crime in the streets, of rising welfare rolls and declining tax rolls, of the need for better schools, of the thousand and one problems that make the job of a big city mayor a kind of inferno, can to a great degree be solved by making areas outside our cities more attractive.

America's cities have acted for generations like sponges; they have taken millions upon millions from overseas, the homeless, tired, tempest tossed; they have absorbed refugees from war and from communism; they have sought to find jobs for the millions of internal immigrants, who moved, often reluctantly, from the farms as they were displaced by changing farm technology.

This great human wave has dashed itself against our urban centers and combined with the normal population growth in the cities themselves, to place new and heavy burdens on community facilities.

These facilities staggered under the pressure. The hospitals, the schools, the libraries, the mass transportation, the very streets became full, flowed over, with the endless, pushing, teeming, growing masses of men.

As the demands grew beyond the ability of the cities to meet, eyes turned to the States. As the demands grew beyond the ability of the States, eyes turned to the Federal Government. The Federal Government has responded, has responded vigorously and with great imagination.

But, my friends, to focus on the urban crisis alone is not enough. It is almost like a doctor looking at a symptom and ignoring the cause of the sickness.

Our cities are but islands in the sea around them. We ignore that sea at our peril, we neglect that sea at great cost to the nation.

The postal service is not ignoring that great heartland of America. Recently I announced the extension of rural delivery service to less-densely populated areas of the nation. This is one small step aimed at the improvement of rural life. Each contribution that you as postmasters make toward improving postal service in your communities helps make those communities more attractive places to live and to work. Therefore, though many of you may live outside our great cities, you are, by making life in rural areas and small communities more attractive, also serving to relieve the crushing pressure on those cities.

Ladies and gentlemen, I have traced some of the ways, past and present, by which your postal service has acted as a mighty instrument of economic, political, and social improvement.

With our society undergoing swift, almost revolutionary change, we must protect, preserve, and nurture every institution that contributes to preventing change from becoming convulsion.

We are standing fast in Vietnam to halt the spread of communism, while our President continues his intensive quest for peace, and extends the olive branch to North Vietnam.

We are seeking and finding ways to halt violence and crime in our cities.

And in our own service we are playing an important part in assuring the continuance of progress and prosperity.

This we are able to do because in our postmasters we possess a great resource of leadership and of devotion to community and national problems.

Certainly, one of my most striking experiences during almost two years as Postmaster General is the realization of how important a leadership role Postmasters play in communities throughout the nation.

People look up to you.

People see you as the leading representative of the Federal Government.

People expect a lot from you. And by and large their expectations are met by your effectiveness and understanding.

In these critical days in the life of our nation, we simply must have that leadership. Not only for good service, but for the health of the land in which we live, the Post Office depends on the cooperation of every concerned American—and I am thankful that so many concerned Americans are here tonight, men and women who, as postmasters, as community leaders, as citizens, have enlisted their creative energies in behalf of a better postal service and a better America.

THE CONSUMER

Mr. MATSUNAGA. Mr. Speaker, I ask unanimous consent that the gentleman from New York [Mr. ROSENTHAL] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Hawaii?

There was no objection.

Mr. ROSENTHAL. Mr. Speaker, it is appropriate that we recall, in the midst of striking national and international problems, that there are common human interests which bind the peoples of the world despite their many divisions. One such interest is that of the consumer.

Whether one lives in Indonesia or Iowa, the process of considering goods for their relative values and prices is similar. And in every situation when the consumer confronts a choice, he needs reliable information if he is to choose wisely.

Commissioner Mary Gardiner Jones, of the Federal Trade Commission, recently described some consumer information programs in other countries. I include below extracts from her excellent speech:

"CONSUMERISM" AND THE ROLE AT MARKETING—A COMPARATIVE ANALYSIS OF THE CONSUMER ABROAD AND AT HOME

To label the role of consumers in our economy as "consumerism" is somehow to treat the consumer as if he or she is a kind of subversive element in our society. Yet the role of the consumer in our economy is hardly a subversive one. On the contrary, the effective working of our free enterprise system depends essentially on the extent to which the consumer can and does play an effective and informed role in the marketplace.

Few businessmen would disagree with the basic principle that informed consumer choice is an essential precondition to the effective functioning of our free enterprise system. Unless consumers are able to make rational choices between the various products, services and terms and conditions of sale available to them in the marketplace, competition cannot play its central market role of ensuring that consumers will receive the proper mix of the highest quality goods at the lowest possible prices. Yet today, efforts

on the part of consumers to become more informed about the marketplace seem too often to be met by some businessmen with cries of "consumerism", "politics", or similar disparaging epithets, or, in the case of more thoughtful businessmen seeking to be responsive to what they read into these consumer efforts, with company oriented consumer information programs designed primarily to reassure the consumer and the general public about the wonders and miracle of American business techniques and the free enterprise system. I think both reactions are wide of the mark.

Consumers' increased self-awareness and self-assertiveness in the marketplace, in my judgment, does not reflect any overall disenchantment with our free enterprise system or with American business as a whole. Consumers are fully aware and appreciative of its innovative genius. Rather, I think it is reflective of the American consumer's desire to be treated as a mature and rational individual with a genuine concern to participate intelligently in the marketplace, to make purposeful decisions about the myriad of choices which that marketplace offers and to act on the basis of knowledge and self-interest rather than simply to react on the basis of the emotional appeal of an advertising message.

I thought it might be of interest to you to look at the American consumer in perspective, and to this end, to take a look at the role which consumers play in other countries in the western world which share with us a concern for the rights and welfare of the individual and also pride themselves on their democratic institutions through which to implement these concerns.

A comparison of the role of government vis-a-vis the consumer in the United States with the role of government in Great Britain and Canada and in various Western European countries leave one with the impression that "consumerism" is much more advanced abroad than it is in the United States and that governments abroad play a much more active role than the United States in support of consumer interests, in furnishing consumers with information and in engaging in various types of product testing programs.

At the same time, it would appear that direct government intervention to protect the consumer from frauds and deceptions, from misleading advertising and from the impact of anticompetitive activity on the part of business is much more advanced in the United States. Antitrust legislation as you know is of relatively recent origin in these countries and their antitrust philosophy seems to tend far more in the direction of regulation and supervision of business conduct in the interest of promoting competition rather than of outright prohibition of anticompetitive business actions. Consistent with this approach towards regulation of business activity, these governments have taken a far more affirmative role towards ensuring that business is responsive to the needs and demands of consumers.

Looking at the role of consumers in Great Britain and Canada and in Norway, Sweden, Denmark, Belgium, Holland, France, Switzerland and Germany, it is immediately apparent that the consumer in these countries is far more directly represented within government or has a more formalized channel—frequently governmentally financed—through which to voice his needs and demands than he does in the United States. Similarly, government action on behalf of the consumer in the fields of product testing and dissemination of consumer information appear to be far more extensive in these countries than in the United States.

Let me give you a few examples.

In Norway and Sweden, consumers have been directly represented in the government by a separate Cabinet department since 1953 and 1954 respectively. In addition, both countries have consumer councils whose members are appointed by the government from among nominations submitted by various consumer organizations.

Consumer interests in Denmark are represented in the Ministry of the Interior by the Danish Home Economics Council, an eighteen-member body originally established in 1935 and reorganized in 1960, consisting of representatives appointed by the government upon the nominations of some 13 consumer organizations and 5 government agencies.

In France, consumers have been represented since 1960 by the National Committee on Consumer Problems, an integral part of the Ministry of Interior and in 1966, the French government enacted legislation establishing a National Institute of Consumers. Implementing regulations under this legislation are due at the end of this year.

Holland has just recently established a special Board for Consumer Affairs whose members are drawn from both consumer and industry organizations, and in 1963 and 1964 respectively, Great Britain and Belgium established Consumer Councils whose members, appointed by the Board of Trade and Ministry of Economic Affairs respectively, represent both consumers and industry.

Great Britain has also established consumer consultative bodies for each of its nationalized industries.

In February 1966, Switzerland established a permanent government Commission known as the Federal Commission on Consumer Affairs under the Ministry of Public Economy.

In 1963 the Canadian government organized an Advisory Council of Consumers to advise the Minister of National Health and Welfare on all matters of interest to consumers in the administration of Canada's Food and Drug and Patent Medicine Acts, and in 1966 Canada's Economic Council recommended that the government take several steps to strengthen its support for consumer interests.

In general the responsibilities assigned to these various Consumer Councils and Commissions is to coordinate the various governmentally sponsored or initiated consumer programs, to act as liaison between the government and private consumer organizations or generally to advise the government on consumer matters and make recommendations for government action in the consumer field.

In addition to the political recognition which is given to consumer interests in these countries, all of these governments engage in extensive consumer information and product testing activities, either directly on their own initiative or indirectly through extensive subsidization of private consumer organizations engaging in these activities.

In contrast to these best buy or quality standard programs, several of the European countries have adopted instead a system of informative labeling in order to assist consumers to make informed decisions about the products which they purchase. Such informative labeling programs are in operation in Sweden, Denmark and Norway, and to a more limited extent, in England and Holland.

The information programs conducted directly by these governments or by governmentally sponsored organizations is of considerable variety. In general, these consumer education programs encompass the preparation and distribution of consumer information in monthly or quarterly publications, in individual pamphlet form and in weekly and monthly radio broadcasts. They also encompass the sponsorship of various speakers and panelists for interview programs or panel discussions, encourage local or regional discussion forums and prepare educational kits and other exhibition materials for dissemination throughout the country to consumer groups, schools or media desiring to put on consumer programs. Most of the publications include material on various product testing activities of the organization involved and on performance and use characteristics of various products principally in the fields of household equipment, food and nutrition, clothes and clothing materials, laundry and detergents, residential construction materials and furniture. Information has also been disseminated on more general subjects such as credit purchases, the care of various fabrics and types of equipment, kitchen floor care and a host of other problems of household and finance management. Examination of some of these educational materials indicates that they are essentially factual in makeup and objective in outlook. The product testing results are published with a dry impartiality quite devoid of emotional or critical overtones.

It seems to me that even this cursory survey demonstrates the seriousness with which these countries treat the problems which confront consumers in our 20th Century marketplace with its dearth of informed sales personnel, its myriad of products, and the technical complexity of many of the products which are offered. I think it is also important to note that interest in promoting the consumer's interest has not apparently had any adverse effect on government-business or business-consumer relations. The consumer literature emanating from these countries demonstrates a complete absence of any hostility towards business by either government or the consumer organizations active in these countries. Indeed one gains the impression that the very existence of these consumer Councils, product testing institutes and the like has increased the rapport and understanding of mutual problems between consumer and business because of the closer contacts which these various programs have engendered between them.

While in many cases American business itself has sought to fill the information gap and to furnish more objective and informative data about product performance, use and characteristics and to make available to consumers other information about the marketplace, the cooperative programs conducted by government, business and consumers abroad should stimulate our thinking in this country as to other techniques which we might adapt in order to meet the needs of consumers to be able to make more informed choices in the marketplace.

PHILIPPINE POLICY STATEMENT

Mr. MATSUNAGA. Mr. Speaker, I ask unanimous consent that the gentleman from Florida [Mr. BENNETT] 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 Hawaii?

There was no objection.

Mr. BENNETT. Mr. Speaker, my good friend, Hon. Diosdado M. Yap, editor of Bataan, a Philippine news magazine, introduced me the other day to Hon. Narciso Ramos, Secretary of Foreign Affairs for the Philippines. Bataan magazine once selected Secretary Ramos as the Man of the Year, in consideration of the wonderful work this able statesman has done in cementing the bonds of friendship between our country and our sister country, the Philippines. He fought side by side with Americans as a guerrilla in World War II, and he fights side by side with all Americans today in seeking peace and freedom throughout the world. Mr. Speaker, I ask unanimous consent to include in the CONGRESSIONAL RECORD at

this point, the address made on September 25 by my new friend, the Honorable Narciso Ramos before the United Nations General Assembly, which address reads as follows:

[Philippine delegation to the XXII regular session of the United Nations General Assembly, Plenary Meeting, September 25, 1967]

PHILIPPINE POLICY STATEMENT BY THE HONORABLE NARCISO RAMOS, SECRETARY OF FOREIGN AFFAIRS, CHAIRMAN OF THE PHILIPPINE DELEGATION

Mr. President, Mr. Secretary-General, Distinguished Delegates: Allow me on behalf of my delegation to extend to you, Mr. President, our warm congratulations on your election to preside over the deliberations of the 22nd session of the General Assembly. Your election as the first representative from the Socialist countries of Eastern Europe to head the General Assembly is a significant event in the history of the United Nations. It symbolizes the gratifying degree of maturity, tolerance and understanding which the United Nations has attained since San Francisco and through the period of the cold war. We have come to realize that although our countries may profess divergent political beliefs, this should not deter us from devising a practical working relationship that would enable us together to strengthen the fabric of peace in the world and to advance the welfare of mankind.

I would like also to associate myself with the expressions of sincere admiration and appreciation which preceding speakers have addressed to the outgoing President of the Assembly, Ambassador Abdul Rahman Pazhwak of Afghanistan, for the able and statesman-like manner in which he guided the deliberations of this body during one of the most critical periods of its existence.

Allow me now, Mr. President, to outline the views of my Government on some of the crucial issues confronting the international community.

Of the gravest concern to us is the situation in Vietnam. We are concerned not merely because of the geographic proximity of the Philippines to that country but because that land has become the testing-ground for the free world's determination to resist acts of subversion and aggression masquerading as wars of national liberation. The triumph of Hanoi and the Vietcong in South Vietnam would mean that movements of the same nature could with impunity be started anywhere in the world and pursued to success. It would give a new and more dangerous dimension to subversion and aggression, and no country anywhere would be immune. In the interest of our own national survival we do not wish to see this happen.

Let me pause at this juncture to say that we endorse the proposal of Mr. Andrei Gromyko, the Foreign Minister of the Soviet Union, in his policy statement last Friday, "on the necessity of accelerating the elaboration of the definition of aggression in the light of the present international situation. We reject, however, his charge that my country together with the United States, Australia, New Zealand, Thailand and the Republic of Korea is an aggressor in Vietnam.

The Philippines, like the other allied nations, is in Vietnam in response to the plea of a sister-nation for help in its life-and-death struggle to preserve its liberty and national identity against subversion from within and aggression from without. My country maintains a civic action contingent in South Vietnam. It is there in a non-combat capacity. It is engaged in medical, engineering and civic action projects, and seeks to assist the Vietnamese people in their task of national reconstruction. We are in Vietnam to help, not to obstruct; to save, not to kill; to build, not to destroy.

The Vietnamese people have endured war for nearly a quarter of a century. Today, the situation in their country constitutes a serious threat to the security of Southeast Asia and to the peace of the world. We, therefore, anxiously desire an end to the Vietnam conflict. It has become clear that a political settlement would be the speediest and most practical method of ending the war, and we would welcome an agreement to that end. Indeed, the President of the Philippines, Mr. Ferdinand Marcos, stated before this Assembly last year, that the Philippines eagerly looks forward to a negotiated settlement in Vietnam whereby both North and South, together with their respective allies, would agree to a cessation of hostilities until such time as the Vietnamese people themselves can freely determine their own destiny in accordance with the principle of self-determination. This continues to be our policy. We continue to support any initiative that could bring the war in Vietnam to the conference table. We agree with the Japanese delegation that the world should cease arguing as to which side is right and which is wrong, or which is the aggressor and which is the victim of aggression. What is urgent is that negotiations commence in order to bring this dangerous conflict to a speedy end. It is a matter of regret that in the past year, efforts toward a pacific settlement failed to produce any positive results.

We would, however, emphasize that any peace negotiations must necessarily involve mutual accommodation. The suggested withdrawal of the allied forces from South Vietnam without a corresponding movement on the part of Hanoi can only lead to the aggravation of the situation, and hence must be rejected. We cannot agree that peace must be purchased at any price. The liberty and national identity of a valiant people are not commodities that can be traded, no matter how tempting the offer, in the marketplace of peace.

Nor is it wise to worry only about how *soon* the peace negotiations can begin; we must give some thought also to the question of how *long* the talks might last. The talks that ended the war in Korea lasted nearly two years, and so for two years longer the fighting went on and blood continued to flow. We must ask ourselves whether or not we want to see this kind of marathon peace talks in Vietnam.

We are encouraged by the progress which the Republic of Vietnam has made in the task of national reconstruction and in restoring civil government. Especially noteworthy are the results of the recent elections held there in the midst of a tragic war of national survival. The Soviet Foreign Minister has derisively described these elections as mere "comedies". We wonder, however, if the term is not more accurately descriptive of the elections held in certain countries where only one political party exists, where only one slate of candidates is permitted, and the winning candidates garner an astonishing 99 per cent of the vote. In South Vietnam, there were eleven slates of candidates and the winning slate garnered only 35 percent of the vote.

At this point, I wish to refer again to Mr. Gromyko's policy statement. He spoke at great length about the conflict in Vietnam and about the problem of Germany. We thought it strange that Mr. Gromyko should have one prescription for peace in Europe and an exactly opposite prescription for peace in Southeast Asia. Thus, he denounced the "demands for re-carving of the political map of Europe" and the failure to understand "the realities of present-day Europe" and to respect "the inviolability of the boundaries that have taken shape there" as dangerous threats to the peace of Europe. His formula for peace in Europe appears to be as follows: do not act in disregard of the present-day realities in Europe, do not disturb existing political settlements, do not attempt to impugn or attack the inviolability of boundaries, especially the boundary between West Germany and East Germany, and including the wall that cuts Berlin in two. In short, Mr. Gromyko warned one and all not to disturb the *status quo* in Europe, lest the balance of forces on which rests the peace of that continent be dangerously tilted and upset.

For Southeast Asia, on the other hand, Mr. Gromyko seems to favor a contrary formula. He proposes, in effect, that the present-day realities in Southeast Asia be disregarded, that existing political settlements be set aside, that the political map of Southeast Asia be re-carved and existing boundaries between the two Vietnams (and perhaps the two Koreas as well) be obliterated, if necessary, by the force of arms. He does not want to preserve the *status quo* in Southeast Asia, nor is he interested in maintaining a balance of forces on which the peace of the region could rest.

Without necessarily accepting as valid his prescription for peace in Europe, of which the principal ingredient is the permanent division of Germany, one is bound to ask by what logic—other than the logic of the selfish interests of the Soviet Union and of the international Communist movement—does he argue that an entirely contradictory set of principles is best for peace in Asia? Why is the principle of the inviolability of frontiers valid for Germany but inapplicable to Vietnam?

The Soviet Government, according to Mr. Gromyko, is committed to the permanent division of Germany and favors the admission of the two Germanys into the United Nations. We do not subscribe to such a policy whether as regards Germany or as regards Korea and Vietnam. We consider the truncation of these countries to be temporary, and we share the hope that someday their peoples will have the opportunity to decide freely the issue of unification as part of a negotiated political settlement. But, meanwhile, we entirely agree with the Soviet view that existing boundaries and demarcation lines must be respected, and we maintain that this applies as much to Korea and Vietnam as it does to Germany.

This analysis would seem to indicate the existence of an inconsistency or contradiction in the Soviet policies towards Europe and towards Asia. Yet, on further analysis, there may not be any inconsistency or contradiction at all. The Soviet Union stoutly supports the *status quo* in Europe because it is clearly in its interest to do so. But the Soviet Union is not interested in supporting the *status quo* in Southeast Asia, firstly, because it does not wish to furnish proof of Peking's fantastic allegation of United States-U.S.S.R. collusion in Vietnam; secondly, because the Soviet Union does not wish to oppose openly Peking's view that the *status quo* in Southeast Asia must be violently overthrown in the interest of expanding the frontiers of the Communist world; and thirdly, because the Soviet Union probably does not feel any particular obligation to help arrest a conflict that could lead to a direct confrontation between the United States and Communist China.

If this analysis of Soviet motives is either partly or wholly mistaken, we are ready to stand corrected. But how else is it possible to explain the persistent refusal of the Soviet Union to discuss and to seek a solution to the question of Vietnam in the United Nations or to reconvene the Geneva Conference?

No less serious as a threat to the peace in Southeast Asia and of the world at large is the situation in mainland China. We note with dismay the disturbing events occurring in that unhappy land. Communist China's recent nuclear explosions and the shrill threats of nuclear war which it now directs to the whole world are well known. We are also painfully aware of the recent violations of international law, particularly the blatant infrac-

tions of traditional diplomatic immunities which have occurred in that country. That the incidents there appear to carry the sanction, nay the encouragement of the regime in Peking is a matter for concern. No less disturbing is the inability or unwillingness of the States concerned to take a firmer stand against these violations. If respect for law is to be upheld and if international justice is to be maintained as the basis of relations between States, we cannot let these transgressions pass unchallenged, lest by our indifference we contribute to a general breakdown of international law and order.

But even more pernicious are the miniaturized cultural revolutions which the political upheaval in Communist China has triggered in many lands of Asia and Africa. It would seem that Communist China has perfected a new version of an old Communist export commodity—revolution. This is an export product the world can very well do without.

All this makes the question of Chinese representation in the United Nations quite academic. A regime that openly flaunts the basic rules of international law and disregards the traditional norms of diplomatic conduct, that engages in nuclear blackmail, rejects the principle of peaceful co-existence and proclaims the doctrine of perpetual revolution and the inevitability of war obviously has no place in this organization. Certainly my delegation has no reason to change its stand on this issue.

While the excesses of the Red Guards in connection with Mao Tse-tung's "cultural revolution" have caught the attention of the world, this is but a transient phase in that country's long and turbulent history. What constitutes a truly wholesome revolutionary development in Asia is the cooperative endeavor of the Southeast Asian nations which have united themselves to secure peace, stability and progress for the peoples of the region. The movement towards regional organization and cooperation in Southeast Asia represents an important milestone in the history of Asia. It holds out the promise of a better future for the nations of Asia and merits the support of the United Nations.

In Asia, the need for economic and social development has received more attention than ever before. The Asian peoples have come to realize that there is no substitute for regional unity and cooperation. Thus, we in Southeast Asia have gone beyond our national frontiers to broader horizons of regional cooperation; we are looking beyond our shores in search of friends and partners in the task of economic development. And we have achieved a measure of success. Thus, we now have the Asian Development Bank, with headquarters in Manila.

The Association of Southeast Asia, composed of the Philippines, Malaysia, and Thailand, has been reactivated. Within our modest resources many projects have been initiated, and since 1966 various conferences on economic, social and technical matters have been held in each of the three ASA countries.

Only last month, the Philippines, Indonesia, Malaysia, Singapore and Thailand established a new regional grouping—the Association of Southeast Asian Nations (ASEAN). Since this organization's purposes and membership coincide with those of the Association of Southeast Asia, it has been decided that the older and smaller group would eventually be absorbed into the newer and larger one.

Our region has also seen the organization of the Asian and Pacific Council of nine members whose activities are being geared to new needs in the economic, technical and social fields. Recently, the ASPAC held its second meeting in Bangkok, and the member countries reaffirmed their determination to pursue the goals of the organization. All these regional groupings in Asia have been organized in pursuance of the United Nations Charter.

Then we have the Conference for the Development of Southeast Asia which held in 1966 its first meeting in Tokyo, and its second conference this year in Manila. To the credit of Japan it should be pointed out that the Japanese Government has decided to earmark an amount equivalent to one per cent of its gross national income for the economic development of the region. This is the goal recommended for the United Nations Development Decade, but a goal still far from being achieved.

We now turn to the situation in the Middle East. The Philippines maintains friendly relations with the Arab States and with Israel, and sincerely hopes that peace based on justice will soon be established in the area. The Philippines supports the efforts and decisions of the United Nations to solve the problems brought about by the hostilities. We are grieved by the sad plight of the refugees, innocent victims of war, who now live in refugee camps, destitute, homeless and uncertain of the future. We share the general concern for the preservation and the protection of the holy places in Jerusalem, and we would like to see the adoption of effective arrangements for such preservation and protection.

We must address ourselves to two principal objectives in the Middle East: first, we must insist upon observance of the principle that the United Nations does not and cannot condone any territorial gains achieved by force of arms, whatever the cause or provocation; and secondly, we must equally insist upon the establishment of conditions that would guarantee the political and territorial integrity of all the States in the area, and encourage peaceful co-existence and fruitful cooperation among them.

We hope and pray that the Middle East, cradle of civilizations and birthplace of religions, will once more become a haven of peace, tolerance and progress. We urge all Member States to refrain from making the Middle East, which is the geographic crossroads of three continents, a chessboard for Great Power ambitions. Instead of encouraging hate, fear and conflict between the peoples of that area, let us support their right to live together in peace, prosperity and freedom.

We have followed with great interest the efforts of the Eighteen-Nation Disarmament Committee in Geneva to deal with a problem which has haunted us since the birth of our organization. We hail its success in reaching agreement on a draft treaty to halt the spread of nuclear weapons. We know that no less than twenty other countries possess the capability and the resources to become members of the nuclear club. Time, therefore, is of the essence. The gravest of perils would confront mankind if the draft treaty submitted by the United States and the Soviet Union for consideration by the General Assembly were to be unduly delayed or to fail of adoption. We hope, therefore, that the treaty will soon take its place as another milestone on the long and difficult road to general disarmament, together with the Antarctic Treaty of 1959, the Nuclear Test Ban Treaty of 1963, and the Outer Space Treaty of 1967.

My delegation has also followed closely the efforts of the Special Committee on Peacekeeping to resolve the differences that divide our membership on the question. On the basic constitutional question, our position is well known. We believe that whenever the Security Council, which is vested with the primary responsibility under the Charter for the maintenance of international peace and security, should fail for any reason to discharge its responsibility, the General Assembly is clothed with residual authority and competence to take necessary measures to that end. We are pleased to note that the principle of the complementary roles of the Security Council and of the General Assembly has been confirmed by recent developments. During its fifth emergency special session, the General Assembly, at the request of the Soviet Union, took over the question of the Middle East crisis after a stalemate had developed in the Security Council. This development foreshadows a possible breakthrough in the solution of the constitutional issue, and should lead to a generally acceptable formula on the financial aspects of the question. It is also our hope that while the search for such a formula goes on, the highly developed countries will make good their solemn pledge to offer voluntary contributions in order to meet the deficits that have been incurred by the United Nations in its peacekeeping operations.

We now turn to the question of colonialism. While we are gratified to note the accelerated pace of decolonization in recent years, we view with deep concern the continuing deterioration of the situation in Southwest Africa, in Southern Rhodesia and in the Portuguese territories in Africa. We are of course pleased to see that the United Nations has terminated the mandate of South Africa over Southwest Africa and, as a first step towards the achievement of independence and self-determination by its peoples, has established the United Nations Council for Southwest Africa. We are equally happy to see that that Council has been organized. The Council however, faces a serious challenge and the Philippine delegation will support any proposal calculated to strengthen the Council in discharging its responsibilities.

The racial tension and strife in some countries underline the relevance and urgency of the work of the United Nations in combatting racial discrimination and *apartheid*. The International Convention on the Elimination of all Forms of Racial Discrimination constitutes the inspiration and guiding force behind these efforts. The Philippines recently became the 14th Member State to ratify this historic convention and expresses the hope that it will soon come into force.

Once again we must declare our strong opposition to the policies of *apartheid* of the Republic of South Africa which constitute the most pernicious and revolting form of racial discrimination known to man. So long as the policies of *apartheid* exist, just so long will the door remain open to the danger of an international racial conflagration. The United Nations must unrelentingly press forward to overcome the resistance, indifference and ignorance which have prevented many countries from harmonizing their politics with the principles of the Charter and the objectives of many resolutions against racial discrimination and *apartheid*.

And now I would like to consider with you the most appalling and anachronistic spectacle of our time, the spectacle of a world divided into rich countries and poor nations, in which the rich are getting richer while the poor are becoming poorer still.

This situation was anticipated by the Founding Fathers when they incorporated in the Charter provisions for international cooperation to promote higher standards of living, full employment and conditions of economic and social progress. Have we been faithful to these objectives of the Charter? In all candor, we cannot answer in the affirmative. Many Member States have approached the problems of economic and social development with doubts and reservations, with ambivalent and equivocal actions. They have not offered the necessary remedies with sincerity and resolution. They have met the mounting needs of the developing nations half-heartedly, if not with deliberate indifference.

That certain modest gains have been achieved cannot be denied. The United Nations Technical Assistance Program has evolved into the United Nations Development Program. The United Nations Confer-

ence on Trade and Development, the United Nations Industrial Development Organization, and the United Nations Capital Development Fund have been established. There is intensified activity in the training of scientific, technical and administrative personnel in the developing nations; there is a more vigorous campaign on behalf of the World Food Aid Programme; and the specialized agencies of the United Nations are doing their share of the massive task of alleviating the lot of the world's sick, ignorant and hungry. But the basic need remains unsatisfied namely, the need for more development capital made available to the developing countries on easier credit terms. Unfortunately, the developed countries, socialist as well as capitalist, with abundant resources to spare, have shown little readiness to respond to the need.

We are aware that the developing countries, many of which are politically emancipated but not yet economically decolonized, must learn to rely on their own efforts and resources. But even when they have done so, the developing countries will fall short of their objectives. On the other hand, since the developed countries cannot long endure as islands of prosperity surrounded by a sea of want and misery, it is clearly in their own interest to transfer more substantial resources to the developing countries in order to provide a firm foundation for an expanding world economy.

We have been told that the modest goals of the Development Decade, now in its seventh year, cannot be achieved. Thus, what promised to be a decade of development may yet turn out to be a decade of retrogression. There is danger in the seeming apathy of the developed nations towards the massive, sustained effort which is required to prevent the permanent division of the world into rich and poor nations. We must strike at the roots of this apathy and convince ourselves anew that we are members of one human family inhabiting One World and that we must act sincerely in the light of that conviction.

In conclusion, Mr. President, permit me to recall that between this session and the preceding regular session, the General Assembly was convened in the 5th special session and in the 5th emergency special session. The two special sessions left the world greatly discouraged by their failure to adopt effective practical solutions to the problems which called them into being.

As a result of these successive frustrations of the General Assembly, disparaging remarks about the United Nations have been heard: that the organization was ineffectual in discharging its responsibility to maintain international peace and security, that it was impotent and a failure.

As we begin the work of this regular session, these harsh judgments tend to darken our view. Yet, this general debate in which we are now engaged should provide evidence of our renewed faith in the organization and of our determination to live up to our responsibilities under the Charter. In spite of temporary setbacks and failures, no delegation sitting in this Assembly today would agree that our organization has outlived its usefulness. We believe in the continuing validity of our Charter and in the enduring worth and value of our organzation. We are confident that with patient and determined effort we can overcome our difficulties and problems.

The United Nations remains the primary guardian of man's universal conscience. Despite its idealism, or perhaps because of it, this organization is still mankind's best hope for peace and progress. As long as the United Nations exists, man's dream of a freer and more abundant life for all remains capable of fulfillment. Let us, therefore, strive to keep this organization a living and dynamic body ever responsive to the needs and aspirations of mankind. This we must do for our own sake and for the sake of generations yet to come.

ATTACK FATAL TO SELMA'S EDDY GILMORE

Mr. MATSUNAGA. Mr. Speaker, I ask unanimous consent that the gentleman from Alabama [Mr. NICHOLS] 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 Hawaii?

There was no objection.

Mr. NICHOLS. Mr. Speaker, this past weekend, the Nation and the world mourned the death of a great international journalist, Eddy Gilmore. Eddy Gilmore was born in Selma, Ala., but his career took him to the major capitals of the world. After spending 11 years in Moscow following World War II, he went to London as a correspondent for the Associated Press.

Eddy Gilmore had a talent for reporting the good news of the world as well as the bad. That talent endeared him to many millions of Americans who still have faith in the human race. In this day and age when most of our news is bad, Eddy Gilmore will be missed.

Mr. Speaker, I insert this article from the Birmingham News outlining the career and the many accomplishments of Eddy Gilmore in the RECORD.

ATTACK FATAL TO SELMA'S EDDY GILMORE

LONDON.—Eddy Gilmore, whose writing for The Associated Press brought sparkling humor as well as light to the world for 32 years, is dead at 60.

But so long as Tamara Chernashovaya Gilmore, his wife, lives on, one of the great love stories of our time will continue.

The romance of the balding, round writer from Selma, and the lovely Russian ballerina was a warm and glowing happiness that they shared unabashedly with everyone.

He had been with the AP since 1953, and was a newspaperman and wire service reporter since 1929.

Gilmore was AP correspondent in Russia during the dark days of World War II and the sinister rule of the late Premier Stalin.

He covered the Battle of Stalingrad and the funerals of both Stalin and of Prime Minister Winston Churchill of England, among the greatest stories of his life.

But when a Birmingham News reporter asked him one day what had been his greatest thrill, he answered instantly, "Marrying the girl I got."

Gilmore met Tamara on a blind date in Moscow. It was love at first sight. Years later he remembered every detail of that night, the dishes of the lavish dinner they ate and the haunting music of "Two Guitars."

The Russian secret police harrassed Tamara and her family and refused to permit the marriage until the late Wendell Wilkie, American unofficial good will ambassador to Moscow, interceded directly with Stalin in the midst of the war.

Even after their marriage the secret police annoyed Tamara. Once they took her off the street and talked to her all day, urging her to divorce Gilmore.

"I told them they could do with me what they wanted to," she sobbed to her husband, "but I'd never divorce the man I love and the father of my children."

Gilmore was born in Selma, and began his career there as a newsboy delivering The Selma Times-Journal.

He hobnobbed with kings and ate with relish the finest dishes around the world. But he also told The News that his favorite meal still was Alabama ham, hot biscuits, and grits.

Gilmore won the Pulitzer Prize in 1947 "for a distinguished example of telegraphic reporting on international affairs and many other professional honors. But he had his own evaluation of his contributions.

Asked in Selma three years ago about the reaction to his writings in Russia, he said the Russians didn't want him back, growling, "He spit on us." On the other hand, he said, the editor of a popular U.S. magazine decided not to run a condensed version of a book Gilmore wrote on Russia—he thought it was too nice to the Russians.

"I must be doing all right," Gilmore said thoughtfully.

Roswell Falkenberry, a longtime friend and now publisher of the Selma newspaper, said of Gilmore, "He wined and dined with kings, but he kept us informed."

Another Selma friend of Gilmore and Tamara, Dallas County cattleman Joe Callaway, was flying to London to be with the bereaved family. Callaway and his wife visited the Gilmores last year.

The body will be flown to the United States for burial.

Details of the burial and a memorial service to be conducted here are being worked out by the family.

The London Evening Standard in a lead article containing photographs of Eddy and his wife paid tribute to Gilmore under the caption "Death of a Fine Journalist."

The Standard wrote: "He brilliantly combined the two assets most necessary to a journalist—the ability to write amusingly and well, and the ability to write at high speed."

MAJ. CLIFTON CURTIS WILLIAMS, JR.

Mr. MATSUNAGA. Mr. Speaker, I ask unanimous consent that the gentleman from Alabama [Mr. NICHOLS] 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 Hawaii?

There was no objection.

Mr. NICHOLS. Mr. Speaker, last week, America lost another of its brave young men who had volunteered to explore the far reaches of outer space. Like several other astronauts before him, Maj. Clifton Curtis Williams, Jr., gave his life to his country without leaving the earth's atmosphere. But had he been called upon to ride one of our capsules to the moon or beyond, he would have been ready to go.

Major Williams, a native of Mobile, Ala., was a graduate of Auburn University, and the first Alabamian to be selected for the U.S. space program. He was a credit to his family, his school, his State, and his Nation. Major Williams will long be remembered for what he accomplished during his lifetime, but also for what he would have been willing to do had his country called on him.

Mr. Speaker, I insert the following article from the Birmingham News, which outlines Maj. Clifton Williams career, in the RECORD:

ALABAMA AND NATION MOURN DEATH OF MOBILE ASTRONAUT—WILLIAMS KILLED IN JET TRAINER CRASH IN FLORIDA

TALLAHASSEE, FLA.—If Marine Corps Maj. Clifton C. Williams Jr. had been the first

astronaut to land on the moon, the first human words ever spoken there would have been "War Eagle."

He once said that space flight was safer—"really more so"—than traveling in an airplane.

Perhaps he was right. He was killed near here Thursday as he flew in a jet trainer from Cape Kennedy toward his parents' home at Mobile. The impact blasted a large crater and the T-38 disintegrated.

The plane plunged straight into the earth soon after he had radioed a distress May Day signal about 2 p.m. Then he may have blacked out, since informed sources said he had reported an oxygen deficiency.

The enthusiastic Auburn University alumnus had once promised friends at Auburn that if he was the first man on the moon, his first words would be "War Eagle," Auburn's famed shout of triumph—or defiance.

The 35-year-old pilot became the eighth American astronaut to die accidentally, the fourth in the crash of a jet plane. Three burned to death in a spacecraft fire at Cape Kennedy earlier this year.

The nearest Williams came to space flight was when he acted as backup pilot for last year's Gemini 10 mission. Since then he had specialized in the Lunar module, the craft in which the two Apollo astronauts will actually land on the moon.

Alabama's grief at the tragedy was expressed in messages to the wife and parents of the astronaut by Gov. Lurleen Wallace.

And when the Auburn band played the school's Alma Mater song at the Auburn-Kentucky pep rally Thursday night, it was dedicated to Williams. Students and faculty members bowed their heads in silent tribute.

"We're shocked and grieved to learn of your husband's untimely death," Mrs. Wallace said in a telegram to Williams' wife, Beth, at Houston, Tex.

"On behalf of the people of Alabama, we extend to you our deepest sympathy," the governor said in a telegram. "All of us were very proud of Maj. Williams because he was one of our finest young men. May God comfort you during this sad time."

The telegram also was signed by the governor's husband, former Gov. George C. Wallace.

In her message to the parents, Gov. Wallace said: "We extend to you our heartfelt sympathy on this sad occasion. As parents, we share your grief in the loss of your fine son.

"He was a credit to the state and nation and will be missed by his friends and family. Our thoughts and prayers are with you."

Mr. and Mrs. Clifton C. Williams of Mobile, the parents, immediately prepared to fly to the astronaut's widow, although the father had been in ill health. He is superintendent of Mobile City Water Works.

Williams frequently visited his father and mother during his travels between space facilities. He called home to Mobile in March, 1966, to tell them he had been picked as a backup crewman for the Gemini 10 flight.

"I just wanted you to know about it before you read it in the papers," he said then.

The Manned Spacecraft Center at Houston said it would be late today before funeral arrangements are announced.

At Auburn, Dean James E. Foy described Williams as "a likeable person who would always speak and one whom anyone would like. Several other professors remembered the astronaut as a "good student". A loyal fan, he followed Auburn football games on radio and television, and was a member of a Houston alumni club.

Williams told the Auburn Plainsman—the student newspaper—last year: "As to memories of my Auburn career, I would have to say that it is certainly an excellent school. It provides as good an education as you can get anywhere. I've always felt quite well-prepared and adequate in my work."

Attending Auburn on a Navy ROTC scholarship, Williams graduated in 1954 with a degree in mechanical engineering, and opted for the Marine Corps. He was vice president of the School of Engineering in his senior year.

If he were the first man on the moon, Williams said, "I'd be very delighted and proud, needless to say, that I had been the pilot elected for that notable mission. I wouldn't say that this is the most important mission because every mission builds on the experience of the preceding mission. But it will certainly be the most notable at that time.

Williams radioed the distress May Day signal about 2 p.m., and 10 minutes later a helicopter rescue crew from Moody Air Force Base at nearby Valdosta, Ga., arrived at the scene on a plantation near Miccosukee, Fla., 15 miles north of here.

"The plane disintegrated and the body disintegrated with it," said Air Force Maj. Joe Johnson of Moody.

Johnson said the plane dove down so straight it singed trees but plunged between pines 100 feet apart without touching them.

A board of inquiry headed by the first American spaceman, Navy Capt. Alan B. Shepard, was named to investigate the crash by James E. Webb, administrator of the National Aeronautics and Space Administration.

Other members of the inquiry team dispatched were astronaut Joe H. Engle; Dr. John F. Zieglschmidt of the Manned Spacecraft Center; Ralph Keyes, flight crew support division of the center; H. E. Ream, aircraft operations; James Powell of safety office; and Paul Haney, public affairs officer.

Like the other astronauts, Williams was eager for space flight.

"I'd like to go on every one," Williams had said. "Of course, if you said which mission I would most like to have, I'd say the first lunar flight you can make from the standpoint of personal satisfaction and accomplishment."

Williams, who had responsibilities in the area of range operations and crew safety, said the crew of the spacecraft was "99 per cent safe."

As safe as in an airplane?

"Really more so," he replied.

Williams had been scheduled to spend Thursday at the Grumman plant in Bethpage, N.Y., where the Lunar module was under construction. A spokesman at the space center said Williams flew instead to Grumman's plant Wednesday, and went to Cape Kennedy Thursday for an astronauts' meeting.

But the Cape Kennedy meeting was canceled, sending him on the flight which ended in his death.

Williams and his wife, the former Jane Elizabeth Lansche of New Bern, N.C., had one child, Catherine Ann, born in January.

They were married after his selection as an astronaut in 1963. When the six-footer was asked about his wife's reaction to the prospect of a space journey, Williams said:

"Certainly I have the advantage over most—well, all of the other people—in that she knew what she was getting into when we married."

Mrs. Williams was at a luncheon at the home of neighbors in Dickinson, Tex., when astronaut Jack Lousma and his wife brought her word of her husband's death.

ADDRESS OF SENATOR ROBERT F. KENNEDY, WORLD TRADE CONFERENCE OF ATLANTA CHAMBER OF COMMERCE, ATLANTA, GA., SEPTEMBER 29, 1967

Mr. MATSUNAGA. Mr. Speaker, I ask unanimous consent that the gentleman from Indiana [Mr. BRADEMAS] 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 Hawaii?

There was no objection.

Mr. BRADEMAS. Mr. Speaker, no Member of the House of Representatives or the Senate has given more imaginative leadership in stimulating American business and industry to assume a greater role in attacking the problems of the urban ghetto than the distinguished Senator from New York, ROBERT F. KENNEDY.

Senator KENNEDY is the sponsor of two legislative proposals designed to encourage the construction of low-income housing and to encourage industrial investment in the ghetto areas.

On September 29, 1967, Senator KENNEDY discussed his proposals in a significant and perceptive address to the World Trade Conference of the Atlanta, Ga., Chamber of Commerce.

To use Senator KENNEDY's language to the business and industrial leaders of the South whom he addressed:

There is today an underdeveloped nation within our borders, and it is our great task to bring the same energy and potential of private enterprise we have used in the South to our most pressing domestic crisis in a hundred years—to find the tool to bring you—profitably and realistically—into our other America.

Mr. Speaker, I insert the text of Senator KENNEDY'S address in Atlanta at this point in the RECORD:

ADDRESS OF SENATOR ROBERT F. KENNEDY, WORLD TRADE CONFERENCE OF ATLANTA CHAMBER OF COMMERCE, SEPTEMBER 29, 1967

Twenty-two years ago, a conference on world trade would have been a grim joke. From Japan, across Western Asia and Europe, to the Atlantic, the world's industrial might lay shattered with her cities and her people. Only brick and rubble remained of a productive economic life; and in Europe, the birthplace of the modern age, industrial capacity was dead.

Today this once-barren landscape is flourishing. Last year the United States exchanged more than $15 billion in goods with Europe—and this trade, if development of the promise of the Common Market and the Trade Expansion Act is fulfilled, is yet to grow.

This rebirth did not come from kind words or good intentions—nor from studious reports. It came from a fusion of vision, and the effort this vision required. The men who shaped the Marshall Plan knew that only massive resources could rebuild Europe; they knew their vision would be scorned as impractical or costly; but they also knew that unless they dared greatly, they could not achieve the great purpose of breathing life into a dormant continent.

AMERICA MUST JOIN IN A GLOBAL REVOLUTION

The triumph of the Marshall Plan—not in its details, but in its daring—should be a touchstone for us as we look out on a new and turbulent world; a world of proud, new nations, who are part of a global revolution which we must understand—and which we must join.

This is not a revolution of ideology. It is a revolution for individual dignity, in societies where the individual feels submerged in a desperate mass. It is a revolution for self-sufficiency, in societies which have been forced to rely on other stronger nations for

their manufactured goods and their education, their cotton textiles and calculus texts. And above all, it is a revolution to bring hope to the children.

The population of this globe grows every day, and nowhere faster than in the underdeveloped nations. In the next fifteen years, the population of Latin America alone will be fifty per cent greater than it is now. Already more than half the world's people are under the age of 25; within a few years, the majority will be under 18.

I ask you to consider what kind of world awaits these children if their societies remain unchanged.

If they live beyond infancy—and half of all the people buried in Latin America never reach their fourth year—these children face, in nation after nation, only the prospect of wretched, weary lives; lives of endless toil, without joy, without purpose, "where day follows day with death the only goal." They are part of societies without the structures for diversified economics; societies whose fortunes rise or fall with the price of a single commodity; societies where the average worker earns 75¢ a day, as in Latin America, and where per capita yearly income, as in East Africa, is less than $100.

They are societies where adequate health is non-existent—where the average East African does not live beyond his 35th year, and where there are fewer doctors now for every Asian than there were a decade ago. They are societies where families live crowded into hovels unfit for human habitation; shacks built into the hills and the cities, where they have come for jobs that do not exist, and hope that swiftly dies.

AMERICA CANNOT REMAIN AN ISLAND OF AFFLUENCE IN A WORLDWIDE SEA OF POVERTY

It may seem tempting to ignore these nations, and their people, and their massive problems. It may seem prudent to retreat to the developed world; confining our trade and enterprise to Europe and industrialized Asia; trading and working with each other, as fortresses of stability amidst turbulence, and leaving to government the task of economic and social development in these unhappy lands.

But this temptation is as futile as it is heartless. For I believe we cannot endure as an island of affluence in a world-wide sea of poverty. A generation from now, a world so divided will be even more turbulent and dangerous than the world today. And when we remember that this division will not be one simply of wealth and power, but of color also, we can understand the disastrous cost of our indifference. We will not be left alone to prosper while others starve; we will not be able to involve ourselves with world commerce, if we are indifferent to the world's concerns.

And more important, we must have the vision to see, in their developing lands, the contours of a great new source of economic vitality. We cannot trade with a non-existent economy. But if we have the wisdom and the will to help these nations build their economic lives, we shall have built new partners for ourselves, even as we give hope to the children of others. Who would have dared predict, 30 years ago, that we would exchange more than $2 billion a year with Africa—not as exploiters of her resources and her people, but as economic partners? Yet we trade that much now—and if we help educate their children, help develop new regions, help local businesses, hire local executives, encourage participation in economic life, new and vital societies will open.

The ingenuity of the private sector has been proven equal to this task. Companies like Kaiser, and Smith, Kline and French have worked in other lands to build these economies; our assistance program borrows the techniques and personnel of private enterprise to develop nation's economies; and guarantees investments of mutual benefit to company and country. But we must apply this vision and effort on a far greater scale. For if we do not, these nations of despair will not maintain order; and we shall find ourselves embroiled again in alien battle—a battle we could have prevented with thoughtful planning and bold action.

MAJOR RESPONSE NEEDED TO ANSWER THE CRY OF POVERTY IN AMERICA

For even as we struggle halfway around the world in the name of freedom and progress, these other nations are losing their own battles for dignity and opportunity; and even after Vietnam, these other battles must be fought—both abroad, and here at home. If we do not dare to act, we and the next generation of Americans will be fighting once again—in strange lands, and in the streets of our cities.

For we have seen the savage, bloody evidence that there is today an underdeveloped nation within our borders—its people too long denied a share in our affluence, almost without hope for improvement; no longer willing to live out a nightmare distortion of the American dream.

This is the other America which lives today in our crowded, modern cities, with a legacy of deprivation and indifference. It is a land where less than two of every five men work above poverty wages; where 43 percent of housing is substandard; where seven of every 10 children do not finish high school; and where those that do have an even chance of gaining no better than an eighth grade education and where 14,000 people are treated each year for rat bites.

Many in this nation are not even granted the dignity of a statistic. The Census Bureau, the Labor Department, the draft boards—our whole government apparatus—cannot locate between one-fifth and one-third of the adult men we know inhabit the ghetto. They are separated from society, as though they were of no greater concern than so many sparrows or spent matches. They are the living proof of John Adams' remark that the poor man suffers the greatest possible humiliation: "He is only not seen."

And in this nation within a nation, our Department of Labor tells us, and I quote, "conditions are getting worse, not better." In one City alone more than 100,000 new units of blighted housing were added in the last five years, the gap between white and ghetto school performance has widened after 30 years of effort; and among our urban, unskilled poor, joblessness is increasing. And as conditions worsen, despair rises—until it explodes in desperate acts of defeated men.

We know we must have order; we know that a violent few cannot be permitted to threaten the safety of the many; we know that those who lead others to loot and riot must feel the full force of the law. Yet we also know that punishment is not prevention; that force cannot long suppress latent grievance. Without rapid change, there will be no order.

SOCIAL PROGRESS REQUIRES SOCIAL CHANGE IN OUR PRIVATE ENTERPRISE SYSTEM

We know we must act, not just because inaction will bring further violence, but because we must give some encouragement to those who still believe that progress is possible within our established institutions. The men who toil for progress in order—men like Mayors William Hartsfield and Ivan Allen in this city, and men of all colors and classes across America—must know that their toil will bring fruit. We cannot denounce extremists who reject our social system if we do not prove that the system is capable of helping people lead a better life.

To begin this change requires the same vision, and the same effort, that we found in rebuilding Europe, and that we must employ abroad today. And it requires, most of all, the use of a vast, untapped resource of social change—our own private enterprise system. Whatever government must do—and I am one of those who believe it must do more—there is no more promising asset we have today than the skills, the resources, and the inventiveness of our private sector.

You of the South have shown what this effort can produce. Nearly 75 years ago, a great Southerner, Henry Grady, used to tell of a poor Arkansas farmer. When they buried him, said Mr. Grady, the coffin wood was from Oregon, the iron nails from Pittsburgh, his shoes from Boston, his shirt from Cincinnati, and his suit from New York. All the South contributed, said Mr. Grady, was the hole in the ground. Yet today the South—and this vibrant city of Atlanta—are offering their services across the world. This region, once a permanently depressed area, has become a vital economic key in America's life.

HOUSING AND INDUSTRY: TOOLS AGAINST BLIGHT

It is thus our great task to bring the same energy and potential of private enterprise we have used in the South to our most pressing domestic crisis in a hundred years—to find the tool to bring you—profitably and realistically—into our other America. Two bills which I introduced recently in the Congress will, I believe, help accomplish this goal.

These two bills—one to encourage low-income housing, one to encourage industrial investment in the ghetto—are based on a single premise: that the private sector can help turn these blighted areas into places of purposeful work and promising lives. Through a series of economic devices—accelerated depreciation, tax credits, and tax deductions—these bills provide industry with the opportunity to treat our blighted neighborhoods as investments—not as burdensome obligations.

The bill to spur industrial investment includes:

A 10 percent credit on machinery and equipment, instead of the normal 7 percent credit;

A 7 percent tax credit for construction expenses;

A 3 year credit carryback and a 10 year carryover;

A special 25 percent additional deduction for salaries paid to the previously unemployed.

The housing bill uses similar tools:

A tax credit, linked to the owner's equity investment, of between 3 and 30 percent;

An accelerated depreciation on a sliding scale—again, linked to equity investment, from 20 down to 7 years;

And an insurance fund to protect the capital investment.

These bills recognize the uncertainty of investment in this troubled, other America—and thus compensates those of you with the courage to dare. Extra tax deductions for hiring the unemployed and unskilled, for example, make it realistic to provide opportunity—for a youth who has learned only bitterness and futility. Accelerated depreciation makes it profitable to build housing for low-income families—who have known only fetid slums or the bleak depression of public housing.

Most important, these bills provide no single solution; they offer projects as diverse and flexible as the private sector itself. They offer purposeful employment—instead of a rigid welfare system which drains initiative and feeds hostility. They offer a partnership between industry and community to rebuild neighborhoods—instead of destroying them through shortsighted policy or wanton chaos. They can turn these dark corners of the American portrait into places of work and living and hope.

CHALLENGE FOR A RENDEZVOUS WITH DESTINY

This is the challenge that I have come to offer you—whether you are willing to apply the flexibility of our fiscal and economic tools to the great task of rebuilding our nation's shame—and providing promise to the next generation of the poor, now dying slow quiet deaths in our nation. I do not suggest my proposals are the only way—indeed, I am convinced that your suggestions may well be better than mine. Indeed, you can find that out—through a series of meetings among yourselves, back in your own regions. You can discover what fiscal tools are best suited to your own cities, your own communities, your own states. I offer what help I can, but I am confident that with the daring and energy you have shown, you can and will help unlock the skill and resources of the other America.

For this is the task of our generation of Americans—this is *our* rendezvous with destiny. To bring your power and your talent to bear on these awesome dilemmas will not be easy—but it is the job that must be done, if the fabric of our society is not to be torn asunder.

For my part, I believe we are equal to the task. For you have transcended artificial boundaries and wide oceans in your search for new tasks and new challenges. Now, even as you continue your work abroad, you must turn toward home; to bring light and hope into the dark streets and the dreary homes of our own emerging nation. You have the power—you have the talent. If you bring to this your vision, and your effort, we shall have redeemed the heritage of our nation—and we shall all be the better for it.

REMARKS OF PRESIDENT LYNDON B. JOHNSON AT THE CONFERENCE ON WORLD EDUCATION, WILLIAMSBURG, VA., OCTOBER 8, 1967

Mr. MATSUNAGA. Mr. Speaker, I ask unanimous consent that the gentleman from Indiana [Mr. BRADEMAS] 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 Hawaii?

There was no objection.

Mr. BRADEMAS. Mr. Speaker, one of the distinguishing characteristics of President Lyndon B. Johnson is his lifelong dedication to education. The extraordinary record of education legislation passed during the administration of President Johnson to date is concrete testimony of his deep personal commitment to expanding educational opportunity for the American people and for other peoples in the world.

An eloquent example of President Johnson's strong feeling about the role of education in the life of men and nations is the address delivered by the President on October 8, 1967, at the conference on world education in Williamsburg, Va.

Mr. Speaker, I insert the text of President Johnson's remarks on this occasion at this point in the RECORD:

REMARKS OF PRESIDENT LYNDON B. JOHNSON AT THE CONFERENCE ON WORLD EDUCATION, WILLIAMSBURG, VA., OCTOBER 8, 1967

Dr. Perkins, Dr. Gardner, most distinguished ladies and gentlemen, I know that all of you share with me the feeling that we are all deeply in the debt of Dr. Perkins for his leadership and this memorable conference which you have launched here. I think in the years to come will be remembered as one of our most necessary and desirable movements of this period.

It was in this town almost two centuries ago that a revolution began which swept around the world. And it was here that Thomas Jefferson submitted to the Virginia legislature a "plan for the diffusion of knowledge."

The men who founded this country were very passionate believers in the revolutionary power of ideas.

They knew that when a people commit themselves to learning, a revolution begins which will never stop.

Now, here once again, the winds of change seem to be blowing. And once again, we have come here to gather to consider plans for spreading knowledge.

I am no historian. Certainly I am no prophet.

But for a good many years I have been an observer and a participant in some of the affairs of the world. I have watched man at work; I have seen his creative power—and I have seen his awesome talent for destruction.

In this century, during my lifetime, man has spent literally trillions of dollars on the machinery of death and war. The cost of World War II alone has been estimated at $1 trillion 154 billion—taking no account whatever of any property damage.

In those years, nearly 100 million people have died in the maiming and disease and starvation which came with war.

Yes, we can take no pride in the fact that we have fought each other like animals. And that is really an insult to the animals who live together in more harmony than human beings seem to be able to do.

ILLITERACY STILL REMAINS A MAJOR WORLD PROBLEM

There are other facts that trouble me, too, tonight.

In the world in which we live today, four adults in ten cannot read and write. That is one of the reasons you are here.

There are whole regions in this world in which we live where eight out of ten people are illiterate.

Even now, most people end their lives unable to write "cat" or "dog".

These are most disturbing facts in the Twentieth Century, in this the richest age that man has ever known.

They are facts which I think cry out "Shame on the world, and shame on its leaders."

A sarcastic writer once gave this definition of history: "the account, mostly false, of events, mostly unimportant, which were brought about by rulers, mostly knaves."

Naturally, I do not agree with all of that statement.

PREDICTION FOR AN AGE OF EDUCATION IN AMERICA

If future historians, as I said the other day, should seek a name for this period in America, I hope that they will give consideration to calling it the age of education.

If our children's children want to measure what we tried to achieve, I hope they will remember one thing:

The American Government in only three years multiplied its commitment to education and to health four times over. Congress passed more laws and committed more funds to education and health in the last three years than in all previous history.

The Federal commitment for education and training alone has risen from $4 billion 700 million in the United States in 1964 to $12 billion 300 million in the United States in 1967.

We plan to emulate this commitment in the American program to help others fight these age-old enemies of ignorance and disease.

In 1966, about one-third of our entire economic aid program was directed toward agriculture, health, and education. This amounted to more than $800 million in one year.

This year our budget calls for $1 billion 300 million for these three objectives. That is about half of the entire United States aid program for agriculture, for health, and for education.

We may be wrong, but as a former school teacher of a small rural school, I have had the feeling that if we could help the people of the world to maintain a good, sound body, and if we could provide them with appropriate, proper education, with a good mind and a good body they could build their own steel mills.

We have been trying to concentrate our energies in that direction—in the direction of educating the mind, improving the body and providing food for their sustenance.

When other forms of United States assistance are added to America's program for foreign aid to agriculture, education, and health, namely, our food program, that exceeds some $3 billion this year. But when it comes to education, every nation—including this one, I think—is still very much a developing country.

KNOWLEDGE IS A TREASURE TO BE SHARED

We have so much to learn from others. That is one of the primary reasons you are here—to help us sort what there is to do and to make an agenda for it. We firmly believe that the knowledge of our citizens is one treasure which grows only when that treasure is shared. So we must find ways to extend the treasure to lands where learning is still the luxury of the few.

One lesson of our experience in economic and social development is quite clear: Education is the greatest single bottleneck. Development means that men and women can put to use in their own societies, in their own lives, in their own time, what modern science and technology can provide to help them. But that requires education.

At the level of basic education the truth of the matter is that we may be falling far behind. It takes so long these days to train a teacher, and yet it is so relatively easy to produce a student that we are not even holding our own in basic literacy.

At higher levels of education we are making progress. This year there will be one million young American boys and girls in the colleges of this country who will be there because of the legislation that we have passed providing for scholarships, grants and loans during the last few years.

MODERN TECHNOLOGY METHODS MUST BE FULLY EXPLOITED

But we have only just begun to exploit fully the possibilities that modern technology opens to us.

I can see no reason in the world why modern technology cannot, for example, permit the best professor in the world to teach students all over the world in a field where the vocabulary and the concepts and the standards are uniform; and this is true of many fields, I think—science, natural and social.

Moreover, our capacity to produce microfilm and distribute information should make it possible for a young scholar or researcher at any place in the world to have the same basic library facilities that are available in the British Museum, the Library of Congress, or at one of the great university libraries.

Therefore, I would like to suggest to you this evening some consideration be given to some of these challenges: How can we use what we already know about educational television to accelerate the pace of basic education for all the children of the world? How can we use modern technology to economize on that most essential and that most needed educational resource: The good teacher?

How can we make the good teacher available to the maximum number of students in the world through television?

How can we make the best scholars and teachers in the world available to all universities—wherever they may be—through satellite communications?

So often have I thought of the wonders that could have been brought to those young, struggling minds with warped bodies that I taught back when I was in that little rural school on the United States-Mexican Border if we had had satellite communications, and the best scholars and best teachers had been able to invade those classrooms, to expose those Mexican children to the English language?

STRONG CREATIVE EFFORT NEEDED TO COORDINATE WORLD EDUCATIONAL SYSTEMS

How can we use, too, the latest methods of communications and microfilming to provide those who are doing scholarship and research everywhere the best library facilities that are anywhere?

We seem to need more facts. We seem to need to put a program together.

I was quite impressed with a statement in your conference document which said: "If the world's financial systems were forced to function with no better facts than those which educational systems live by, a financial panic would swiftly seize all capitals of the world."

We could have that in the offing anyway.

That is one of the reasons I thought it would be very desirable that we have this conference this year. It gives me a great deal of satisfaction, as Dr. Perkins observed, to know that you have come here upon our invitation, and that you have come here to chart an education strategy for the future.

I should not be presumptious enough to try to outline that strategy, I content myself with observing a contribution here and there.

EDUCATION MUST BECOME A PRIMARY WORLD GOAL

If I may suggest another idea, you might consider calling on the United Nations to set a target time for reviewing our goals and planning new progress, and make an international education year for the world.

Don't limit your efforts. Here, and you leave this place, I hope that you will take these plans and really face up to the tough questions:

The real tough question of all is how can we persuade the governments of 131 other nations to make it their primary objective to give every boy and girl born in the world—anywhere—all the education he or she can take?

How can we get the world's leaders to convert man's tragic will to destroy into a determination to build?

How can we shape a world in which men employ their minds in projects of peace—instead of sacrificing their all, their bodies, their lives, on a field of battle?

Can we train a young man's eyes to absorb learning—as eagerly as we train his finger to pull a trigger?

No gathering that has ever assembled has a subject that I think is more urgent than yours—more compelling, more necessary, and more productive.

Here tonight you leaders of educational thought from more than 50 nations—almost half of all the nations of the world—must realize that you are dealing with the dynamite of our times.

Thomas Jefferson said that we should spread the disease of liberty around the world when this Nation was very young. The men of Jefferson's day associated this place where you are meeting tonight with liberty, and also with learning.

Tonight in Williamsburg, I am pleased to observe that you apparently have the same concern. I hope our commitment will be as great as theirs—and I hope that your achievements will be as worthy of remembering.

One more word, if I may be personal.

A President must call upon many persons—some to man the ramparts and to watch the far away, distant posts; others to lead us in science, medicine, education and social progress here at home.

I especially want to commend this great educational leader—Dr. Perkins—for having answered every call that his country has made, and having apparently done it quite well here.

Thank you.

VOCATIONAL REHABILITATION AMENDMENTS OF 1967

Mr. MATSUNAGA. Mr. Speaker, I ask unanimous consent that the gentleman from New Jersey [Mr. DANIELS] 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 Hawaii?

There was no objection.

Mr. DANIELS. Mr. Speaker, on October 3, 1967, President Johnson signed into law the Vocational Rehabilitation Amendments of 1967. It was a heartwarming occasion in the East Room of the White House, to see so many people witnessing the signing who had such a deep interest in the rehabilitation of the handicapped. Some of those attending were persons with severe handicaps who were rehabilitated, and who were determined to share in this moment which assured the growth of this important program.

It was my privilege to be chairman of the subcommittee which developed the bill which was eventually signed into law as well as a member of the Education and Labor Committee which has developed so much of the important domestic legislation during the past several historic years.

At this signing, President Johnson said:

If historians seek a name for this age in the United States, I hope that they will call it the Age of Education.

He also indicated the strength of the commitment we have made. He said:

The American people, in three years, multiplied their commitment to health and education four times over. They passed more laws and they committed more funds to the education of our children—and to the health of our people—in three years than in all the previous history of America put together.

The President has placed his confidence in the Department of Health, Education, and Welfare to use these moneys well, and it has not failed the Nation. This major Department has responded to the great demands thrust upon it, during the last few years, in an exemplary way.

The full statement of the President follows:

REMARKS OF THE PRESIDENT UPON SIGNING H.R. 12257, THE VOCATIONAL REHABILITATION ACT AMENDMENTS OF 1967, IN THE EAST ROOM

Secretary Gardner, Under Secretary Cohen, Mrs. Switzer, Members of Congress, Ladies and Gentlemen:

Eight years ago in Portage, Pennsylvania, a 20-year-old machinist dived into a swimming hole and struck his head. Thus, he was paralyzed for life.

Even before that accident, he was handicapped; he had been partially deaf since his birth. Now he was not only deaf, but he was sentenced to another kind of life imprisonment. In many ways, that seemed to be a very, very hopeless case.

Today, that "hopeless case" is a very successful draftsman. He makes a good living with a design firm near Pittsburgh, Pennsylvania. He pays his taxes. He is a member of a community—instead of its helpless ward.

All of that was true because he was helped, helped right from the start by a counselor from the Pennsylvania Bureau of Rehabilitation.

The law that I am going to sign today makes such stories as this possible. It brings them into reality. Thousands of them. Half a million exactly in the last four years. Since Woodrow Wilson's day it has helped more than two million Americans who—in one way or another—would be equally "hopeless cases."

As much as any law on the books, this law reveals what great possibilities every person has—and what, I believe, a great heart we have in America.

Last year, we helped restore 173,000 people to useful lives. Three-fourths of them had been unemployed—20 percent of them were already on welfare.

Today, every one of them are taxpayers. This program reaps five tax dollars for every dollar that we sow. And measured in human happiness, its value is beyond all of our counting.

So this moment is more than just a ritual. Today we express again our purpose in America: fulfillment for the individual. We aim to knock down every barrier that keeps a child or a man from realizing his full potential in our country.

The history of these years, I believe, when it is written, will be the story of how we in America accomplished that goal.

A rather bitter writer once gave this definition of history: "The account, mostly false, of events, mostly unimportant, which were brought about by rulers, mostly knaves . . ."

I disagree with him on all counts.

History, I am convinced, will remember these years as a great awakening in America.

In these years, we discovered poverty in the midst of plenty—and we did something about it—not as much as we would like—but we did all that we could get a majority to do.

If historians seek a name for this age in the United States, I hope that they will call it the Age of Education.

Our government guarantees to all of its citizens all the education that he or she can take.

In the past six years, the number of young people going to college from poor homes has risen by more than 12 percent.

In six years, the number of high school dropouts has dropped—from 25 percent to only 18 percent of our young people between 16 and 24.

I regret we have 18 percent. But I would much rather have 18 than 25 that we started with.

If men in the future want to suggest the range of our achievements, I think they could do it in only two sentences:

"The American people in three years, multiplied their commitment to health and education four times over. They passed more laws and they committed more funds to the education of our children—and to the health of our people—in three years than in all the previous history of America put together."

Junior colleges are now being founded in America at the rate of one per week.

By 1965, new Federal programs were helping 500,000 young people go to college and without that help, they might not have had a chance. Next year—I want all of you to get this—we will be helping 1,200,000; so we have doubled the number that we helped go to college—more than doubled it in the last two years—500,000 to 1,200,000.

Those to me are not just numbers. They are miracles. They represent human lives which are being changed and human lives which are being enriched.

They mean that a new idea is already at work here in America.

Once, we thought of rehabilitation as something for the physically handicapped. This law is evidence of that. But now we have learned that other handicaps yield to the same treatment. The handicap of ignorance for example. Mental handicaps are another. The handicap of poverty is another.

Rehabilitation, in fact, has become a basic idea in our country. We act on the belief that every man—no matter what his color, no matter what his bank account, no matter what his handicap or no matter what his I.Q.—has abilities which America needs.

That is a new idea. But it is a great idea. It is like discovering a new country right in our midst—the territory of human promise. That idea promises not more welfare, but more well-being for all—well-being for our people—the people we have selected to serve.

So we come here to the East Room of the White House this afternoon to continue this program. To continue it—and to add much to it that is new:

This law extends rehabilitation service to migrant laborers—the poorest among us, the most needy among us.

It increases Federal support for rehabilitation here in our Nation's Capital.

And finally, it strikes at one of the most baffling and heartbreaking handicaps that we can imagine: the double handicap of deaf-blindness. For years, that problem seemed too difficult for us. Now, by establishing a National Center for Deaf-Blind Youth and Adults, we hope to change all of that.

To all the supporters of this law in Congress, to all the Members of the House and Senate who are here this afternoon on behalf of all the Nation, I want to say the Nation owes you a debt of thanks.

I would like to call each of your names. I am sure I would overlook some and make some of you offended. But I must refer to Senator Hill, who is always in the limelight to anything that is good for health and education in this country—to Congressman Perkins, to Congressman Daniels, and to their committee members.

They give this law dedicated—and bipartisan—support.

In the next few years, this law will turn hope into achievement for thousands of our people.

And it will prove something to us in history: that in America there is no such thing as a "Hopeless Case."

Before I conclude—because I couldn't go to the Capitol yesterday—I want to pay my respects, my very great esteem and affection to that grand young man who was 90 yesterday, Carl Hayden.

I have never known a better public servant. I have never known a better human being. And I have never had a better friend. I am so glad he could be here today.

THE PRESIDENT ON VIETNAM: LOGICAL, COHERENT, STRAIGHTFORWARD

Mr. MATSUNAGA. 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 gentleman from Hawaii?

There was no objection.

Mr. BYRNE of Pennsylvania. Mr. Speaker, the Philadelphia Inquirer described President Johnson's San Antonio speech on Vietnam as "a coherent, logical and well organized defense" of present policies.

It went on to say that the President's position on Vietnam is precisely the same as it has been for years: we are willing to talk, but we will not barter away the freedom of South Vietnam by reneging on our commitments.

The Inquirer has hit the nail on the head. What is there really new that the President can propose on Vietnam? All the issues have been laid out. The United States knows why it is fighting. It knows why the Communists are fighting. The immediate prize is South Vietnam. The long-range prize is Southeast Asia. Why do the critics believe that a solution to the Vietnam war must come from America rather than from Hanoi.

The United States did not begin the Vietnam conflict. The Communists did, just as they started the Korean war, and just as they turned civil conflict into general war in Greece in the 1940's.

This country does not relish bloodshed, and it did not invite it. But we can not now be asked to turn over 17 million people to the Communists just because we are tired, or the critics are getting under our skins.

The President's statement in San Antonio was straightforward and intelligent.

Let us hope the response from Hanoi is likewise.

I insert in the RECORD an editorial from the Philadelphia Inquirer of October 2 entitled, "A Straightforward Position on Vietnam":

A STRAIGHTFORWARD POSITION ON VIETNAM

Those who have termed President Johnson's weekend address on the Vietnamese War "more conciliatory" than remarks in the past have, we believe, missed the point—and possibly mixed their own wishes with what they heard.

For Mr. Johnson's position—and America's—is precisely the same as it has been for years: We are willing, even eager, to talk peace with the Vietcong and their North Vietnamese masters, but we will not barter away South Vietnamese freedom and we will not crawfish out of obligations we have assumed.

The President's warning about errors Hanoi might make about noisy "protest" marchers in America was explicit and on target, we believe. "It is the common failing of totalitarian regimes," he noted, "that they cannot understand the nature of our democracy. They mistake dissent for disloyalty. They mistake restlessness for a rejection of policy. They mistake a few committees for a country. They misjudge individual speeches for public policy."

The President did not understate the seriousness of our involvement in Southeast Asia; he did point out the precedents for our present position, and he did note that for the heavy sacrifices we have made there have been substantial gains to show.

Although the speech must be considered a defense of present policy, and—as Moscow, among others, was quick to note—contained no "new" elements, it must also be rated a coherent, logical and well organized defense. Whether the enemy's response to it will be equally intelligent remains the question. The key is in Ho Chi Minh's hands, if he will but turn it.

It is certain beyond question that this country does not relish continuing bloodshed and is willing to go more than halfway to stop it. But there should be equally little question that anger and confusion in some quarters will not move this great Nation from its well reasoned conception of duty to freedom and to fellow man, struggling to achieve freedom, though half an earth away.

WICS HELP LIGHTEN THE DARK

Mr. MATSUNAGA. Mr. Speaker, I ask unanimous consent that the gentleman from Texas [Mr. CASEY] 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 Hawaii?

There was no objection.

Mr. CASEY. Mr. Speaker, this coming Tuesday, October 17, will be observed by many of the major cities across the United States as WICS Day. This intriguing name stands for Women In Community Service, a little-known, dedicated organization of women who have volunteered during the past year to recruit and train 16- to 21-year-old girls in the poverty areas of our Nation, with the idea of getting them into Job Corps training so that they may, by the result of better education and training, become worthwhile, contributing members of our society.

We, of Houston, Tex., are indeed proud of our WICS organization, for as a result of their hard work, over 300 girls from the Houston area are now in training in 15 of the 17 centers for women in the United States, and I believe that tribute should be paid to the women in the Houston area who are devoting their time in the very worthwhile endeavor. These WICS, the Catholic women under the leadership of Mrs. L. McGoughran, the Jewish women under the leadership of Mrs. G. A. Fazekas, the Negro Women led by Mrs. Tracy Thompson, and Church Women United led by Mrs. C. Swartsfager, are truly letting their light shine in the interest of the young girls of this Nation. Mr. Speaker, I am sure the fine women of Houston are typical of the women of WICS throughout our Nation, and I urge my colleagues in making due recognition and expressing appreciation to this great volunteer organization.

PRESIDENT JOHNSON ADDRESSES CONFERENCE ON WORLD EDUCATION AT WILLIAMSBURG, VA.

Mr. MATSUNAGA. Mr. Speaker, I ask unanimous consent that the gentlewoman from Oregon [Mrs. GREEN] 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 Hawaii?

There was no objection.

Mrs. GREEN of Oregon. Mr. Speaker, on October 8, President Johnson addressed an international conference of

educators at Williamsburg, Va. As he has often done in the past, the President developed a powerful and eloquent argument for education as a key means to resolve some of the problems which haunt mankind. He wisely suggests that modern technology—the creation of educated minds—be put in the service of education itself, the world over, for, as he states:

The knowledge of our citizens is one treasure which grows only when that treasure is shared.

This is a theme which the President has stated before and which bears endless repeating.

At one time in our national history, Mr. Speaker, we found it impossible to continue half slave and half free. Ignorance is a different kind of bondage, but one that is hardly less cursing to the human spirit. We live in a world where more than half are slaves to illiteracy and terrible want, and it is right to question if the world can continue so ruinously divided any more than this Nation could. The President believes—and I think rightly—that it can not. In earlier speeches on international education he has stated that—

Ideas, not armaments, will shape our lasting prospects for peace.

First, there must be literacy if these constructive ideas are to flourish, a good example of the latter being the President's suggestions in his Williamsburg speech for using modern technology in the service of international education.

Mr. Speaker, I include the full text of the President's speech at this point in the RECORD:

REMARKS OF THE PRESIDENT AT THE CONFERENCE ON WORLD EDUCATION, WILLIAMSBURG, VA.

Dr. Perkins, Dr. Gardner, most distinguished ladies and gentlemen:

I know that all of you share with me the feeling that we are all deeply in the debt of Dr. Perkins for his leadership and this memorable conference which you have launched here. I think in the years to come will be remembered as one of our most necessary and desirable movements of this period.

It was in this town almost two centuries ago that a revolution began which swept around the world. And it was here that Thomas Jefferson submitted to the Virginia legislature a "plan for the diffusion of knowledge."

The men who founded this country were very passionate believers in the revolutionary power of ideas.

They knew that when a people commit themselves to learning, a revolution begins which will never stop.

Now, here once again, the winds of change seem to be blowing. And once again, we have come here to gather to consider plans for spreading knowledge.

I am no historian. Certainly I am no prophet.

But for a good many years I have been an observer and a participant in some of the affairs of the world. I have watched man at work; I have seen his creative power—and I have seen his awesome talent for destruction.

In this century, during my lifetime, man has spent literally trillions of dollars on the machinery of death and war. The cost of World War II alone has been estimated at $1 trillion 154 billion—taking no account whatever of any property damage.

In those years, nearly 100 million people have died in the maiming and disease and starvation which came with war.

Yes, we can take no pride in the fact that we have fought each other like animals. And that is really an insult to the animals who live together in more harmony than human beings seem to be able to do.

There are other facts that trouble me, too, tonight.

In the world in which we live today, four adults in ten cannot read and write. That is one of the reasons you are here.

There are whole regions in this world in which we live where eight out of ten people are illiterate.

Even now, most people end their lives unable to write "cat" or "dog."

These are most disturbing facts in the Twentieth Century, in this the richest age that man has ever known.

They are facts which I think cry out "Shame on the world, and shame on its leaders."

A sarcastic writer once gave this definition of history: "the account, mostly false, of events, mostly unimportant, which were brought about by rulers, mostly knaves."

Naturally, I do not agree with all of that statement.

If future historians, as I said the other day, should seek a name for this period in America, I hope that they will give consideration to calling it the age of education.

If our children's children want to measure what we tried to achieve, I hope they will remember one thing:

The American Government in only three years multiplied its commitment to education and to health four times over. Congress passed more laws and committed more funds to education and health in the last three years than in all previous history.

The Federal commitment for education and training alone has risen from $4 billion 700 million in the United States in 1964 to $12 billion 300 million in the United States in 1967.

We plan to emulate this commitment in the American program to help others fight these age-old enemies of ignorance and disease.

In 1966, about one-third of our entire economic aid program was directed toward agriculture, health, and education. This amounted to more than $800 million in one year.

This year our budget calls for $1 billion 300 million for these three objectives. That is about half of the entire United States aid program for agriculture, for health, and for education.

We may be wrong, but as a former school teacher of a small rural school, I have had the feeling that if we could help the people of the world to maintain a good, sound body, and if we could provide them with appropriate, proper education, with a good mind and a good body they could build their own steel mills.

We have been trying to concentrate our energies in that direction—in the direction of educating the mind, improving the body and providing food for their sustenance.

When other forms of United States assistance are added to America's program for foreign aid to agriculture, education, and health, namely, our food program, that exceeds some $3 billion this year. But when it comes to education, every nation—including this one, I think—is still very much a developing country.

We have so much to learn from others. That is one of the primary reasons you are here—to help us sort what there is to do and to make an agenda for it. We firmly believe that the knowledge of our citizens is one treasure which grows only when that treasure is shared. So we must find ways to extend the treasure to lands where learning is still the luxury of the few.

One lesson of our experience in economic and social development is quite clear: Education is the greatest single bottleneck. Development means that men and women can put to use in their own societies, in their own lives, in their own time, what modern science and technology can provide to help them. But that requires education.

At the level of basic education the truth of the matter is that we may be falling far behind. It takes so long these days to train a teacher, and yet it is so relatively easy to produce a student that we are not even holding our own in basic literacy.

At higher levels of education we are making progress. This year there will be one million young American boys and girls in the colleges of this country who will be there because of the legislation that we have passed providing for scholarships, grants and loans during the last few years.

But we have only just begun to exploit fully the possibilities that modern technology opens to us.

I can see no reason in the world why modern technology cannot, for example, permit the best professor in the world to teach students all over the world in a field where the vocabulary and the concepts and the standards are uniform; and this is true of many fields, I think—science, natural and social.

Moreover, our capacity to produce microfilm and distribute information should make it possible for a young scholar or researcher at any place in the world to have the same basic library facilities that are available in the British Museum, the Library of Congress, or at one of the great university libraries.

Therefore, I would like to suggest to you this evening some consideration be given to some of these challenges: How can we use what we already know about educational television to accelerate the pace of basic education for all the children of the world? How can we use modern technology to economize on that most essential and that most needed educational resource: The good teacher?

How can we make the good teacher available to the maximum number of students in the world through television?

How can we make the best scholars and teachers in the world available to all universities—wherever they may be—through satellite communications?

So often have I thought of the wonders that could have been brought to those young, struggling minds with warped bodies that I taught back when I was in that little rural school on the United States-Mexican Border if we had had satellite communications, and the best scholars and best teachers had been able to invade those classrooms, to expose those Mexican children to the English language?

How can we use, too, the latest methods of communications and microfilming to provide those who are doing scholarship and research everywhere the best library facilities that are anywhere?

We seem to need more facts. We seem to need to put a program together.

I was quite impressed with a statement in your conference document which said: "If the world's financial systems were forced to function with no better facts than those which educational systems live by, a financial panic would swiftly seize all capitals of the world."

We could have that in the offing anyway.

That is one of the reasons I though it would be very desirable that we have this conference this year. It gives me a great deal of satisfaction, as Dr. Perkins observed, to know that you have come here upon our invitation, and that you have come here to chart an education strategy for the future.

I should not be presumptious enough to try to outline that strategy. I content myself with observing a contribution here and there.

If I may suggest another idea, you might consider calling on the United Nations to set a target time for reviewing our goals and planning new progress, and make an international education year for the world.

Don't limit your efforts. Here, and you leave this place, I hope that you will take these plans and really face up to the tough questions:

The real tough question of all is how can we persuade the governments of 131 other nations to make it their primary objective to give every boy and girl born in the world—anywhere—all the education he or she can take?

How can we get the world's leaders to convert man's tragic will to destroy into a determination to build?

How can we shape a world in which men employ their minds in projects of peace—instead of sacrificing their all, their bodies, their lives, on a field of battle?

Can we train a young man's eyes to absorb learning—as eagerly as we train his finger to pull a trigger?

No gathering that has ever assembled has a subject that I think is more urgent than yours—more compelling, more necessary, and more productive.

Here tonight you leaders of educational thought from more than 50 nations—almost half of all the nations of the world—must realize that you are dealing with the dynamite of our times.

Thomas Jefferson said that we should spread the disease of liberty around the world when this Nation was very young. The men of Jefferson's day associated this place where you are meeting tonight with liberty, and also with learning.

Tonight in Williamsburg, I am pleased to observe that you apparently have the same concern. I hope our commitment will be as great as theirs—and I hope that your achievements will be as worthy of remembering.

One more word, if I may be personal.

A President must call upon many persons—some to man the ramparts and to watch the far away, distant posts; others to lead us in science, medicine, education and social progress here at home.

I especially want to comment this great educational leader—Dr. Perkins—for having answered every call that his country has made, and having apparently done it quite well here.

Thank you.

REPORT FROM ISRAEL

Mr. MATSUNAGA. 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 gentleman from Hawaii?

There was no objection.

Mr. MULTER. Mr. Speaker, a mission of American Jewish Congress leaders visited Israel this summer to study at firsthand the new political, social, and economic problems facing the country following its lightning military victory over the Arab nations that sought to destroy the Jewish state. The mission met with Government officials, military leaders, refugee spokesmen, and Jews and Arabs from many walks of life. The American Jewish Congress group traveled extensively along the west bank of the Jordan, visited Gaza and El Arish in Sinai, and traveled from Jericho overlooking the Dead Sea as far north as Kuneitra and the Syrian heights.

Their report from Israel follows:

Both the government and the people of Israel seem unable fully to believe that the whole of Eretz Yisrael in its traditional borders from the Jordan to the sea and from the Gaza strip to the Golan heights is now in Jewish hands. The first component of the *matsar ruach*, the general mood that I sensed, was wonder; the second, relief. For the first time in 19 years their lives are not being threatened by Arab marauders and Arab guns. Israel's farms and cities are now out of range of Arab artillery.

The third component is sobriety. There is no air of triumph or arrogance. Israel's citizens are solemnly determined to shoulder the obligations imposed by their military victory. They are cognizant of the overwhelming problems that must be solved; they are equally determined to build a morally responsible plan which will deal with those problems, and they will not be rushed into premature decisions of a long-range nature as they supply the immediate human needs.

Their sobriety is deepened by their losses. In absolute numbers the casualties were small, but in proportion to the population of the State the casualties were heavy—equivalent to some 65,000 American dead in less than a week of fighting. The impact of the war was brought home to us by the many government and other officials we met who had lost sons in the brief campaign.

Everyone we spoke to was deeply sensitive to the need to improve the situation of the displaced Arabs both in Gaza and in the West Bank area. We even met a few high placed officials convinced that Israel should absorb these areas and give their residents full citizenship—even in the face of the strong possibility that the character of the country might be transformed from that of a Jewish state to a bi-national state, with a rapidly-growing Arab population threatening to become the majority within a generation, and with the huge social problems which the introduction of so large a depressed proletariat would entail.

The idea of minority status is unthinkable to most Israelis. All the pain and labor that went into the building of the Jewish state were borne for the purpose of providing *some* place in the world where Jews would constitute the majority culture group—so that Jewish life, Jewish culture, the Hebrew language, and Judaism itself could flourish. This is the heart of the dilemma. No citizen of Israel wishes to give up what has been painfully achieved; hardly anyone is immune to the influence of Jewish values or free of some degree of commitment to the idea that human beings are of supreme importance.

This does not mean that the army of Israel is made up of angels. It is composed of the entire *kibbutz galuyot*, an ingathering of exiles which includes large numbers who came from Arab lands. I do not doubt, therefore, that there were occasional lapses. Arabs in the Gaza strip told us that some Israeli paratroopers had bullied them and "appropriated" watches and the like. Such incidents are not beyond the realm of possibility, but they are certainly atypical if they occurred. More typical were the acts of kindness and concern which Israeli soldiers performed and concerning which we heard unimpeachable testimony. In Hebron, synonym of Arab cruelty since the massacre of the Jews in 1929, not one Arab civilian was killed. In the entire occupied area, there was not one recorded case of rape.

Particularly striking are the natural and friendly relations between Arabs and Jews in the markets, on the streets and in the cafes as they explore each other's sites and cities. We saw Arab families rubbernecking in the New City of Jerusalem and Israelis from Dan to Beersheba taking snapshots and shopping for souvenirs in Arab towns and cities where no Jew had walked for nearly a generation. The fact that sightseeing began so soon after the fighting stopped is an indication of the genuine good will which Israelis bear toward their Arab neighbors . . . and of the readiness of so many Arabs to resume the normal ways of peace. I snapped a picture of a sign on one Arab restaurant in the Old City that read in Hebrew: *m'sadat hashalom biyerushalayim hash'lema*: Peace Restaurant in Reunited Jerusalem.

It quickly became evident that Israel's Arab problem is really three different problems. First there are the approximately 500,000 Jordanians who remain in the Old City of Jerusalem and in the towns and villages along the West Bank of Jerusalem. Here the main concern is economic: how to raise what has always been a depressed area into some form of self-sufficiency.

Then there are an estimated 150,000 who left their homes and fled into Jordan. Some of us in the AJCongress mission saw these people crossing over the Allenby Bridge into Jericho carrying their pots and pans, beds and sofas, clothing and chickens into Jordanian territory. Many thousands have already returned.

Finally, there are those who were dislocated by the way in 1948—an estimated 400,000 persons who remain without permanent homes because the Arab countries in which they found themselves were content to let them remain as "refugees" rather than help them begin life anew as citizens.

By far the most serious aspect of the Arab problem facing Israel is in the Gaza strip, where some 300,000 homeless Arab men, women and children have been fed a diet of hatred and vengeance against Israel since 1948.

In the beach camp for displaced Arabs in Gaza, the coffee we were served and the surface hospitality accorded us did not hide the resentment simmering beneath. Indeed, the twenty-year-old Arab who acted as my interpreter took leave of me after warm handshakes and expressions of friendship with the words, "I hope to see you in Palestine with Ahmed Shukairy!"

Shukairy, demogogic leader of the Palestine Liberation Army, has sworn the destruction of Israel. He has been in complete charge of the training of the former Palestinian Arabs in Gaza since 1948; at Khan Yunis in the lower Gaza strip we saw visual evidence of what that training has been. In a girl's secondary school the walls were covered by an exhibit of paintings by both the instructor and her charges—the bloodiest pictures I have ever seen, not excluding the so-called art of the Nazis. In one, a boot carrying the colors of the Palestine Liberation Army was crushing the chest of an Israeli soldier as gore poured from his prostrate body. In another painting, Arab soldiers were shooting down a large group of opposing soldiers, each of whom wore a huge Star of David. This was the "art work" of children in a school. But their education was not confined to artistic representation. We also saw the rifle range on which girl students had practised for the invasion of Israel.

Contrast this training with the fact that never since the founding of Israel nearly twenty years ago have Jews been taught to hate Arabs or to covet additional territory. The closest Israel Jews come to irredentism was an abiding love for Jerusalem—a love enshrined in the Psalms, in the poems and songs of ancient and modern Israel, and now in Israel's most popular song: "Jerusalem of gold . . . let me be the harp to sound your songs!"

Compared with the camps in the Gaza strip, the West Bank refugee centers we visited were as day to night. We walked informally into a camp on the road to Nablus and were received with genuine friendliness, curiosity and hopefulness. These were people whose poverty was apparent and among whom the ravages of disease and neglect touched us deeply; a child with a suppurating ear infested with flies, adults whose sight

had been impaired or destroyed by trachoma, beggar children looking for coins or bread. These are human needs which demand attention—and everything we were told by members of the Israel government leads us to believe this attention will be quickly given.

It is a task which demands the assistance of all men of good will. It demands resettlement as well as rehabilitation; economic programs as well as medical aid, far beyond the minimal and grudging sustenance that has been given during the last nineteen years. And it requires some form of international support to supplement the programs that Israel is prepared to undertake. We left the camps with the strong impression that the stagnation of 19 years has been ended; that Israel is determined to deal equitably—and effectively—with people who have been used as political pawns for nearly two decades.

"The sword comes into the world," says the Talmud, "when justice is delayed, when justice is perverted and when those responsible for maintaining justice make wrong decisions." Israeli leaders understand how delicately the peace of the world hangs on peace in the Middle East; they recognize that this peace will not be sustained by injustice to the Arabs now living under the Israel flag. The Israelis ask only that the world be patient. Egypt, Jordan and Syria sat on the problem for nearly 20 years and never felt the pressure of civilized opinion for a solution; it hardly seems fair that the world should expect Israel to solve the problem overnight.

The cry over the holy places has the same ring of insincerity. No one complained during the last two decades that the Church of the Nativity in Bethlehem and the Church of the Holy Sepulcher (among others) were under Moslem control. The commercialization and filth that surrounded many of these sites sacred to Christians, and to which we were eyewitnesses, did not testify to a significant measure of Jordanian concern for these places.

As for the sanctity of Jewish holy sites, the Jordanian authorities were completely indifferent. The tomb of Rachel was allowed to decline into a disgraceful condition. Jewish cemeteries on the Mount of Olives were desecrated; the very tombstones were used to build Arab military barracks. In the Old City of Jerusalem we saw pious Jews searching in vain for the locations they remembered as the burial places of their parents and grandparents; we saw synagogues that had been either destroyed or used for secular purposes. Against the Western Wall—the only remainder of the ancient Temple and thus the place most sacred to Jewish memory—the Arabs had permitted the building of a public lavatory.

Yet in our travels throughout Israel and the occupied areas we saw mosque after mosque—even where there had been bitter fighting—preserved and clean and obviously the objects of public protection. The demands of equity cannot be entirely disregarded by mankind.

The people of Israel are confident of America's friendship, and grateful for the support they have received in the UN from our government. Yet they know—more profoundly than they have ever known—that in the final test they can rely only on themselves and on the ties that bind them to the Jewish people. They are certain, they tell you, that if the Arabs had done what they had planned to do and had knocked out Israel's air force, the United States would have done something. But it would have been too late.

They have little doubt what their fate would have been had the Arab states been able to bomb Tel Aviv and Haifa and send their columns advancing into Israel territory. Friends of mine told me that their womenfolk were preparing to take poison should it become necessary. They were, literally, ready to die to the last man, woman and child. It is understandable that they feel an equally profound satisfaction in the removal of the threat by the seemingly miraculous effectiveness of their own military power. And it is not surprising that they now insist that the Arab nations deal with them directly at the peace table.

"We must stand where we are, have strong nerves and wait for the opportunity to deal with the Arabs directly," we were told. In this they recognize the great problem of Arab shame and humilitation. I believe there is greater understanding of Arab psychology in Israel than any place else in the non-Arab world. After all, almost half the population of the State as it was before June 6 is composed of Jews who were refugees from Arab countries. Perhaps this offers hope for the future.

Meanwhile, Israel is prepared to restore the dignity of those Arabs who have become their wards. Already Arab workers in the Old City are being invited to become members of Histadrut, Israel's labor union movement, where they will earn equal pay for equal work with their Israeli fellow union-members. Already, Israel has reconnected water pipes severed by the Jordanians so that the residents of the Old City of Jerusalem, for example, can enjoy running water seven days a week; before the fighting in June there was water only twice a week. In the Gaza strip, Israel is drawing plans to build up the fishing industry, improve agricultural productivity, provide new jobs with new light industry and engage in a dynamic program of rehabilitation.

The most pointed and intense appeal of Israelis to Western Jews is for an immediate and substantial immigration from the Americas. This sounds like the old, old song, but it has new and vigorous tones. The larger the number of young, educated and committed Jews Israel receives from the West, the more readily Israel can absorb as full citizens the hundreds of thousands of Arabs it has acquired along with the new territory. "Give us 250,000 to 500,000 young Jews from the United States over the next 10 years," we were told, "and we could integrate all the Arabs in the occupied areas, for such an *aliyah* would assure the Jewish character of our country and preserve a Jewish majority for the foreseeable future as the state's existence is made secure."

The Israelis and we agreed above all that this is a time in which Jewish fraternity and solidarity are more necessary than ever. If the vaunted Jewish capacity for creativity and imagination in human relationships really exists, this is when it must be called into action. The situation is not frozen; the main actors must not be inflexible. Plan after plan, bold new idea after bold new idea must be put forward, until the Arabs tire of saying "No" and the world unites on redeeming the Middle East for the sake of the redemption of mankind.

MAJOR BENEFITS OF THE CROPLAND ADJUSTMENT PROGRAM

Mr. MATSUNAGA. Mr. Speaker, I ask unanimous consent that the gentleman from Tennessee [Mr. ANDERSON] 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 Hawaii?

There was no objection.

Mr. ANDERSON of Tennessee. Mr. Speaker, the cropland adjustment program established under the Food and Agriculture Act of 1965 provides many benefits to both farm and nonfarm people. And an indication of the farmer interest in the program is the fact that nearly 75,000 farmers offered about 6 million acres of their land to the program this year. Available funds permitted acceptance of only 2,012,556 acres from 30,810 farmers.

Among those offering land to the program were many older farmers wishing to retire, others growing old and desiring to reduce their farming operations, and still others with new interests, wishing to shift from farming to other endeavors. In the administration of the program, the Department of Agriculture gave preference to these groups, making it possible for some to retire from farming and remain on the land, and for others to take part-time or full-time off-farm jobs.

These new opportunities for farm people through the cropland adjustment program point up the important social and economic implications of this significant activity.

But not only are farmers benefited by CAP, city people as well share in the advantages it provides. Of the 2 million acres accepted into the program this year, about a fourth are open to public access, bringing the total acres under CAP now open to the public to 984,000 acres. This land is open to city folks free of charge for hunting, fishing, trapping, and hiking.

The basic objective of CAP, of course, is to maintain farm income, while shifting land out of crops in plentiful supply and into such conservation uses as open space, recreation, beautification, wildlife habitat, and abatement of air and water pollution.

However, despite the economic and social benefits of this program to both rural and urban people, in the face of a tight budgetary situation, this important activity may be temporarily suspended. But as soon as the situation eases, this program should be resumed to continue improving the quality of our environment while maintaining in reserve the productivity capacity for meeting additional food and fiber needs at home and abroad as these arise.

MASS PRODUCTION OF TAX-DODGING FOUNDATIONS TO BE INVESTIGATED

Mr. MATSUNAGA. 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 gentleman from Hawaii?

There was no objection.

Mr. PATMAN. Mr. Speaker, I wish to announce that the Subcommittee on Foundations, Select Committee on Small Business, will start hearings on October 30, 1967, to take testimony on the mass production of foundations, an activity that could conceivably wreck the Treasury.

The first witnesses will be trustees and members of a recently discovered organization known as Americans Building

Constitutionally—ABC—Barrington, Ill., which allegedly instructs its members in how to avoid taxes by establishing their personal, tax exempt foundations.

Witnesses from Illinois and New York will be heard first, but before we are through, we may have to hear witnesses from many other States. We are not sure how widespread these operations are now, but we do know they could reach epidemic proportions.

Americans Building Constitutionally, for example, pitches its appeal to the upper-middle income group—doctors, lawyers, and other professionals.

Officials of this outfit are quite frank to admit they are attempting to mass-produce the tax-dodging specialities that were once associated only with millionaires. It looks like this group has set up a mammoth assembly line for turning out foundations.

If ABC continues to operate, and, if its success is what I think it could be, other groups will undoubtedly go into the same business. Tax-exempt foundations will be as commonplace in this country as bath-tub distilleries were during the prohibition era.

This could be the beginning of complete chaos for the Nation's tax structure.

ABC's tuition for instruction in tax-avoiding techniques comes high, possibly as high as $14,000 for tutoring in the mechanics of how to set up a foundation.

If ABC's claim of 800 members is correct, then it is entirely possible that the organization had gross receipts of at least $3 million and perhaps as much as $8 million in the past year, its first year of operation.

In my opinion, this will be one of our most important studies of tax-exempt foundations because it gets right into the possibility of massive and popular tax-dodging. When millionaires set up tax-dodging foundations, that is bad enough, but when foundations become as common as the model T once was, then the Government's income faces a real and grave peril.

America's political dream used to be a chicken in every pot and a car in every garage. If we ever reach the point where there is a tax-exempt foundation in every home and assets, such as a home and a car, are transferred to that foundation—that will be the beginning of a nightmare for Federal, State, and local governments and their tax collectors.

I must admit that the logic of the ABC system is difficult to dispute. The promoters of ABC take the position that the benefits of tax-dodging—via the foundation gimmick—should not accrue solely to the Rockefellers, the Fords, the Mellons, the Carnegies, and other millionaires. They believe that, even though that activity has its inception in the salons of financial buccaneers, the ordinary business and professional man should be allowed to do the same thing on a smaller scale.

It is an argument that is hard to answer. If the rich can minimize their taxes with the foundation gimmick, everyone else should have the same privilege. Obviously, there must be a reform of the tax-dodging foundation device from top to bottom.

For 5 years, the Subcommittee on Foundations has been compiling data on foundation activities. The subcommittee was the first to uncover the use of private, tax-exempt foundations by the Central Intelligence Agency. The subcommittee's investigations have also uncovered the widespread use of self-dealing foundations, whereby highly profitable businesses are operating under the guise of charity. Seven of the 600 foundations under study have been assessed about $28 million in taxes by the Treasury. In all, the subcommittee has issued five studies totaling more than 2,500 pages.

We have focused attention, not only on the abuse of tax laws by individual foundations but also on the lax attitude of the Treasury, whose officials have testified at previous subcommittee hearings that they have no idea how many foundations there are in the country. Treasury officials have also admitted that they audit only a small fraction of the foundations each year.

We shall also take testimony from Secretary of the Treasury Henry H. Fowler and Sheldon S. Cohen, Commissioner of the Internal Revenue Service, in the upcoming hearings. After repeated goadings from our subcommittee, in February 1965 the Treasury finally proposed some foundation reforms to the tax-writing committees. But, even though those watered-down reforms represent only a minimum effort to curb abuses of tax-exempt foundations, the Department has not pushed for action on them. Indeed, over 2½ years have elapsed, and no legislation, in support of those proposals, has as yet been submitted by the Treasury.

The record speaks for itself. The Treasury must bear full responsibility for the proliferation of foundations and their use as a vehicle for abuse of public trust and tax evasion. Unfortunately, it has no more knowledge today of what goes on in the world of foundations than it had at the time of our hearings in 1964.

This continued erosion of our tax base has, of course, far-reaching effects on millions of taxpaying small businessmen who are forced to carry a still heavier tax burden while other Americans enjoy opportunities to reduce taxes. If the Treasury continues to ignore meaningful reforms, we will be faced with a revolt among those millions of taxpayers who are unable to take advantage of such contrivances.

Perhaps this investigation will propel the Treasury into action—for, they may now see the light. They may now see that the tax gimmicks available to the rich can soak down to the grassroots of the Nation and completely erode our tax base. For years, we have been trying to persuade the Treasury that the corruptive influences of the multimillion-dollar, tax-exempt foundations would eventually destroy the entire tax system. This present situation shows that our warning was no exaggeration.

I am hopeful that the upcoming hearings will prompt Congress to take swift and effective reform action. For, unless the Congress moves in that direction, the spread of foundations and their inherent accommodation to planned deception will create undreamed-of problems that Federal, State, and local governments will find impossible to cope with.

The following are among the witnesses who have, thus far, been asked to testify:

Mr. Robert D. Hayes, trustee, Americans Building Constitutionally, Post Office Box 575, Barrington, Ill.

Mr. James R. Walsh, member, Americans Building Constitutionally, Post Office Box 575, Barrington, Ill.

Dr. Michael R. Saxon, medical director, the Saxon Foundation, 143 South Lincoln Avenue, Aurora, Ill.

Mr. George Schuyler, president, Philippa Schuyler Memorial Foundation, 11 West 42d Street, New York, N.Y.

SOCIAL SECURITY

Mr. MATSUNAGA. Mr. Speaker, I ask unanimous consent that the gentleman from California [Mr. COHELAN] 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 Hawaii?

There was no objection.

Mr. COHELAN. Mr. Speaker, the Reader's Digest has published in its October issue an article by Charles Stevenson which makes an unfair, unsound, and vicious attack on the social security program.

I join with Chairman WILBUR MILLS in saying that the half truths and misrepresentations in the article are a disservice to the millions of social security beneficiaries who depend upon the social security program.

I urge that every Member read Chairman MILL's splendid statement and the forceful point-by-point rebuttal of Mr. Stevenson's distorted presentation by the able Undersecretary of Health, Education, and Welfare, Wilbur J. Cohen. Under Secretary Cohen has answered Mr. Stevenson's false charges.

Those who receive social security benefits and those who pay social security taxes should not fear for the soundness or integrity of the social security program. The benefits accruing to beneficiaries are secure and will continue to be so.

For the information of our colleagues and those who read this RECORD, I would like to insert Under Secretary Cohen's remarks in the RECORD at this point:

STATEMENT BY WILBUR J. COHEN, UNDER SECRETARY OF HEALTH, EDUCATION, AND WELFARE

Mr. Charles Stevenson's article on "How Secure is Your Social Security?" in the October issue of the *Reader's Digest* is misleading, and, in my opinion, creates anxiety and fear about the financing of our social security system that are groundless.

I state categorically that:

The social security system is soundly financed.

Present and potential future beneficiaries of social security will get the benefits provided by the social security law.

I

Mr. Stevenson begins his article by saying our "social security insurance is in trouble." This is not so.

The subtitle of Mr. Stevenson's article

says that "Recent disclosures are raising grave doubts as to how much—if anything—today's taxpayer will get back when his time for retirement comes." Use of the words "disclosures," "grave doubts" and "if anything" can only result in worry to millions of people who are now drawing social security benefits or expect to draw them in the future. This worry is wholly without factual basis.

The article seeks to depict Chairman Wilbur D. Mills and the ranking minority member, Representative John W. Byrnes, of the House Committee on Ways and Means as profoundly alarmed about the basic design and fiscal integrity of the social security program and about the course that the program is taking. The facts, however, are that as recently as 5 weeks ago these men jointly supported legislation in the House of Representatives, the Social Security Amendments of 1967 (H.R. 12080), which builds upon the present social security program and, with careful attention to actuarial soundness, makes needed improvements in the benefits of the program.

The implication that Representative Byrnes, the ranking minority member of the Committee on Ways and Means, agrees with the charges made by Mr. Stevenson flies in the face of the fact that Mr. Byrnes was a co-sponsor of the social security bill now before Congress and is contradicted by his remarks on the floor of the House of Representatives during the debate on the bill. At that time he stated:

"I personally do not feel that the burdens imposed by this bill are greater than the taxpayers will be willing to pay. After all, today's taxpayer is tomorrow's beneficiary. I was very glad to join the chairman of our committee in sponsoring the social security bill—a bill which gives due consideration to the needs of our elderly citizens as well as those who are called upon to pay the taxes."

Representative Byrnes went on to say that: "Everyone paying taxes today can do so with the knowledge that he is participating in a sound program of social insurance which will provide commensurate benefits in the event of his death or disability."

The House Committee report on H.R. 12080, which was signed by 24 out of 25 of the members of the Committee on Ways and Means, bears ample witness to the care and thoroughness which the Committee has devoted to assuring the continued soundness of the social security program.

The proposals contained in H.R. 12080 were considered during 18 days of public hearings over a period of 6 weeks, and during 64 executive sessions over a period of 16 weeks. Following debate, the House approved the bill by the overwhelming non-partisan vote of 415 to 3. The bill reaffirms the soundness of the contributory, wage-related social security program.

The soundness of the social security system has been examined a number of times by groups of independent, nongovernmental representatives of business, insurance, labor, and the public.

In 1957, under the Eisenhower Administration, an Advisory Council on Social Security Financing was appointed by Secretary Flemming. It reported as follows:

"The Council finds that the present method of financing the old-age, survivors, and disability insurance program is sound, practical, and appropriate for this program. It is our judgment, based on the best available cost estimate, that the contribution schedule enacted into law in the last session of Congress makes adequate provision for financing the program on a sound actuarial basis."

Among the members of the Council who made this statement were the President of a Federal Reserve bank, two actuaries—one from a private insurance company and one from a university—and representatives of business, labor and professional groups.

The most recent Advisory Council on Social Security, again made up of outstanding experts in the field, examined thoroughly all of the issues connected with the "security" of social security. Like the preceding council they concluded, in their report of January 1965, that the social security program is soundly financed and that its income—out into the long range future—will be sufficient to meet its obligations.

Both Advisory Councils took note of such charges as those made in the article to the effect that social security taxes are used for purposes other than social security, that the trust funds contain only IOU's, and that the system is "in the red" by hundreds of billions of dollars. Both Councils found these charges to be without foundation.

II

The article says that the social security program puts a "squeeze on the young." This is not so. The fact is that even without taking into account that social security benefits have been and will continue to be increased from time to time as changes occur in wage levels and cost of living, young workers as a group will get social security protection worth 20 to 25 percent more than they will pay in social security contributions. This is the case under present law and would be the case under the House-passed bill and under the Administration's proposal.

Young workers could not buy comparable insurance protection from private insurance companies at anywhere near the amount they pay for their social security protection.

The article takes no account of the fact that the benefits provided by the present social security law are very much lower than the benefits that will actually be paid when today's young workers reach retirement age. As wages rise—as they have throughout the history of the country—benefits can be increased *without increasing the contribution rates*. This is because the contributions are a percentage of covered payroll and because, as wages go up, income to the system increases more than the corresponding liabilities.

As a matter of fact, if benefits were *not* increased as wage levels rise over the years, the contribution rates scheduled in present law would be too high, and they could be reduced. Whether benefits are increased or contribution rates are reduced the result would be the same, namely, more protection in relation to contributions than is shown by analyses that assume no change in wage levels and in benefits.

The calculations referred to in the article assume that the covered employee would have within his control an amount of contributions paid by his employers equal to the amount of his own social security contribution. This assumption rests on a misconception of the nature of the social insurance program and indeed the nature of private group insurance. If such an assumption were used, the whole fabric of private group life insurance, annuity insurance, and other forms of group insurance in this country would have to be regarded as inequitable.

As a general rule, under private group insurance plans the employer contribution is not allocated to each employee in an amount related to the employee's own contribution. On the contrary the employer contribution, as in the case of social security, is what makes it possible to pay larger benefits to workers and their survivors who are in the upper age brackets when the group insurance plan goes into effect than could be paid only on the basis of the worker's own contributions.

I believe it bears repeating that even without taking into account the fact that benefits will be increased in future years, even young workers covered under social security will get insurance protection worth 20 to 25 percent more than the value of their contributions, and moreover, they will actually do much better than that when account is taken of the fact that social security benefits can and will be increased as wage levels go up without any need to increase the contribution rate.

In deciding whether younger people get their money's worth it must be kept in mind that social security provides not only retirement protection but also survivors and disability insurance protection. While Mr. Stevenson's figures do take into consideration the fact that social security provides protection against loss of income due to death and disability and also provides hospital insurance protection at age 65, most of his discussion ignores the importance of these parts of the program. That importance may be illustrated by an example: The value of the social security survivors insurance protection provided under the House-passed bill in the case of the worker whose earnings are about the median earnings of regularly employed men ($550 per month) who dies at age 35 leaving a wife aged 32 and two small children is about $56,000. Were this worker to become disabled at age 35, the value of the disability insurance protection to him and his family would be about $59,000.

Social security is a sound and equitable program for the young and the old.

III

Mr. Stevenson's article contains nearly two columns on the so-called *Nestor case*, decided by the U.S. Supreme Court in 1960 (pp. 76–77). Mr. Stevenson distorts the legal issues. He has several quotes which to a lawyer and a general reader would appear to be from the Court's decision. But they are *not*. He not only does not quote from the Court decision but fails to mention that the Court decision reversed the contention of the Justice Department brief (prepared in the Eisenhower Administration) that the program is not an insurance program. What the U.S. Supreme Court actually said was:

"The Social Security system may be accurately described as a form of social insurance, enacted pursuant to Congress' power to 'spend money in aid of the general welfare,' whereby persons gainfully employed, and those who employ them, are taxed to permit the payment of benefits to the retired and disabled, and their dependents."

The fact is that the Supreme Court decision rejected many of the contentions made in the brief and stated that: "The interest of a covered employee under the [Social Security] Act is of sufficient substance to fall within the protection from arbitrary governmental action afforded by the due process clause."

Thus, as the Supreme Court stated, although the Congress can modify rights granted under the statute, it cannot do so in an arbitrary way. The right to benefits under social security, as the Court has said, is protected under the due process clause of the United States Constitution against denial or diminution by arbitrary Government action.

IV

The article attempts to show that social security is unsound by referring to "unfunded outstanding obligations" of $350 billion and stating that under the Administration bill this amount will rise to $417 billion (pp. 79–80). The $350 billion referred to is the amount that would be needed—if social security were a private, voluntary insurance program—to pay off all obligations on the assumption that there would be no new entrants into the system. The idea of there being a huge unfunded liability in the social security system is wholly meaningless and irrelevant for any practical purposes. There is no need in a Government program such as social security for funding on the basis referred to in the article. It would not only be

unnecessary but also unwise to build up such a huge accumulation of social security funds. No life insurance expert nor social security expert, nor business nor labor organization, and no Advisory Council or Committee of the Congress has ever recommended such funding.

The most recent Advisory Council on Social Security—an independent group of experts in the field which reviewed all aspects of the social security program over a period of 18 months—stated in its 1965 report:

"The Council is in agreement with the previous groups that have studied the financing of the program that it is unnecessary and would be unwise to keep on hand a huge accumulation of funds sufficient, without regard to income from new entrants, to pay all future benefits to past and present contributors. A compulsory social insurance program is correctly considered soundly financed if, on the basis of actuarial estimates, current assets plus future income are expected to be sufficient to cover all the obligations of the program; the present system meets this test. The claim sometimes made that the system is financially unsound, with an unfunded liability of some $300 billion, grows out of a false analogy with private insurance, which because of its voluntary character cannot count on income from new entrants to meet a part of future obligations for the present covered group."

V

The article is in error in saying that the social security changes recommended by President Johnson would take persons out of poverty "partly by raising the Federal income taxes" of other people over 65. (p. 79). Under the President's proposal, over 2 million persons would be removed from poverty (1.6 million aged 65 and over and 0.5 million under age 65) by the increase in the amount of the social security benefits—especially the increase in the minimum benefit from the present $44 a month to $70. There is no truth in the statement in the article that the method of removing these people from poverty would be through raising income taxes.

The article speaks disparagingly of the improvement of social security benefits for the purpose of reducing the number of persons on assistance or relief. But this has been the objective of the social security program since it was enacted in 1935! This was the original congressional intent. In fact, the carrying out of this intent has been one of social security's great achievements. The proportion of the aged on welfare has decreased from about 22 percent in 1950 to about 10 percent today. We hope to decrease the proportion to 5 percent. Increasing the level of social security benefits will aid in this objective.

VI

One more of the many inaccuracies contained in the article is the allegation in the article that social security contributions are put into the "Treasury's general fund." (p. 76). The fact is that the contributions are automatically appropriated by law to the social security trust funds, which are kept separate from one another and from the general funds of the Treasury and can be used only for the payment of the benefits and administrative expenses under the social security program.

VII

Mr. Stevenson says that the Government is discouraging beneficiaries from augmenting their incomes by collecting social security contributions with no comparable increase in benefits and by withholding benefits from those beneficiaries who earn over $1500 a year. (p. 79)

The purpose of the social security program as determined by the Congress is to pay benefits when there is a loss of earnings because of death, disability, or retirement. The law prescribes a test—generally referred to as the retirement test—for determining whether such loss of earnings has occurred. The amount of the retirement test and whether there should be any retirement test is certainly a question which warrants discussion.

What Mr. Stevenson didn't say in his article is that eliminating the retirement test would increase the cost of the program by $2 billion a year. The additional cost would be incurred to pay benefits to about 2 million people, many of whom are fully employed and earning as much as they ever did. The vast majority of social security beneficiaries—some 20 million other persons—either are unable to work or cannot find a job and therefore would not be helped one iota by the elimination of the retirement test. Would this be an intelligent and equitable way to spend $2 billion a year additional?

The author's statement that beneficiaries who work and pay social security contributions get "no comparable increase" in benefits may give the impression that this work cannot increase their benefits or that, if it can, the benefit increases are insignificant. The fact is that the beneficiary who works can get a benefit increase if he has even just a single year in which his earnings are more than his earnings in any one of the past years that were used in computing his benefits.

In short, Mr. Stevenson didn't tell a full or fair story on the retirement test.

VIII

The article concludes that further study of and basic changes in social security are called for. Some of the concluding remarks are repetitions of misleading assertions made earlier and some go further.

The article raises a number of questions about what will happen to the social security program in the future after whatever "temporary tinkering the House and Senate may do regarding the President's program"—as if the House and Senate are not comprised of the elected representatives of the American people and as if the President is not responsible to the American people. It is through such processes as the article calls "tinkering"—studied proposals such as those made by the President, and congressional deliberation and debates—that this Nation builds its public programs, orders its economy, and carries on the affairs of Government, and this will doubtless be true in the future.

The article goes on to suggest, on the basis of the increases in social security contribution rates that have been enacted over the years, that private pensions may not be able to remain "afloat." Such scaremongering ignores the fact that social security has not prevented the rapid growth of private pensions. Private pensions have made tremendous strides since the 1930's, when social security began. There were only about 400 private pension plans in 1935 when social security was enacted. Today there are over 60,000!

With regard to Mr. Stevenson's proposal to establish a "blue ribbon commission," over the years since the Committee on Economic Security submitted its report to President Roosevelt and the original Social Security Act was enacted in 1935, there have been numerous independent studies of social security by advisory councils composed of highly respected and knowledgeable citizens. For instance there was an Advisory Council Report in 1939, 1948, 1959, and 1965. Since 1956, studies by advisory councils have been provided for in the social security law itself, and there have been periodic studies by these councils. Through the councils, consisting of representatives of employees, employers, the self-employed, and the general public, the social security program has had the benefit of a great deal of intelligent and thoughtful examination. Under the law, the next advisory council, scheduled to be appointed in 1968 (under the bill recently passed by the House, it would be appointed in 1969), will review all aspects of the social security program, including the status of the social security trust funds in relation to the long-range commitments of the program and will make a report of its findings and recommendations to the Board of Trustees of each of the social security trust funds and to the Congress.

IX

Mr. Stevenson has not clarified any fundamental issues. He has not pointed out the great unmet social needs. What he has done has been a great disservice to the millions of social security beneficiaries and the millions who are counting on social security benefits in the future. He has obfuscated and confused the major policy issues in social security. A critical and constructive review of social security would be welcome. A glib and superficial attack on a program so important to millions of Americans is not a contribution to the American people.

IS THERE A BRAIN DRAIN?

Mr. MATSUNAGA. Mr. Speaker, I ask unanimous consent that the gentleman from California [Mr. COHELAN] 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 Hawaii?

There was no objection.

Mr. COHELAN. Mr. Speaker, recently we have heard considerable discussion of the scientific "brain drain," or, from the point of view of the United States, the "brain gain." This is the phenomenon which attracts to our country persons with highly developed skills and training who add considerably to our wealth of human resources.

Our very distinguished colleague, the Honorable HENRY REUSS, of Wisconsin, long has been interested in this phenomenon and as chairman of the House Research and Technical Programs Subcommittee, has initiated an analysis of both the obvious benefits and the potential handicaps of the practice.

That these gifted scientists, engineers, physicians, and other professional workers greatly enrich our lives, is undisputed. They also add significantly to the quality and volume of our national product, and it is a great tribute to our Nation that so many talented persons are drawn to the United States in pursuit of their careers. But the report of Mr. REUSS' subcommittee also points out that in our effort to help underdeveloped countries, the "brain drain" may be at odds with our stated foreign policy goals and may require modification of our exchange programs.

The results of this report have attracted considerable comment, and I call to the attention of my colleagues the following press notice from the October 2 edition of the Wall Street Journal:

THE OUTLOOK: APPRAISAL OF CURRENT TRENDS IN BUSINESS AND FINANCE

While the United States has been losing its dollars and gold to foreigners at a fast clip during most of the postwar period, our nation has been attracting a significant share of the world's skilled human capital. Partly because the balance-of-payments deficit lends itself to more precise documentation, the outflow of such measureable wealth has received much publicity. In the somewhat intangible

area of human resources, less has been said about the U.S. being the major gainer in the global movement of scientists, engineers, doctors, teachers and other such skilled people.

The "brain drain"—the term used to describe this movement of top-level manpower from Western Europe and developing countries to the U.S.—is not a new phenomenon, of course. To take only the nuclear and space fields, Americans are well acquainted with the heavy contributions of such skilled emigres as Einstein, Fermi and von Braun. But only recently has there been much study devoted to the dimensions of the migration of talented manpower and to the ramifications for the U.S. and other economies.

In the Government's breakdown of immigration figures, "professional, technical and kindred workers" are separated in one category. Using this as a measurement of the "brain drain," one finds that, in fiscal 1966, 30,039 such people, or 9.3% of the total of 323,040 U.S. immigrants that year, took up residence in this country. The 30,000 represented a 58% increase over the influx a decade earlier.

The growing magnetism the affluent U.S. has for the highly skilled is even more apparent when, among the professions, one isolates figures for the immigration of just scientists, engineers and physicians. A recent report by the House Research and Technical Programs subcommittee showed this so-called scientific immigration in fiscal 1966 was a whopping 77% higher than in 1956. The 1966 gain over 1965 was 32% alone.

The "brain drain"—or, from the U.S. viewpoint, the "brain gain"—is a sore subject to many foreign governments, economists and businessmen. They show little inclination to accept the U.S. Administration's view that the problem has been exaggerated. Instead, the foreigners, with support from many American analysts, believe the U.S. is benefiting hugely at their expense in the area of human resources.

In a recent London speech, Prof. Richard M. Titmuss of the London School of Economics said: "Since 1949 the U.S. has absorbed—and to some extent deliberately recruited—100,000 doctors, scientists and engineers from developed and developing countries. In about 18 years the U.S. will have saved some $4 billion by not having to educate and train, or train fully, this vast quantity of human capital." In such "borrowing" of skilled talent, he added, "no payment is made to the lending country, there are no interest charges and there is no intention of repaying the loan."

America's seeming boon goes far beyond escaping the cost of training the talented immigrants. The new arrivals almost always are instant producers-consumers, adding to our GNP by their production of goods and services and by their outlays for housing, cars, food and so on. And the influx of this talent has helped ease the critical shortage of technical skills that has marked much of this country's current economic expansion, which this month will equal the record 80-month expansion that spanned World War II.

Though the actual numbers may seem small, the impact of the "brain drain" is severest on developing countries. As the House report notes, some advanced countries have large reserves of professionals; and some, such as Britain and Canada, benefit from an inflow of talent from other lands. But the loss of even a few highly skilled persons can be a serious blow to countries struggling to climb the development ladder and achieve higher living standards.

A UNESCO report shows that in 1962 the 18 Chilean engineers who came to the U.S. were a fifth of Chile's new engineering graduates that year. The Dominican Republic in 1962 supplied 72 physicians and 44 engineers to the U.S.—more than a third of that nation's new doctors and two-thirds of its new engineers. The 30 Israeli physicians who came here that year were an astonishing 41.7% of its new doctors.

Helping spur the influx is the liberalization of U.S. immigration policy; recent acts, among other things, give preference to aliens who have skills that are in short supply in this country. Further steps this year and in 1968 in the abandonment of national origin quotas for immigrants are expected to increase greatly the inflow of scientific talent, especially from Asia.

Opinions about the "brain drain" vary widely. Some people, the House report notes, say the whole subject is just so much "hullabaloo" and that the U.S. should not be misled into treating scholarly migration as a problem. Others believe the migration is really a boon for all parties; they argue that, as with international trade, movements of "human capital" eventually maximize benefits for all participants; thus a Dominican engineer in the U.S. may make an advance that in the long run will benefit his homeland.

But there appears to be growing opinion that the drain is a serious problem—and not just for the lands losing their skilled. For the U.S. there is this vexing question: Are we spending billions to aid struggling countries while at the same time siphoning off those specialists needed to make the aid effective?

Evidence in the House report indicates the U.S. indeed may be undermining a major foreign policy objective. The main targets of our aid program have been 13 developing nations. These lands supplied the U.S. with 2,563 scientific professionals in fiscal 1966. In terms of training costs, this amounts to an involuntary gift to the U.S. of more than $50 million. This "reverse foreign aid" more than offset the $40 million the U.S. spent that year to give technical training to persons in the same countries.

—STERLING E. SODERLIND.

JOBS

Mr. MATSUNAGA. Mr. Speaker, I ask unanimous consent that the gentleman from California [Mr. COHELAN] 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 Hawaii?

There was no objection.

Mr. COHELAN. Mr. Speaker, all too often bold and imaginative programs of the Federal Government are criticized for failing to provide immediate and total solutions to age-old problems rather than being praised for their ability to accomplish meaningful, if only partial solutions. It would be unfortunate and utterly unfair if such were the case with President Johnson's newly announced program to mobilize the total resources of private industry and the Federal Government in a partnership to find jobs and provide training for thousands of America's hard-core unemployed.

Since this administration began its war on poverty great strides have been made in the education and training of the disadvantaged, the unemployed, and underemployed. But much remains to be done. That is why I wholeheartedly welcome this new forward step to aid the disadvantaged and eliminate from our ghettos what we have come to call the hard-core unemployed.

I find this idea, as spelled out by the Secretaries of Labor and Commerce, most appealing, indeed. It will mean that private enterprise will be encouraged either to set up new operations or to expand its old operations, with the hard-core jobless being trained and hired to fill the new jobs. With the Government agreeing to take up the slack against any possible financial loss, I am sure this not only can but will go far toward providing employment for those who have for much too long been the occupational outcasts of our increasingly technological society.

It will mean a concentration and consolidation of the many antipoverty programs. It will mean on-the-job training for those who need it most, exactly where they need it most.

It represents an important extension to the existing concentrated employment programs which have already had committed some $95 million in Federal funds for manpower development and training programs and other special projects to aid the disadvantaged.

I think the President and his administration should be commended for this imaginative step forward in tandem with private enterprise.

THE TRUE ISSUE IN VIETNAM

Mr. MATSUNAGA. 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 gentleman from Hawaii?

There was no objection.

Mr. MONAGAN. Mr. Speaker, in my judgment there is some substance to the charge that spokesmen for the administration have tended at different times to stress different reasons for our military commitment in Vietnam. I am not sure that the President himself has always kept the main purpose of our involvement in the forefront of his advocacy.

Certainly this is not an easy thing to do and yet it is vitally important. That is why President Johnson's recent speech—September 29, 1967—in San Antonio, Tex., is so particularly pertinent. Its significance does not lie in the fact that it will still all criticism or solve all doubts about our course, but it will tend to place the debate where it should be and make the issue the security of the United States rather than the many other fringe issues that have been raised from time to time.

In this connection, an editorial in the Wall Street Journal of October 6, 1967, seems to be highly pertinent; and since it expresses this point of view so effectively, I append it to these remarks:

THE TRUE ISSUE IN VIETNAM

The Administration's latest round of comments on Vietnam is noteworthy, it seems to us, principally for its heavy emphasis on how the war relates to the security of the United States itself.

Most of the public attention has focused instead on hints of a slightly softer attitude toward a bombing pause. But there is probably less to this shift than meets the eye, and the only upshot may be another teapot tempest about what the Administration has or has not said. The emphasis on security

considerations, by contrast, could actually help sweep away a few of the cobwebs that clutter the Vietnam issue in the national mind.

The Administration's stated goals in the war, admittedly, have always included discouraging aggression to prevent a larger war later, which obviously relates to America's long-range security. But until now its spokesmen have never given this goal the nearly undivided stress it deserves. Too often the President and his aides have spoken of helping the unfortunate people of Vietnam, and of building an entire Asian order "worthy of American dreams and . . . worthy of our brave men who are dying."

A lot of the public agony over the war today is backlash from that kind of talk. The man in the street sees that the Vietnamese elections aren't any better than Cook County's. He learns that corruption is rampant in Vietnam. He hears that too often the Vietnamese army won't fight to defend its own countrymen. He senses that all this isn't worthy of his dreams, and understandably asks why American boys should die to build that.

It happens to be true, we are convinced, that for all its blemishes South Vietnamese society will turn out better in the long run if the Americans succeed there than if they fail. We are equally convinced that American success in Vietnam would be a good thing for the people of Thailand, Japan, Australia and even ultimately mainland China. But these benefits must always remain incidental ones; no amount of altruism can begin to justify any President's decision to draft American boys and send them to war.

If America is right to send soldiers to Vietnam, it is not for these reasons but for those President Johnson outlined so cogently the other night: "I cannot tell you tonight as your President that a Communist conquest of South Vietnam would be followed by a Communist conquest of Southeast Asia. . . . Your American President cannot tell you with certainty that a Southeast Asia dominated by Communist power would bring a third world war much closer to terrible reality. . . .

"But all that we have learned in this tragic century strongly suggests to me that it would be so. And as President of the United States, I am not prepared to risk the security—indeed the survival—of this American nation on mere hope and wishful thinking. I am convinced that by seeing this struggle through now, we are greatly reducing the chances of a much larger war—perhaps a nuclear war."

There is plenty of room for argument over this conception, as Senators Dirksen and Fulbright demonstrated in their debate this week. Ho Chi Minh, after all, presents scant menace to America. Any real danger comes from mainland China, which threatens to combine a significant nuclear arsenal with undamped world-conquering ideology. Perhaps that China may collapse under its own ideological fantasies. Perhaps a Communist but nationalist and anti-Chinese Vietnam would itself contain China in Southeast Asia. Perhaps some other theater than Vietnam is, or at least was, the logical place to demonstrate that Maoist myth is wrong in seeing support of "wars of national liberation" as a cheap and riskless method of conquest.

These possibilities, though, are by and large not what the Administration's critics are talking about. They talk about the travesty of destroying traditional South Vietnam, about Premier Ky and such being unworthy of our affection. The critics are trying to tell America it should withdraw from Vietnam on the grounds that it has failed in its altruistic mission. Yet that mission and the arguments derived from it are simply beside the point.

The Administration, whether or not you are persuaded by its arguments, at least has started to talk directly and unmistakably to the real point. The issue to debate about Vietnam is America's own security and nothing else.

PREFERENCE FOR NEWSWEEK

Mr. MATSUNAGA. Mr. Speaker, I ask unanimous consent that the gentleman from Montana [Mr. OLSEN] 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 Hawaii?

There was no objection.

Mr. OLSEN. Mr. Speaker, I have received a telegram from Mr. Gibson McCabe, the president of Newsweek magazine in which he disassociates his magazine from the refreshing and learned viewpoint expressed by Prof. Milton Friedman's recent column entitled "The Post Office." I insert Mr. McCabe's telegram at this point in the RECORD so that the Members of the House will understand his viewpoint:

NEWSWEEK,
New York, N.Y., October 6.

Hon. ARNOLD OLSEN,
House of Representatives,
Longworth Building, Washington, D.C.

In reference to your statement in the October 4 Congressional Record concerning the Milton Friedman article in the October 9 issue of Newsweek entitled "The Post Office" I cannot object to your allegation that we recognize that users of second class mail receive preferential rates. I do object to the implication in your remarks that Newsweek and Professor Friedman are in complete agreement on what he has to say in that article. Newsweek has for many years used signed opinion by various columnists with whose views we have not necessarily either agreed or disagreed. We have not attempted either to censor their articles nor have we failed to publish those articles with which we may not have agreed. An example of this is our publication of Mr. Friedman's assertion that publishers of periodicals and newspapers prefer the status quo to a situation in which they would be forced to defend the subsidy they receive directly and openly. Professor Friedman's statement is not only incorrect on his part but your remark that it is factual is questionable indeed. Postmaster General O'Brien's proposal for an entirely new concept of the postal service originally made at a luncheon at Magazine Day in Washington last spring received the wholehearted support of most magazine publishers including newsweek.

The editor of the Congressional Record was totally incorrect in headlining your statement in the October 4 Congressional Record "Magazine Recognizes Postal Subsidy." Surely you must recognize the difference between the views of a columnist and the views of the management of a magazine. I trust that you will set the record straight by disassociating Newsweek from Professor Friedman in this matter.

Cordially,

GIBSON MCCABE,
President, Newsweek.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. FOLEY (at the request of Mr. ADAMS), for Tuesday, October 10, 1967, on account of official business.

Mr. ST. ONGE (at the request of Mr. ADAMS), for an indefinite period, on account of illness.

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. EDWARDS of Alabama (at the request of Mr. STEIGER of Arizona), for 15 minutes, today; and to revise and extend his remarks and include extraneous matter.

Mr. SCHWENGEL (at the request of Mr. STEIGER of Arizona), for 30 minutes, on October 12; and 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. PERKINS.

Mr. WHITTEN during the consideration of the conference report on H.R. 10509 and to include tables and related material.

Mr. HANLEY to include extraneous matter during debate on the bill H.R. 7977.

(The following Members (at the requests of Mr. STEIGER of Arizona) and to include extraneous matter:)

Mr. TEAGUE of California.

Mr. HORTON.

Mr. EDWARDS of Alabama.

Mr. ROBISON.

ENROLLED BILLS SIGNED

Mr. BURLESON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H.R. 678. An act to provide for the disposition of funds appropriated to pay a judgment in favor of the Upper and Lower Chehalis Tribes of Indians in Claims Commission docket numbered 237, and for other purposes;

H.R. 3979. An act to amend section 6409 (b) (1) of title 39, United States Code, which relates to transportation compensation paid by the Postmaster General; and

H.R. 11722. An act to authorize certain construction at military installations and for other purposes.

ADJOURNMENT

Mr. MATSUNAGA. Mr. Speaker, I move that the House adjourn.

The motion was agreed to; accordingly (at 7 o'clock and 43 minutes p.m.), the House adjourned until tomorrow, Wednesday, October 11, 1967, at 12 o'clock noon.

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. HALEY: Committee on Interior and Insular Affairs. H.R. 5910. A bill to declare that the United States holds certain lands in trust for the Pawnee Indian Tribe of Oklahoma; with amendment (Rept. No. 747). Referred to the Committee of the Whole House on the State of the Union.

Mr. HALEY: Committee on Interior and Insular Affairs. H.R. 7820. A bill to cancel certain construction costs and irrigation assessments chargeable against lands of the Fork Peck Indian Reservation, Mont.; with amendment (Rept. No. 748). Referred to the Committee of the Whole House on the State of the Union.

Mr. PATMAN: Committee on Banking and Currency. H.R. 1499. A bill to provide for the striking of medals in commemoration of the 300th anniversary of the explorations of Father Jacques Marquette in what is now the United States of America; with amendment (Rept. No. 749). Referred to the Committee of the Whole House on the State of the Union.

Mr. PATMAN: Committee on Banking and Currency. H.R. 10105. A bill to provide for the striking of medals in commemoration of the 150th anniversary of the founding of the State of Mississippi. (Rept. No. 750). Referred to the Committee of the Whole House on the State of the Union.

Mr. PATMAN: Committee on Banking and Currency. H.R. 10160. A bill to provide for the striking of medals in commemoration of the 50th anniversary of the founding of the American Legion (Rept. No. 751). Referred to the Committee of the Whole House on the State of the Union.

Mr. PATMAN: Committee on Banking and Currency. H.R. 13212. A bill to provide for the striking of medals in commemoration of the 200th anniversary of the founding of San Diego (Rept. No. 752). Referred to the Committee of the Whole House on the State of the Union.

REPORTS OF COMMITTEES ON PRIVATE 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. FEIGHAN: Committee on the Judiciary. S. 809. An act for the relief of Dr. Youssef (Joseph) Selim Hasbani (Rept. No. 753). Referred to the Committee of the Whole House.

Mr. DOWDY: Committee on the Judiciary. H.R. 1592. A bill for the relief of Dr. Rene Jose Triay (Rept. No. 754). Referred to the Committee of the Whole House.

Mr. MOORE: Committee on the Judiciary. H.R. 3516. A bill for the relief of Andres Mauricio Candela, M.D.; with amendment (Rept. No. 755). Referred to the Committee of the Whole House.

Mr. CAHILL: Committee on the Judiciary. H.R. 3525. A bill for the relief of Israel Mizrahy, M.D.; with amendment (Rept. No. 756). Referred to the Committee of the Whole House.

Mr. DOWDY: Committee on the Judiciary. H.R. 3528. A bill for the relief of Isaac Chervony, M.D. (Rept. No. 757). Referred to the Committee of the Whole House.

Mr. MOORE: Committee on the Judiciary. H.R. 5186. A bill for the relief of Dr. Armando Cobelo (Rept. No. 758). Referred to the Committee of the Whole House.

Mr. DOWDY: Committee on the Judiciary. H.R. 4974. A bill for the relief of Dr. Manuel A. Turbat; with amendment (Rept. No. 759). Referred to the Committee of the Whole House.

Mr. RODINO: Committee on the Judiciary. H.R. 3866. A bill for the relief of Dr. Eduardo Enrique Ramos (Rept. No. 760). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ROONEY of New York:

H.R. 13388. A bill to amend the Immigration and Nationality Act; to the Committee on the Judiciary.

By Mr. BINGHAM:

H.R. 13389. A bill to study the advisability of establishing an International Development Corps; to the Committee on Foreign Affairs.

By Mr. BRAY:

H.R. 13390. A bill to require reports to Congress of certain actions of the Federal Power Commission; to the Committee on Interstate and Foreign Commerce.

By Mr. BROOMFIELD:

H.R. 13391. A bill to extend the tariff quota treatment for certain stainless steel table flatware; to the Committee on Ways and Means.

By Mr. CELLER:

H.R. 13392. A bill to amend section 521(f) of title 38, United States Code, so as to provide that the retirement income of a veteran's spouse will not be imputed to the veteran for pension purposes; to the Committee on Veterans' Affairs.

By Mr. GIBBONS:

H.R. 13393. A bill to provide assistance to institutions of higher education to establish programs for the training of law enforcement officers, and to establish fellowships to encourage students to pursue careers in law enforcement; to the Committee on Education and Labor.

H.R. 13394. A bill to amend the Public Health Service Act to provide special assistance for the improvement of laboratory animal research facilities; to establish standards for the humane care, handling, and treatment of laboratory animals in departments, agencies, and instrumentalities of the United States and by recipients of grants, awards, and contracts from the United States; to encourage the study and improvement of the care, handling, and treatment and the development of methods for minimizing pain and discomfort of laboratory animals used in biomedical activities; and to otherwise assure humane care, handling, and treatment of laboratory animals, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. HARSHA:

H.R. 13395. A bill to amend the tariff schedules of the United States with respect to the rate of duty on whole skins of mink, whether or not dressed; to the Committee on Ways and Means.

By Mr. KUPFERMAN:

H.R. 13396. A bill to amend the Federal Water Pollution Control Act to establish research and planning programs with respect to the prevention and restoration of eutrophic lakes; to the Committee on Public Works.

By Mr. LANGEN:

H.R. 13397. A bill to protect consumers by requiring that imported meat and meat food products made in whole or in part with imported meat bear a label showing the country or origin of such imported meat; to the Committee on Interstate and Foreign Commerce.

By Mr. LATTA:

H.R. 13398. A bill to provide for orderly trade in textile articles; to the Committee on Ways and Means.

By Mr. LLOYD:

H.R. 13399. A bill to amend the tariff schedules of the United States with respect to the rate of duty on whole skins of mink and plates made of whole skins of mink; to the Committee on Ways and Means.

By Mr. McCARTHY:

H.R. 13400. A bill to amend the Internal Revenue Code of 1954 to raise needed additional revenues by tax reform; to the Committee on Ways and Means.

By Mr. MULTER:

H.R. 13401. A bill to authorize certain foreign governments to proceed with their plans for chanceries in the District of Columbia in accordance with their agreement with the government of the District of Columbia entered into in 1958; to the Committee on the District of Columbia.

H.R. 13402. A bill authorizing the use of certain buildings in the District of Columbia for chancery purposes; to the Committee on the District of Columbia.

H.R. 13403. A bill to amend the act of October 13, 1964, to regulate the location of chanceries and other business offices of foreign governments in the District of Columbia; to the Committee on the District of Columbia.

H.R. 13404. A bill to amend the act of October 13, 1964, regulating the location of chanceries in the District of Columbia, to permit five large tracts of land in the District of Columbia to be used for chancery purposes; to the Committee on the District of Columbia.

By Mr. PICKLE:

H.R. 13405. A bill to amend the Nurse Training Act of 1964 to provide for increased assistance to hospital diploma schools of nursing; to the Committee on Interstate and Foreign Commerce.

By Mr. WATSON:

H.R. 13406. A bill to amend title 13, United States Code, to limit the categories of questions required to be answered under penalty of law in the decennial censuses of population, unemployment, and housing, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. ZWACH:

H.R. 13407. A bill to amend the Federal Water Pollution Control Act in order to authorize comprehensive pilot programs in lake pollution prevention and control; to the Committee on Public Works.

By Mr. FRELINGHUYSEN:

H.R. 13408. A bill to amend the John F. Kennedy Center Act to prohibit the erection of any building within 1,000 feet of the John F. Kennedy Center for the Performing Arts in the District of Columbia without the approval of the Center's trustees, and for other purposes; to the Committee on Public Works.

By Mr. MATHIAS of Maryland:

H.R. 13409. A bill to amend the John F. Kennedy Center Act to prohibit the erection of any building within 1,000 feet of the John F. Kennedy Center for the Performing Arts in the District of Columbia without the approval of the Center's trustees, and for other purposes; to the Committee on Public Works.

By Mr. NELSEN:

H.R. 13410. A bill to amend the John F. Kennedy Center Act to prohibit the erection of any building within 1,000 feet of the John F. Kennedy Center for the Performing Arts in the District of Columbia without the approval of the Center's trustees, and for other purposes; to the Committee on Public Works.

By Mr. THOMPSON of New Jersey:

H.R. 13411. A bill to amend the John F. Kennedy Center Act to prohibit the erection of any building within 1,000 feet of the John F. Kennedy Center for the Performing Arts in the District of Columbia with-

out the approval of the Center's trustees, and for other purposes; to the Committee on Public Works.

By Mr. WRIGHT:

H.R. 13412. A bill to amend the John F. Kennedy Center Act to prohibit the erection of any building within 1,000 feet of the John F. Kennedy Center for the Performing Arts in the District of Columbia without the approval of the Center's trustees, and for other purposes; to the Committee on Public Works.

By Mr. BURKE of Florida:

H.R. 13413. A bill to amend the Public Health Service Act to provide special assistance for the improvement of laboratory animal research facilities; to establish standards for the humane care, handling, and treatment of laboratory animals in departments, agencies, and instrumentalities of the United States and by recipients of grants, awards, and contracts from the United States; to encourage the study and improvement of the care, handling, and treatment and the development of methods for minimizing pain and discomfort of laboratory animals used in biomedical activities; and to otherwise assure humane care, handling, and treatment of laboratory animals, and for other purposes; to the Committee on Interstate and Foreign Commerce.

H.R. 13414. A bill to amend the Nurse Training Act of 1964 to provide for increased assistance to hospital diploma schools of nursing; to the Committee on Interstate and Foreign Commerce.

H.R. 13415. A bill to amend section 1114 of title 18, United States Code, so as to extend its protection to postmasters, officers, and employees of the field service of the Post Office Department; to the Committee on the Judiciary.

H.R. 13416. A bill to amend title 18 of the United States Code to make it unlawful to assault or kill any member of the armed services engaged in the performance of his official duties while on duty under orders of the President under chapter 15 of title 10 of the United States Code or paragraphs (2) and (3) of section 3500 of title 10 of the United States Code; to the Committee on the Judiciary.

H.R. 13417. A bill to extend the tariff quota treatment for certain stainless steel table flatware; to the Committee on Ways and Means.

By Mr. BARING:

H.R. 13418. A bill to amend title 18 of the United States Code to make it unlawful to assault or kill any member of the armed services engaged in the performance of his official duties while on duty under orders of the President under chapter 15 of title 10 of the United States Code or paragraphs (2) and (3) of section 3500 of title 10 of the United States Code; to the Committee on the Judiciary.

By Mr. BLACKBURN:

H.R. 13419. A bill to amend the tariff schedules of the United States to permit the free entry of certain cellophane membrane; to the Committee on Ways and Means.

By Mr. HANNA:

H.R. 13420. A bill to amend title 5, United States Code, to improve the classification of civilian positions of security guard at stations and installations of the military departments under the Department of Defense; to the Committee on Post Office and Civil Service.

By Mr. McDADE:

H.R. 13421. A bill to amend title 18 of the United States Code to make it unlawful to assault or kill any member of the armed services engaged in the performance of his official duties while on duty under orders of the President under chapter 15 of title 10 of the United States Code or paragraphs (2) and (3) of section 3500 of title 10 of the United States Code; to the Committee on the Judiciary.

By Mr. MACHEN:

H.R. 13422. A bill to amend section 1346 of title 28, United States Code, to permit suits against the United States arising out of contracts entered into by nonappropriated fund activities of or under departments and agencies of the United States; to the Committee on the Judiciary.

By Mr. MORTON (for himself and Mr. CAREY):

H.R. 13423. A bill to amend the Immigration and Nationality Act, as amended, to permit the free entry of citizens of the Trust Territory of the Pacific Islands into the United States; to the Committee on the Judiciary.

By Mr. ROGERS of Florida:

H.R. 13424. A bill to amend the Marine Resources and Engineering Development Act of 1966, as amended, to extend the period of time within which the Commission on Marine Science, Engineering, and Resources is to submit its final report and to provide for a fixed expiration date for the National Council on Marine Resources and Engineering Development; to the Committee on Merchant Marine and Fisheries.

By Mr. FULTON of Pennsylvania:

H.R. 13425. A bill to extend to volunteer fire companies and volunteer ambulance and rescue companies the rates of postage on second class and third class bulk mailings applicable to certain nonprofit organizations; to the Committee on Post Office and Civil Service.

H.R. 13426. A bill to amend title 38 of the United States Code so as to provide that monthly social security benefit payments shall not be included as income for the purposes of determining eligibility for a pension under title 38; to the Committee on Veterans' Affairs.

By Mr. WHALLEY:

H.R. 13427. A bill to extend to volunteer fire companies and volunteer ambulance and rescue companies the rates of postage on second class and third class bulk mailings applicable to certain nonprofit organizations; to the Committee on Post Office and Civil Service.

H.R. 13428. A bill to amend title 38 of the United States Code so as to provide that monthly social security benefit payments shall not be included as income for the purposes of determining eligibility for a pension under title 38; to the Committee on Veterans' Affairs.

By Mr. BRAY:

H.J. Res. 879. Joint resolution creating a Federal Committee on Nuclear Development to review and reevaluate the existing civilian nuclear program of the United States; to the Joint Committee on Atomic Energy.

By Mr. SCHWEIKER:

H.J. Res. 880. Joint resolution creating a Federal Committee on Nuclear Development to review and reevaluate the existing civilian nuclear program of the United States; to the Joint Committee on Atomic Energy.

By Mr. TALCOTT:

H.J. Res. 881. Joint resolution to provide for a study of the resources of the ocean floor by the National Council on Marine Resources and Engineering Development, and prevent certain premature actions which might adversely affect the interests of the United States in such resources; to the Committee on Merchant Marine and Fisheries.

By Mr. STAGGERS:

H.J. Res. 882. Joint resolution creating a Federal Committee on Nuclear Development to review and reevaluate the existing civilian nuclear program of the United States; to the Joint Committee on Atomic Energy.

By Mr. HERLONG:

H. Con. Res. 523. Concurrent resolution expressing the sense of the Congress with respect to the elimination of the Castro Communist regime of Cuba; to the Committee on Foreign Affairs.

By Mr. BLACKBURN:

H. Con. Res. 524. Concurrent resolution expressing the sense of the Congress with respect to the elimination of the Castro Communist regime of Cuba; to the Committee on Foreign Affairs.

By Mr. STAGGERS:

H. Con. Res. 525. Concurrent resolution expressing the sense of the Congress with respect to the elimination of the Castro Communist regime of Cuba; to the Committee on Foreign Affairs.

By Mr. TEAGUE of Texas:

H. Con. Res. 526. Concurrent resolution expressing the sense of the Congress with respect to the conduct of the struggle in Vietnam; to the Committee on Foreign Affairs.

H. Con. Res. 527. Concurrent resolution expressing the sense of the Congress that the United States should take all military measures involving the use of nonatomic weapons as are necessary to secure a complete and rapid military victory in Vietnam; to the Committee on Foreign Affairs.

H. Con. Res. 528. Concurrent resolution expressing the sense of the Congress that the United States withdraw from South Vietnam; 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. BRASCO:

H.R. 13429. A bill for the relief of Rosaria Ilardi; to the Committee on the Judiciary.

By Mr. GUBSER:

H.R. 13430. A bill for the relief of Chee Chui Lum; to the Committee on the Judiciary.

By Mr. IRWIN:

H.R. 13431. A bill for the relief of Iolanda Clara Masotta; to the Committee on the Judiciary.

By Mr. MACHEN:

H.R. 13432. A bill for the relief of Ledi Papadakis; to the Committee on the Judiciary.

By Mr. MORRIS:

H.R. 13433. A bill for the relief of Dr. Julio Epifanio Morera; to the Committee on the Judiciary.

By Mr. MULTER:

H.R. 13434. A bill for the relief of Nicola Gemmiti and his wife, Michela Gemmiti, and their child, Piero Gemmiti; to the Committee on the Judiciary.

By Mr. O'HARA of Illinois:

H.R. 13435. A bill for the relief of Francois E. Alouf; to the Committee on the Judiciary.

By Mr. ROONEY of New York:

H.R. 13436. A bill for the relief of Mrs. Giuseppa Patane; to the Committee on the Judiciary.

By Mr. ROSTENKOWSKI:

H.R. 13437. A bill for the relief of Milica Ralic; to the Committee on the Judiciary.

By Mr. RYAN:

H.R. 13438. A bill for the relief of Caridad Suarez-Amparo; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII,

174. The SPEAKER presented a petition of the city of Monte Sereno, Calif., relative to sharing Federal income tax revenues with States and local agencies, which was referred to the Committee on Ways and Means.