thing not worth trying. But he left for his successor a budget balanced—on paper.

And along with that he bequeathed to Mr. Nixon the enormous problems of ending the Vietnam war and restoring tranquility at home.

There are areas in which the Johnson Administration's contributions have been without parallel in our history:

One is the conservation of resources—such as alerting our people to the pollution of water and air, and to the blight of the landscape; afflictions which are so rapidly diminishing the quality of our life.

Another is the push he has given to education for all who wish it, and the laws and the support he stimulated in behalf of civil rights. And the landmark decision which set up Medicare for the elderly.

Still another is the achievement in space. This was not something he inherited, like the Vietnam war or the racial conflict. As a leader in the Senate, he was the political architect and the driving force in setting up the space program. As vice president, he was chairman of the Aeronautics and Space Council which nurtured the program. So, as President, he was there to see astronauts Borman, Lovell and Anders fly around the moon and lift the horizons of all people.

And this, perhaps more than anything, gave a triumphant ending to his uniquely beleaguered Administration.

SENATE—*Tuesday, January 21, 1969*

(Legislative day of Friday, January 10, 1969)

The Senate met in executive session at 12 meridian, on the expiration of the recess, and was called to order by the Vice President, SPIRO T. AGNEW.

The Chaplain, the Reverend Edward L. R. Elson, D.D., offered the following prayer:

Eternal Father, with whom we walk and for whom we labor, teach us the truth that whoever would be greatest among us must be the servant of all. Receive, O Lord, the love of our hearts and the service of our minds and hands this day that we may be instruments of Thy purpose. Give us strength to walk and work with Thee in fellowship with all Thy faithful people, that Thy kingdom may come and Thy will be done on earth as it is in heaven.

In the Redeemer's name. Amen.

WELCOME TO THE VICE PRESIDENT

(The Vice President was greeted with applause, Senators rising.)

Mr. DIRKSEN. Mr. President, I ask unanimous consent to proceed for 1 minute.

The VICE PRESIDENT. Without objection, it is so ordered.

Mr. DIRKSEN. Mr. President, we are delighted to see you assume the gavel in this great body. Having known a good deal about you before you assumed this responsibility, I know that you will carry out those duties with high credit to yourself, to this body, and to the country.

So, we extend to you today the hand of fellowship, as we mark the beginning of another year.

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

Mr. DIRKSEN. I yield.

Mr. MANSFIELD. First, let me say that the rules of the House do not apply in the Senate. As some of the proponents of the pending effort to change rule XXII would state, Senators can speak at some little length on every issue.

I join the distinguished minority leader in extending congratulations to our new Presiding Officer; and if the minority leader would join me, I would like to break a rule of the Senate and ask unanimous consent that, if the Presiding Officer so desires, he may proceed for not to exceed 2 minutes. [Laughter.]

The VICE PRESIDENT. Is there objection? The Chair hears none, and it is so ordered.

Mr. SCOTT. Mr. President, before the Presiding Officer proceeds, may I simply join in the good wishes of the Senate and the people, in the fact that we have here a new President of the Senate. And may I add, with some transliteration of the ancient words, "Dominus Vobiscum et Cum SPIRO T. AGNEW."

Mr. ALLOTT. Mr. President, I could not let this occasion pass without adding my congratulations to those of my colleagues.

I think you will find your experience here rewarding. We know that the future here, under your guidance in the chair, will be excellent. Perhaps we still will not always be harmonious within this body, but we will accomplish great things. We bid you welcome.

Mr. KENNEDY. Mr. President, I echo the sentiments which have been expressed in extending a word of welcome to the Presiding Officer.

As our majority leader has said, we look forward to many years of your service here.

Mr. RUSSELL. Mr. President, I wish to associate myself with all of the leadership who have extended their greetings to you as our new Presiding Officer.

One of the unique qualities of the Senate is the fact that we have a member of the executive branch of the Government presiding over the most powerful legislative body in the world.

I welcome you here. I hope that with all of the new duties that the press reports you will assume, it will not mean you will desert the Senate or that chair, and that you will perform as often as possible the constitutional responsibility of presiding over the Senate.

I am glad to greet you here, and I extend my very best wishes and promise cooperation.

The VICE PRESIDENT. The Chair appreciates the courteous and gracious remarks of the distinguished majority leader and the distinguished minority leader, the majority and minority whips, the Senator from Colorado (Mr. ALLOTT), and the President pro tempore of the Senate.

The Chair is fully aware of the limited nature of his participation in these deliberations and does not wish to set a bad precedent by exceeding the time limit so graciously allowed him. He feels a tremor of uncertainty. It is not a personal uncertainty, but awe, because of the honor of presiding over this select and august deliberative body. The Chair will try to discharge the responsibilties of this office adequately and, hopefully, to the satisfaction of the Senate.

LEGISLATIVE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate go into legislative session.

There being no objection, the Senate proceeded to the consideration of legislative business.

THE JOURNAL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Journal of the proceedings of Monday, January 20, 1969, be approved.

The VICE PRESIDENT. Without objection, it is so ordered.

LIMITATION ON STATEMENTS DURING TRANSACTION OF ROUTINE MORNING BUSINESS

Mr. MANSFIELD. Mr. President, I ask unanimous consent that a brief period be allowed for the transaction of routine morning business, and that statements therein be limited to 3 minutes.

The VICE PRESIDENT. Without objection, it is so ordered.

ORDER OF BUSINESS

Mr. MANSFIELD. Mr. President, if I may have the attention of the Senate, it is not the intention of the leadership to bring up today the nomination of Mr. Walter J. Hickel, of Alaska, to be Secretary of the Interior. The reason is that an objection has been entered because neither the printed hearings nor the committee report is available. That is a courtesy we always extend to any Member.

I am sorry that that is the case, because we had intended to bring up the Hickel nomination today. If the documents are ready, it is the leadership's intention to bring up the nomination the first thing tomorrow.

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

Mr. MANSFIELD. I yield. It has nothing to do with the Senator from Rhode Island.

Mr. PASTORE. I want the RECORD to show very clearly that I raised the question yesterday afternoon on this matter; namely, that the hearings had not as yet been printed. I did not do that for the purpose of delay. I merely did it as a predicate to have the members of that committee on the floor to explain to us the pros and cons, their impressions of this man, his financial background, and

his philosophical outlook on the consumer interests in the country with reference to oil.

I thought it would suffice, in the absence of the printed hearings, if we could have the members of the committee on the floor to explain the background of this nomination.

I want the RECORD to show that I am not asking for any extension.

Mr. MANSFIELD. The Senator is absolutely correct. He has had nothing to do with the "hold" at present on the nomination of Mr. Hickel.

But, in all candor, I am sorry that the committee report and the printed hearings are not available for the Senate as a whole to discuss.

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

Mr. MANSFIELD. I yield.

Mr. HOLLAND. Will it probably be the intention of the distinguished leader to take up the motion to proceed to consideration of Senate Resolution 11 to amend rule XXII of the Standing Rules of the Senate, in view of the inability to proceed today with the consideration of the nomination of Governor Hickel?

Mr. MANSFIELD. Yes, indeed. It is the pending motion, and I hope that the distinguished Senator from Idaho (Mr. CHURCH), the distinguished Senator from Kansas (Mr. PEARSON), and the distinguished Senator from Michigan (Mr. HART) have been notified to that effect, and that both sides will be ready to resume the debate.

Mr. HOLLAND. Mr. President, will the Senator yield further?

Mr. MANSFIELD. I yield.

Mr. HOLLAND. We have speakers who are ready. We have no disposition to spin out this matter any longer than the leadership and the authors of the resolution may feel is necessary. We are quite prepared to go ahead with the discussion in the event that proves necessary.

The only thing I request is that there be a quorum call when the morning hour is over, since I have guests in the dining room.

Mr. MANSFIELD. There will be.

That concludes that matter.

APPOINTMENT OF SENATOR DOLE TO THE SELECT COMMITTEE ON SMALL BUSINESS

Mr. DIRKSEN. Mr. President, I submit a resolution and ask for its immediate consideration.

The VICE PRESIDENT. The resolution will be stated.

The legislative clerk read as follows:

S. RES. 29

Resolved, That Mr. DOLE, of Kansas, be, and he is hereby, assigned to the Select Committee on Small Business.

The VICE PRESIDENT. Is there objection to the present consideration of the resolution?

There being no objection, the resolution (S. Res. 29) was considered and agreed to.

ORDER OF BUSINESS

Mr. MANSFIELD. Mr. President, I ask that I be recognized as a Senator from Montana.

The VICE PRESIDENT. The Senator from Montana is recognized.

CANADA'S PRIME MINISTER TRUDEAU

Mr. MANSFIELD. Mr. President, last year, in what might be called an adventure in "new politics" Canadian-style, Pierre Elliott Trudeau was selected Prime Minister of Canada. It is a pathetic commentary on the times in which we live that the straightforwardness and the absence of deviousness in the political techniques by which Mr. Trudeau rose to national prominence have generally been labelled as unorthodox or unconventional.

However the Prime Minister of Canada may be described, it seems to me that he has come through to this country as an invigorating breeze from the north. In his politics, Mr. Trudeau has disdained atavistic social attitudes and political platitudes and he has questioned the entrenched policies which derive in many instances from them. This approach has apparently put him in tune not only with contemporary Canadians but with younger people throughout the world.

It is my understanding that as Prime Minister, Mr. Trudeau intends to lead the search for "a just society," with emphasis on the involvement of the Canadian people in government. To this end he has already faced frankly and with great integrity the most difficult of issues in Canada, that is the partial estrangement between the English- and French-speaking peoples. By his personal example as well as by his active policies he expresses an unmistakable desire to see emerge out of a dualistic culture one Canada united, free of the bias and mutual suspicions of the past.

Mr. Trudeau has also unveiled initiatives which are aimed at bringing about new directions in Canada's international relations. In that connection, it is to be anticipated that Canada will take a fresh look, in particular, at policies respecting its neighbors to the south, at the role of the North Atlantic Treaty Organization, and at the somewhat ambiguous Canadian relationship with China. There is no cause, in my judgment, to bemoan this prospect. It would be, instead, the better part of wisdom to take a leaf from the Canadian maple and engage in a similar fresh look at some of our own approaches to the world, including Canada. It is entirely possible that policies might be reshaped in a manner which will better contribute to the welfare of this Nation and to the undergirding of international peace.

That the new Prime Minister of Canada is a modern man of great vitality, high intelligence and creative proclivities is documented by an interview of Mr. Trudeau which was conducted last November by Jay Walz of the New York Times and by an article captioned "Trudeau" which Bruce Hutchison, editorial director of the Vancouver Sun, wrote for a recent issue of International Nickel magazine. Mr. President, I ask unanimous consent that the interview and article referred to be printed in the RECORD.

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

[From the New York Times, Nov. 29, 1968]

TRUDEAU, IN INTERVIEW, STRESSES FULL POLICY REVIEW

(By Jay Walz)

OTTAWA, November 27.—As he rounds out his first half-year in office, Prime Minister Pierre Elliott Trudeau views his program for Canada, as a plan to excite ideas, challenges past assumptions and involve the people in running their country.

"I especially want people to understand," he said in an interview, "there is no great authority called the Prime Minister who gets messages from God—who makes great laws.

"If we come up with more ideas, they will only be accepted if the people are prepared for them, which means involving them, discussing with them, convincing them."

Accordingly, the 49-year-old Prime Minister explained, all of Canada's policy is given to review. He and his Cabinet are searching beyond past assumptions on such issues as relations with the United States, Canada's role in the Atlantic alliance and recognition of Communist China, which Mr. Trudeau advocates.

In an hour-long discussion last Friday with this correspondent and with Seymour Topping, foreign news editor of The New York Times, Mr. Trudeau made these other major points:

He would welcome a meeting with President-elect Richard M. Nixon, not to take up specific problems but to discuss the major premises of Mr. Nixon's thinking "and to acquaint him with mine."

Although there is danger that the huge United States investment in Canadian resources and industry may lead to foreign economic domination of Canada, he would encourage Canadians to invest in future development rather than try to "buy back" existing American holdings.

Belonging to the North Atlantic Treaty Organization is important to Canada because it "permits us to talk to other people than the United States about global military problems."

Far-reaching alignments in the Communist world may in the long run make it "in the interests of China to be friendly with America rather than with Russia," and improved relations with the United States may be in the Soviet Union's interests, too.

Mr. Trudeau spoke in his office in the Parliament Building. Motioning his callers to chairs opposite, he asked if he might sit at his desk where he would be free to prop his feet up if he wished. A pot of chrysanthemums adorned a side table.

The Prime Minister wore a conservatively cut dark gray suit, a white shirt with buttondown collar and a black four-in-hand tie. Since becoming Prime Minister last spring, he has discarded his ascots, sport jacket and sandals.

Through most of the interview he leaned forward with his elbows on the desk, using Gallic gestures to emphasize a point ("It takes a hell of a lot of time to be Prime Minister") or to shrug off a distasteful idea ("We are not evil men trying to force a diabolical solution" upon the people).

In the tape-recorded discussion, his low voice often fell to the mumble that has become the despair of Canadian journalists. His language, favoring such terms as "postulates," "premise" and "cultural dynamics," often betrayed the classroom approach that some Ottawa politicians find strange in their new Prime Minister. Mr. Trudeau was a law professor at the University of Montreal before he entered politics in 1965 to become a Liberal party Member of Parliament.

Two or three times, Mr. Trudeau interrupted himself to apologize for "a long monologue" for "stating such platitudes."

INTERVIEW EXCERPTS

Following are excerpts from the interview with Prime Minister Trudeau:

Q. In the United States now, you are still something of an enigma; there is a feeling that you have not yet precisely defined your philosophy of government or your program. Is that a fair statement?

A. During the election period and since, I have stated postulates of my thinking, intuitions if you prefer, or directions in which my mind works. But I haven't—certainly in the area of international relations—spelled out any precise policy. In the specific matter of defense and external affairs, we are embarked on a review. It's fair to say there are a lot of unanswered questions.

What do we want to do in international affairs? What do we want to do in defense policy? What do we want to do with our Social Security programs, our monetary policy, and so on?

M'LUHANITE LEANINGS

It's fair to say that I haven't tried to spell out the programs for the next 20 years of Canada. Perhaps I am partially a McLuhanite without knowing it. It's one of the arguments I used in the leadership campaign when they said, "You don't have experience, how can you aspire to be a Prime Minister?"

My answer was, Well, in the rapidly changing world, the experience isn't always very useful. The data are so different from one year to the next that what you learned in a previous context can hamstring you.

I know what the big priorities are, and I hope that we will be able to solve them over a period of four years.

The problem of regional disparities is of extreme importance. The problem of Indian and Eskimo—native populations in general—is a very important one. The problem of urban growth; the problem of our relations with China, with South America, with Europe, with the United States; the attitudes we take toward foreign investments, taxation—these are all very important.

Q. How do you feel Canada's relations with the United States should evolve?

A. I have a very great respect for the United States and its institutions. I think it is an extraordinarily powerful society. It's vital. It's a tough society in the good sense of the word. It has lived through difficult problems, and I'm sure it has the wherewithal to answer difficult questions.

As a student of the law, I would say that I have in particular a very great respect for the legal thought that you have developed there. I'm not talking of public lawmaking but of the institutions which grew out around your political institutions—the Supreme Court, the federal system of government and so on.

So I think we are very fortunate to have as a neighbor this very great country: It has obvious economic benefits, it has obvious technological benefits, it has obvious cultural benefits. Even in terms, I suppose, of peace it has obvious benefits: we are in a sense sheltered by the United States umbrella.

But all these assets obviously are counterbalanced by the fact that it is such a large and strong power that in the kind of good-neighbor relationship that has existed for a long while the little guy always feels the rough edges more sensitively than the big guy does and we have to be careful lest the economic benefits we draw from our relations with the United States lead to atrophy of our political independence.

NON-ORWELLIAN MEANING

We have to make the same assessment in the area of international relations: What we gain by having such a strong big brother—I say that in a non-Orwellian sense—we lose by the fact that we cannot be 100 per cent independent. Of course, no country can—not even the United States—but perhaps the measure of our independence is considerably reduced.

The cultural field—it is an obvious one, too. I believe that the benefits that I have underlined in the legal field can be extended to many other fields: the intellectual presence of the great universities, the cultural dynamism of a city like New York.

It's an extraordinary shot in the arm for a Canadian to be able to take an hour's flight and be in New York City and know what's happening in the biggest city in the world and probably the most exciting one and come back after a short weekend.

Q. Are you worried by the influx of American capital investment, in the sense that this investment might result in an American economic domination of this country? And do you plan any restrictions on American capital investment in Canada?

A. I think the problem of economic domination is somewhat inevitable—not only of the United States over Canada but perhaps over countries of Europe as well, and the problems of the economic domination of Japan over some countries in the Far East, and the problem of economic domination of the Soviet Union over some of the smaller countries around it, and so on.

These are facts of life, and they don't worry me.

I would want to make sure that this economic presence does not result in a real weakening of our national identity. It is obvious, if we keep out capital and keep out technology we won't be able to develop our resources and we would have to cut our standard of consumption in order to generate the savings to invest on ourselves and so on. I think even more important than the capital which comes in from the United States is the technology that comes with it. And we can't have one without the other, and we are willing to take both, but on certain conditions.

NOT AN ECONOMIC NATIONALIST

I'm not an economic nationalist, and I believe that the whole device of nationalism is an impoverishing one—that you should only use it, sparingly, in areas where you can't defend yourself otherwise.

I believe, in the case of American investment in Canada, it is more important—as I have said many times—for us to use our savings to invest in the future rather than to use these savings to buy up the past and to try to buy out the American concerns which are here now. Because if we use our savings to buy the past, then these savings will be reinvested by the very same outsiders in the future and we will be another generation behind.

So I'd like to try and skip a generation and say, Well, they own the automobile factories and many of the pulp mills, and so on; let's not use too much of our savings trying to make these things Canadian; let's make sure that the industries of tomorrow will be Canadian.

This is where Canadians can prove whether they are entrepreneurs or not, and whether their assessment of the future is as good as the Americans'.

You realize that each country wants to keep its identity—or its sovereignty, to speak in legal terms. It has to constantly make assessments, and to select those areas which are important for our independence.

Some examples are quite obvious: our banking and our financial institutions, and the communications media, where we've adopted in the area of radio broadcasting the same kind of laws that you have in the United States which insure that control of the media will not belong to foreigners.

But we have limited resources, intellectual and manpower and financial. Therefore, the great problem for a government of our size is to know where we will invest those resources most—resources for protecting our identity. I believe that in most of the areas I'm prepared to let the consumer decide and to let the forces of the market play.

Q. How do you see military cooperation with the American states within the framework of NATO and the bilateral defense arrangements such as the North American Air Defense Command?

"ONE AMONGST MANY"

A. In the case of NATO I don't see the United States as posing a particular problem. They are one member of NATO amongst many. I believe that the alliance, in a very real sense, is useful to Canada because it permits us to talk to other people than the United States when we're talking about global military problems.

Or, to state that in another way, the political benefits of NATO to Canada are that we have other friends in the same alliance apart from the United States and we can assess, for instance, the events in Czechoslovakia or the happenings over Suez or the developments in Berlin not merely by talking to the United States but by asking what the English and the French and the Italians and the Germans and all of the rest of the NATO members think of a given thing.

I do think that part of our process of reviewing our defense and external policy will be predicated on the reality that probably the greatest force for peace in the past 15 years has been the balance of terror between two nuclear powers.

If Canada decides that the principle of collective security is an important one—and I am inclined to think it is—if we don't want to be completely neutralists, if we want to be in some collective-security arrangements, we can ask ourselves: Which are the ones which are more natural to us? Are they the NATO ones or are they the NORAD ones? And how do you intensify the arrangements which are the most natural to you?

Q. Are you prepared to sustain your present commitment of resources to NATO or do you plan to cut back on them?

A. If I knew it, I would state what our policy is. As I have been saying in the House for several days, the position we took in Brussels was that we weren't prejudging the results of a review which is not yet finished. We were holding the line in NATO; we had decided to delay a reduction in forces which we had made NATO aware of before the Czechoslovakian crisis. As a result of the crisis we decided neither to escalate nor to proceed with the reduction. The information that our ministers have gathered at the recent NATO meeting, along with events in Czechoslovakia, along with the work we have been doing ourselves in our reviews will all be part of the final policy decision we make.

Q. You have said in the past that you feel that the nature of the defense situation has changed because there is no longer a threat in a general sense from a monolithic Communist bloc. What is your feeling after the invasion of Czechoslovakia?

"A MATTER OF EMPHASIS"

A. When you quote me as having said that there is no more danger because of breaking up the monolith, I don't remember having said that; perhaps it is a matter of emphasis. I think that this is very much the French position—that détente would come, hopefully, as a result of the breaking up of the monolith, and there were signs of this in Rumania and signs of it in Hungary and more recently signs in Czechoslovakia.

If that is what you are alluding to, then I would say yes. This is also part of the NATO members' thinking, and they said so, indeed, in the communiqué after Brussels—that we don't want our present decisions to preclude a genuine hope that détente will come. And détente will mean that, I suppose—less of a monolith.

But this being said, do the events in Czechoslovakia and perhaps the Mediter-

ranean lead me to believe that NATO should be strengthened? I'd say you could argue just as easily to the contrary—that because of Czechoslovakia we have concrete evidence that the Soviet Union is weaker now than it was before; it can no longer count on Czechoslovakia as a solid ally in a military conflict.

GENUINE DESIRE POSSIBLE

Movings within the Warsaw Pact countries in the past couple of years have indicated that perhaps there is a genuine desire in those countries to be less part of the monolith. And if that were the case, if they were generally prepared to move toward détente, I think we should also do so in NATO.

So it seems to me that we have to question some of the basic premises that were at the basis of the creation of NATO in the late nineteen-forties. Since then China has developed from what was then a country torn by revolution into an important power.

It's obvious that Russia's greatest fear in the future will be China and not the United States of America. And perhaps there would be something to be said for the United States or for other members of NATO to act more along the lines of this new reality. In the long run, I think, perhaps it is in the interests of China to be friendly with America rather than with Russia.

And if you can develop this line of thinking, then you cease to be as afraid of Russia in Europe as we are now.

Everyone knows that by the year 2000 Japan will be one of the four greats in the world—the United States, Soviet Union, Germany and Japan. It's obvious that this is going to spell a whole new set of realities in the Pacific both in the military and the economic sense. I'd be interested in making sure that Canada, as a Pacific nation, is asking itself questions about that.

Q. You have indicated that it would be advisable for Canada at some time to recognize the Peking Government. Under what conditions would you consider the time right for a step of that kind?

A. I think the time has been right for a great many years to recognize the Peking Government. The difficulty is, What happens to Taiwan if we recognize Peking? I've been on record many times as saying that regardless of the regime in Peking, it is the Government of a quarter of the human race and it is a country that we have to know more about and it is a country with which Canada, as you know, has a very important trade relation. And it is a country with which we should establish diplomatic relations.

The reason why we haven't done it and why we are not doing it now is that before doing it you want to know under what conditions diplomatic relations will exist, you want, as much as possible, to know in advance what treatment our diplomats will get over there, what kind of a basis of operation they will have; we want to know what we will do with our relations with Taiwan or what Peking will want us to do or demand that we do.

We have done a lot of consultation about it, with countries who have relations with Peking and with countries who have not relations with Peking.

Q. Are you encouraged by what you found out?

A. Well I'm encouraged. But I'm an optimist, and this doesn't really mean that the result will be what I hope it will be: establishment of relations.

Q. Do you anticipate that the United States' attitude toward the Peking Government will continue to be a deterrent?

A. Well, I'm encouraged. But I'm an optimist, and this doesn't really mean that the States Government. I am quite sure that several years ago they would have reacted very badly. I am not sure that is true now.

Q. To some extent your change of administration is parallel to what is happening in the United States. Do you intend to meet with Mr. Nixon with a view of reexamining and possibly readjusting relations between Canada and the United States?

A. Well, I have no specific intention to meet with him. There has been no exchange of any kind of information along these lines. But I would hope that Mr. Nixon and I would be able to discuss these questions and many others.

I think the foremost thing I have to discuss when I meet responsible leaders of friendly countries are not so much specifics, and I believe a lot can be left to our diplomatic personnel and to our civil servants in the area of trade and commerce and so on.

I would like to try and understand what the major premises of Mr. Nixon's thinking are, and I would like to acquaint him with mine. I would like to know what he is thinking about the future—not just thinking, because he has talked a great deal, but what his basic postulates or premises are about the future of this North American continent for the next 20 years:

"WHAT ARE THE HOPES?"

What are the dangers? What are the hopes? In what direction is the population moving? What will we do with urban growth? What will we do with problems of economic interdependence? What will we do with the multinational corporation? What will we do with the United Nations?

But not in specifics. How does he see the world? Does he think about China as I do—that it's probably more in their interest to be in the long run friendly with the United States than friendly with Russia.

What does he think about the problem of the black people in the United States and how does he think this is going to be solved in the next several years? Is he very concerned with problems of poverty in the third world? What priorities does he put on international aid and development as against shooting for the moon?

But these are things that I find interesting discussing with anyone; therefore I would find it even more interesting discussing them with the President of the United States.

Q. You have spoken of the Just Society in a visionary sense, as President Johnson has spoken of the Great Society. Can you tell us how you envision the Just Society?

A. Well, what is the definition of justice? It is to give to each man his due. What is due to each man? I suppose it is only each man who can answer that. Most people realize there is a limit to what they can get. So I use "Just Society"—perhaps as President Johnson used "Great Society," but I think the word "justice" is a bit more subjective.

That is why I have talked so much of involvement and participation. For example, it would not be sufficient to make Canada a great society if the Indians or the French Canadians or the Province of British Columbia didn't feel that they were getting their just share of this great society.

And when I say a Just Society I am thinking of letting the people know that the values we are seeking are those that they feel important—not some objective test of greatness but some subjective one of, Are they happy in this society, do they feel that they are getting their due out of society? Because if they don't, then you have all the dropouts, the riots, the anarchists and so on. It's always a sense of injustice which motivates this, whether it be the blacks or the students or the poor people in the slums. It's that they are not getting their fair share.

I think citizens in the society realize that they can have more by living within the society than they could by getting out of it. Therefore it is not an answer to them to say that "This society will be great and you will be proud of it"—it's more important to say that "This society will be just. Perhaps it will be less rich, but it will be more respectful of the values which you esteem important to you."

ANY SIGNS OF CHANGE

Q. You have been Prime Minister now for seven months. Do you feel any different than when you first started out?

A. Well, I feel a little more sleepy when Friday night comes around—probably working harder than I used to do. I don't feel different in any other sense, though. You know, I haven't had any really big crisis or test that sort of made me feel that the burdens of office are terrible—that I'm developing ulcers or that I can't sleep.

I feel it takes a hell of a lot of time to be a Prime Minister, but it is such a lot of fun even in terms of getting the machinery working and feeling that soon you will be able to make decisions and implement them.

Q. You have introduced a new technique in reaching people; that is, you get out and mix with students and talk to them freely. Do you do this as the Prime Minister or as a man who would like to get a point or message across?

A. Basically I do that because I like to exchange ideas. I like to teach, but I like to be taught. I like to learn things. I like to know what people think. I like them to know what I think.

I specially believe—and this is, when you talk of students, what I especially want people to understand—that there is no great authority called the Prime Minister who gets messages from God—who makes great laws. Nor do I go around my office with a listening device trying to take orders from Washington or Moscow or Rome or anything like that.

The ideas that we come up with are basically the ideas of men who yesterday were merchants or lawyers or teachers and today happen to be the ministers of this Government.

That's essentially what I would like the young people to understand—that perhaps our answers are not right as regards Vietnam or Biafra or NATO or the Indians, perhaps they're not right, but we are not evil men trying to force a diabolical solution upon them. We are men who are coming up with answers as best we can, and if they have better answers, I'd like to know what they are.

Especially with students—you know, they say, "It's the profit motive which is driving this society."

Well, what is the profit motive? You know, it is not some mechanism which is imposed on society by evil men. It is something that the society has chosen to use as its mainspring, and if the profit motive is wrong, well fine: let's destroy it or let's replace it by something else.

It's only in discussing with them that you can make them realize that many of their simplistc answers are just that, that they haven't really asked themselves all the difficult questions. And I find that if we come up with more ideas it will only be accepted if the people are prepared for them, which means involving them, discussing with them, convincing them.

[From International Nickel magazine]

TRUDEAU

(By Bruce Hutchinson)

A world which seldom spares a thought for Canada and Canadians is suddenly interested in Pierre Elliott Trudeau as the most improbable of prime ministers. But the significant question posed by his overnight rise to office is not the character of the man but the character of the nation behind him.

What sort of nation chooses its leader from a discontented racial minority, from the higher intellectual elite, the Bohemian

set and the young, angry radicals? Obviously not the nation of accepted myth, not the dull, gray folk who are said to be gifted only with competence but no talents, no dreams, no spirit of adventure.

Trudeau's arrival seems to deny all the established Canadian facts but, in truth, confirms them. From the day of Champlain's landfall at Quebec in 1608, Canada has been a company of adventurers, romantics, and dreamers because it could be nothing else and survive. Threatened by their own poverty, by their neighbor's Manifest Destiny, and then by the magnet of the rich, friendly Republic beside them, Canadians could not afford the grand gestures and proud pretensions of most small countries. Yet they never lost their hunger for a distinct nationality, a life of their own, and in Trudeau they found at last a man to articulate it.

His emergence over men far more experienced and better known seemed to be a sheer accident, defying all the laws of a disciplined and closely-knit political system. On the contrary, it was the deliberate expression of Canada's will to start its second century of nationhood with new leadership, new methods, and bolder experiments that would not abandon but would bring the original dream up to date.

Naturally, in his first days of triumph, the new leader is much overestimated. No man could be as good as he looked on June 25th, the night of his sweeping election victory, and no man knows better than Trudeau himself that his brief candle of public worship will soon be extinguished.

As one of his intimates has predicted, he may well find himself the most unpopular man in Canada before the year is out if he does what he has to do in a nation beset by many baffling problems. Meanwhile, despite his frequent warnings against miracles and his refusal to promise any easy solutions, the people expect of him much more than any man can possibly deliver. He knows this, too, and it haunts him.

Already he lives with a personal myth built in less than a year of public exposure and largely untrue; The son born into an affluent Montreal family forty-eight years ago; the lonely, pampered boy taken daily to school in a limousine; the restless teenager who made himself a pugilist, a championship diver, a judo expert, and a master of the ski; the student who ravened through libraries of books and the universities of Quebec, Harvard, the Sorbonne, and the London School of Economics; the prankster who annoyed the police more than once in Paris and other places; the wanderer who paddled Canada's wild rivers, walked across the Middle East, swam the Bosphorus, and explored Russia, China, and southeast Asia; the rebellious young lawyer who attacked the authoritarian government of Quebec on a program of outright socialism; the gay Catholic bachelor who wore bizarre clothes, drove fast foreign cars, and usually had a luscious blonde beside him—these legendary Trudeaus were unknown to the Canadian public when the actual man entered Parliament as an obscure back-bencher in 1965.

The public, if it noticed him at all, saw a physique outwardly small and frail, the core of steel well hidden; a face homely but mobile, often melancholy and then lighted by infectious laughter. Trudeau's voice was quiet, equally fluent in English or French, his language rarely eloquent but always crisp, candid, and sparkling with irony. No man could have looked less like a potential prime minister of Canada—a nation which had chosen its previous leaders for their long training in politics, their sober deportment and air of solid reliability.

But the men who knew the real Trudeau were not surprised when the apprentice politician overleaped his rivals, won the prestigious portfolio of Justice, introduced liberal laws of divorce, abortion, and homosexuality that all his predecessors had considered impossible, and denounced—in his own province—the constitutional demands being put forward by the Quebec Government.

Although these were notable beginnings, they did not challenge the ruling Liberal heirarchy. On Prime Minister Lester Pearson's retirement, the successor, apparently, would be picked from among his half dozen senior lieutenants.

As late as January 1968, Trudeau was not a candidate for the party's leadership, and most Canadians still knew him only as a name. They had yet to discover him as a person. Nor had they read in his printed credo that "I have never been able to accept any discipline except that which I imposed upon myself. . . . The only constant factor to be found in my thinking over the years has been opposition to accepted opinion."

As if this declaration of independence were not blunt enough, Trudeau went on to write that "public opinion seeks to impose its domination over everything. Its aim is to reduce all action, all thought and all feeling to a common denominator. It forbids independence and kills inventiveness, condemns those who ignore it and banishes those who oppose it."

Such heresies were not the stuff of which Canadian prime ministers are made but, as the Ottawa establishment had slowly realized, a Johnny-come-lately was achieving a curious, secret rapport with Canada's two cultural communities, mainly because he expressed their discontent with themselves and the state of the Canadian nation. And because he shares their discontent, understood them both and might reconcile them, Trudeau was persuaded by his friends that he alone could revive a dying government.

To seasoned politicians this appeared unlikely. The Liberal ministry was in deep trouble; the Conservative opposition was led by a new and respected figure, Robert Stanfield; the Canadian public was eager for change. But once Trudeau decided to take the plunge, the prospects of government and nation were instantly transformed.

He had no organization, no handy IOUs for political favors or any power base of his own. He had something, however, that the nation desperately wanted and all his rivals lacked—the look of a man who knew precisely what he was doing and would do precisely what he pleased. Above all, Trudeau represented change, youth, and a new concept of government as everybody's business. "Politics," he said, "is fun," and for the first time a dispirited people began to enjoy the fun. So did he.

The party convention became a kind of coast-to-coast frolic and folk festival, every television set in the land trained on the delegates and mostly on a silent man who seemed careless of the outcome. Trudeau cared, all right. He burned with inward excitement but his public act of composure had been perfected, his air of indifference now as familiar to the nation as his double trademark—the flower in his buttonhole, the thin, sardonic smile on his lips. Ostensibly he was the choice of the convention. Actually the nation had chosen him and the delegates obeyed their unwritten instructions from home.

That choice was a gamble for Trudeau but a much larger gamble for Canada. After all, the Canadian people had formed only a vague idea of his character and knew even less of his intentions.

Within days both man and intention clarified dramatically. Against the advice of timid counsellors, the new prime minister did not wait to settle himself comfortably in power and bid for support with popular programs. Instead, he appointed a temporary cabinet, dissolved Parliament, and called an immediate election. The amateur of politics, so outwardly mild and cautious, was going for broke.

His method of campaigning was as strange and unorthodox as his personality. Where all his predecessors had held formal meetings and delivered long, set speeches, Trudeau flitted about the country by airplane and helicopter, dropped into shopping centers or parks, kissed innumerable girls, and announced his views on government and politics so casually that reporters failed to grasp them.

This was not a campaign by Canadian standards. It was just a series of pleasant happenings, a summer holiday. And if, lacking any promises and the customary election bait, it seemed formless and noncommittal, it moved exactly according to plan—Trudeau's plan.

The amateur had read the Canadian mood better than any of the professionals and the response was instinctive. Headline writers called it "Trudeaumania"—a tiresome word and misleading. The real mania was not for Trudeau. It was for Canada. Like no other politician of modern times, he had made the nation feel proud of itself, confident of its future, aware of its unique problems but determined to solve them. Quite deliberately, the people gave him a House of Commons majority that no other Liberal could have won.

Yet the problems remained. If Trudeau had a mandate to solve them, almost a blank check, he had settled nothing, so far, but his right to make decisions. The deepest of all problems had brought him into politics and will make or break him in the end. A French Canadian, he had not merely condemned a separate Quebec state as lunacy, but had rejected any "special status" for his province in the national constitution. His people, he said, could survive as a people and a distinct civilization only in a single Canadian state, but they must be allowed to feel at home everywhere as the full equals of the English-speaking majority.

Here his thinking went beyond provincial or even national borders. As he saw it, Canada could not endure, or deserve to endure, unless it became a truly dual, bilingual society of two elements, forever distinct but freely associate. If the nation achieved that synthesis, it would set an example to a distracted world and, by its peculiar mission, justify its existence.

To this end, he proposed a constitutional revision and a Bill of Rights which would favor none of the ten provinces but would establish the French Canadians' language, wherever they lived, as an undoubted legal right in schools, courts, and government offices.

By asking the Canadian majority to accept such a revolution—for it was nothing less—Trudeau had asked a lot. Of his own people he had asked even more when most of them wanted a separate constitutional position of some ambiguous sort for their province. But in both communities, as it turned out, he had not asked too much. Both endorsed him at the polls and, because he had carried the election almost single-handed, gave him a personal power denied to his predecessor.

To win such a vote of confidence in a man rather than a government is one thing. To master the ancient racial conflict is another and it will strain all Trudeau's resources. So will the complex bread-and-butter problems now straining the opulent Canadian economy.

How he proposes to grapple with them the nation does not yet know. It does know, however that he fits no conventional pattern either in mind or policy. As a youth Trudeau was an ardent socialist and Utopia-seeker who felt a passionate sympathy for the poor and a secret shame in his inherited wealth. Rebelling against his social class, he preferred to roam the world as a vagabond, and in these wanderings—as later in university and government—he learned that socialism simply would not work.

His disillusionment with all theories and panaceas was complete and typically candid. "Ideological systems," he wrote, "are the true enemies of freedom. On the political front accepted opinions are not only inhibiting to the mind, they contain the very source of error. When a political ideology is universally accepted by the elite . . . this means that it is high time free men were fighting it."

The doctrinaire rebel had become a total pragmatist and, in economics, something of a conservative—or at least a prime minister whose first act in office was to quarrel with powerful labor unions and tell the Canadian people that if they squeezed the lemon of their economy too hard the juice would come out of them, not out of the government.

Every problem, he has said, must be considered on a practical, pragmatic basis and "I don't think we should be frightened by the tag that it is a socialist or capitalist approach." What solution will succeed in each particular case, regardless of theories and catch-words? That is Trudeau's approach, and he calls it the search for a "Just Society."

Such a society does not mean that all men are equal in ability or deserve equal rewards. It means that all should have equal opportunities, or as equal as the human condition ever allows. It means, too, that the harsh disparities between the several regions of Canada should be reduced, if they cannot be entirely closed. More than anything else, it means that the individual man should be protected from the tyranny of the state and freed to express his own talents.

In foreign policy, the youthful Quebec isolationist, who opposed wartime conscription and did not serve overseas, has become an outright internationalist with special concern for the poor nations because he has seen their misery at first hand. But he is also a strong Canadian nationalist, if nationalism means that Canada has something useful to teach the world.

For example, he wishes to recognize Communist China, if he can—despite American objection. Trudeau says that "we can help ourselves and we can help the Western world by doing things of which the United States disapproves."

Given his unconventional private life, his unprecedented rise in politics, and his fearless heresies, the United States and other foreign nations will not always find him easy to deal with. Nor will the Canadian people. Behind his air of outward serenity and his disarming, colloquial speech, Trudeau, as this reporter learned ten years before a prime minister had begun to take shape, is a very tough guy. He will be, I venture to predict, a very great Canadian statesman or a total failure. He will measure the possibilities with caution but, having made his choice, he will always go for broke.

In any case his ministry, like his life, will be a continual adventure. "Let's take a bit of a chance," he told the voters in his election campaign. They have taken that chance. The adventure is under way, the end unknown, but the nation already more Canadian than ever.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States submitting nominations were communicated to the Senate by Mr. Geisler, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in the executive session,

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

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

APPOINTMENT BY THE VICE PRESIDENT

The VICE PRESIDENT. The Chair, under rule XX, appoints the Senator from Arkansas (Mr. FULBRIGHT) to the Board of Regents of the Smithsonian Institution.

EXECUTIVE COMMUNICATIONS, ETC.

The VICE PRESIDENT laid before the Senate the following letters, which were referred as indicated:

PROPOSED APPROPRIATIONS TO THE NATIONAL AERONAUTICS AND SPACE ADMINISTRATION

A letter from the Acting Administrator, National Aeronautics and Space Administration, transmitting a draft of proposed legislation to authorize appropriations to the National Aeronautics and Space Administration for research and development, construction of facilities, and research and program management, and other purposes (with accompanying papers); to the Committee on Aeronautical and Space Sciences.

PROPOSED PROVISION FOR PAYMENT BY HANDLER ASSESSMENTS OF THE ADMINISTRATIVE COSTS OF THE DEPARTMENT OF AGRICULTURE

A letter from the Secretary of Agriculture, transmitting a draft of proposed legislation to amend the Agricultural Adjustment Act of 1933, as amended, and reenacted and amended by the Agricultural Marketing Agreement Act of 1937, as amended, to provide for payment by handler assessments of the administrative costs of the Department of Agriculture (with accompanying papers); to the Committee on Agriculture and Forestry.

PROPOSED PROVISION OF SUPPLEMENTAL SOURCE OF CREDIT TO COOPERATIVES SERVING RURAL PEOPLE

A letter from the Secretary of Agriculture, transmitting a draft of proposed legislation to amend the Consolidated Farmers Home Administration Act of 1961, as amended, to provide a supplemental source of credit to cooperatives serving rural people, and for other purposes (with accompanying papers); to the Committee on Agriculture and Forestry.

PROPOSED LEGISLATION MAKING INTEREST INCOME ON WATER AND WASTE DISPOSAL LOANS SOLD OUT OF THE AGRICULTURAL CREDIT INSURANCE FUND SUBJECT TO FEDERAL INCOME TAXES

A letter from the Secretary of Agriculture, transmitting a draft of proposed legislation to amend the Consolidated Farmers Home Administration Act of 1961, as amended, to make interest income on water and waste disposal loans sold out of the Agricultural Credit Insurance Fund subject to Federal income taxes, and for other purposes (with accompanying papers); to the Committee on Agriculture and Forestry.

PROPOSED LEGISLATION TO PROVIDE FOR RESERVES OF CERTAIN CROPS TO BE HELD BY PRODUCERS AND THE COMMODITY CREDIT CORPORATION

A letter from the Secretary of Agriculture, transmitting a draft of proposed legislation to provide for the establishment and maintenance of strategic reserve stocks of agricultural commodities by producers and the Commodity Credit Corporation for national security, public protection, meeting international commitments, and for other purposes (with an accompanying paper); to the Committee on Agriculture and Forestry.

PROPOSED LEGISLATION TO PROVIDE FOR INSURED OPERATING LOANS, INCLUDING LOANS TO LOW INCOME FARMERS AND RANCHERS

A letter from the Secretary of Agriculture, transmitting a draft of proposed legislation to amend the Consolidated Farmers Home Administration Act of 1961, as amended, to provide for insured operating loans, including loans to low income farmers and ranchers, and for other purposes (with accompanying papers); to the Committee on Agriculture and Forestry.

REPORT ON PROCEEDINGS CONCLUDED UNDER THE INDIAN CLAIMS COMMISSION ACT

A letter from the Clerk of the Indian Claims Commission, reporting, pursuant to law, that certain proceedings under that act have been concluded (with accompanying papers); to the Committee on Appropriations.

REPORT OF THE SECRETARY OF THE AIR FORCE ON THE PROGRESS OF THE FLIGHT INSTRUCTION PROGRAM

A letter from the Secretary of the Air Force, transmitting, pursuant to law, a report on the progress of the Reserve Officer Training Corps flight training program for the calendar year 1968 (with an accompanying report); to the Committee on Armed Services.

REPORT OF THE SECRETARY OF THE AIR FORCE ON THE NUMBER OF OFFICERS ON PERMANENT DUTY AT THE SEAT OF GOVERNMENT

A letter from the Secretary of the Air Force, reporting, pursuant to law, the number of officers assigned or detailed to permanent duty in the executive part of the Department of the Air Force at the seat of Government, as of December 31, 1968; to the Committee on Armed Services.

AUTHORIZATION OF CERTAIN CONSTRUCTION AT MILITARY INSTALLATIONS

A letter from the Secretary of Defense, transmitting a draft of proposed legislation to authorize certain construction at military installations, and for other purposes (with accompanying papers); to the Committee on Armed Services.

PROPOSED LEGISLATION TO PROVIDE A SYSTEM OF RANDOM CHOICE FOR INDUCTION INTO THE ARMED FORCES

A letter from the Assistant Director, Selective Service System, transmitting a draft of proposed legislation to amend the Military Selective Service Act of 1967 in order to provide for a more equitable system of selecting persons for induction into the Armed Forces under such act (with accompanying papers); to the Committee on Armed Services.

PROPOSED APPROPRIATIONS FOR THE ARMED FORCES

A letter from the Deputy Secretary of Defense transmitting a draft of proposed legislation to authorize appropriations during fiscal year 1970 for procurement of aircraft, missiles, naval vessels, and tracked combat vehicles, research, development, test, and evaluation for the Armed Forces, and to prescribe the authorized personnel strength of the Selected Reserve of each Reserve component of the Armed Forces, and for other purposes (with an accompanying paper); to the Committee on Armed Services.

AUTHORIZATION OF DISPOSAL OF CASTOR OIL FROM THE NATIONAL STOCKPILE

A letter from the Administrator, General Services Administration, Washington, D.C., transmitting a draft of proposed legislation to authorize the disposal of castor oil from the national stockpile (with accompanying papers); to the Committee on Armed Services.

PROPOSED AUTHORITY FOR THE DISPOSAL OF PLATINUM FROM THE NATIONAL STOCKPILE AND SUPPLEMENTAL STOCKPILE

A letter from the Administrator, General Services Administration, transmitting a draft of proposed legislation to authorize the dis-

posal of platinum from the national stockpile and the supplemental stockpile (with accompanying papers); to the Committee on Armed Services.

DISPOSAL OF INDUSTRIAL DIAMOND CRUSHING BORT FROM THE NATIONAL STOCKPILE

A letter from the Administrator, General Services Administration, Washington, D.C., transmitting a draft of proposed legislation to authorize the disposal of industrial diamond crushing bort from the national stockpile and the supplemental stockpile (with accompanying papers); to the Committee on Armed Services.

DISPOSAL OF CORUNDUM FROM THE NATIONAL STOCKPILE

A letter from the Administrator, General Services Administration, Washington, D.C., transmitting a draft of proposed legislation to authorize the disposal of corundum from the national stockpile (with accompanying papers); to the Committee on Armed Services.

DISPOSAL OF TUNGSTEN FROM THE NATIONAL STOCKPILE

A letter from the Administrator, General Services Administration, Washington, D.C., transmitting a draft of proposed legislation to authorize the disposal of tungsten from the national stockpile and the supplemental stockpile (with accompanying papers); to the Committee on Armed Services.

DISPOSAL OF TYPE A CHEMICAL GRADE MANGANESE ORE FROM THE NATIONAL STOCKPILE

A letter from the Administrator, General Services Administration, Washington, D.C., transmitting a draft of proposed legislation to authorize the disposal of type A, chemical grade manganese ore from the national stockpile and the supplemental stockpile (with accompanying papers); to the Committee on Armed Services.

DISPOSAL OF TYPE B CHEMICAL GRADE MANGANESE ORE FROM THE NATIONAL STOCKPILE

A letter from the Administrator, General Services Administration, Washington, D.C., transmitting a draft of proposed legislation to authorize the disposal of type B, chemical grade manganese ore from the national stockpile and the supplemental stockpile (with accompanying papers); to the Committee on Armed Services.

DISPOSAL OF CHRYSOTILE ASBESTOS FROM THE NATIONAL STOCKPILE

A letter from the Administrator, General Services Administration, Washington, D.C., transmitting a draft of proposed legislation to authorize the disposal of chrysotile asbestos from the national stockpile and the supplemental stockpile (with accompanying papers); to the Committee on Armed Services.

PROPOSED APPROPRIATIONS FOR PROCUREMENT OF AIRCRAFT FOR THE ARMED FORCES

A letter from the Deputy Secretary of Defense, transmitting a draft of proposed legislation to authorize appropriations during fiscal year 1969 for procurement of aircraft for the Armed Forces, and for other purposes (with an accompanying paper); to the Committee on Armed Services.

REPORT OF AUDIT OF EXCHANGE STABILIZATION FUND

A letter from the Secretary of the Treasury, transmitting, pursuant to law, a report of audit of the exchange stabilization fund for fiscal year 1968 (with an accompanying report); to the Committee on Banking and Currency.

PROPOSED URBAN DEVELOPMENT BANK

A letter from the Secretaries of the Treasury and Housing and Urban Development, transmitting a draft of proposed legislation to establish an Urban Development Bank to assist in broadening the sources and decreasing the cost of capital funds for State and local governments (with accompanying papers); to the Committee on Banking and Currency.

PROPOSED EXTENSION OF LAWS RELATING TO HOUSING AND URBAN DEVELOPMENT

A letter from the Secretary of Housing and Urban Development, transmitting a draft of proposed legislation to amend and extend laws relating to housing and urban development, and for other purposes (with accompanying papers); to the Committee on Banking and Currency.

REGULATION OF EXPORTS

A letter from the Acting Secretary of Commerce, transmitting a draft of proposed legislation to provide for continuation of authority for regulation of exports (with accompanying papers); to the Committee on Banking and Currency.

PROPOSED LEGISLATION RELATING TO SMALL BUSINESS ADMINISTRATION

A letter from the Administrator, Small Business Administration, Washington, D.C., drafts of two proposed bills, the first to amend the Small Business Act, and for other purposes; and to authorize additional appropriations to the Small Business Administration for economic opportunity management assistance, and for other purposes (with accompanying papers); to the Committee on Banking and Currency.

REVIEW OF LEGISLATION RELATING TO THE ELECTRIC UTILITY INDUSTRY

A letter from the Chairman, Federal Power Commission, reporting, for the information of the Senate, that a review has been undertaken by that Commission relating to the electric utility industry; to the Committee on Commerce.

PROPOSED AIRPORT DEVELOPMENT ACT OF 1969

A letter from the Secretary of Transportation, transmitting a draft of proposed legislation to authorize the Secretary of Transportation to plan and provide financial assistance for airport development, and other purposes (with accompanying papers); to the Committee on Commerce.

PROPOSED EXTENSION OF THE U.S. FISHING FLEET IMPROVEMENT ACT, AS AMENDED

A letter from the Assistant Secretary of the Interior, transmitting a draft of proposed legislation to extend the provisions of the U.S. Fishing Fleet Improvement Act, as amended, and for other purposes (with an accompanying paper); to the Committee on Commerce.

PROPOSED APPROPRIATIONS FOR PROCUREMENT OF VESSELS AND AIRCRAFT AND CONSTRUCTION OF SHORE AND OFFSHORE ESTABLISHMENTS FOR THE COAST GUARD

A letter from the Secretary of Transportation, transmitting a draft of proposed legislation to authorize appropriations for procurement of vessels and aircraft and construction of shore and offshore establishments for the Coast Guard (with accompanying papers); to the Committee on Commerce.

PROPOSED IMPOSITION OF ADDITIONAL AIRWAY USER CHARGES

A letter from the Secretary of Transportation, transmitting, pursuant to law, a draft of proposed legislation to provide for the imposition of additional airway user charges and for other purposes (with accompanying papers); to the Committee on Commerce.

PROPOSED NATIONAL TRAFFIC AND MOTOR VEHICLE SAFETY ACT OF 1969

A letter from the Secretary of Transportation, transmitting a draft of proposed legislation to authorize appropriations for the fiscal year 1970 and 1971 for the purposes of carrying out the provisions of the National Traffic and Motor Vehicle Safety Act of 1966, and to amend the definition of "motor vehicle equipment" in the National Traffic and Motor Vehicle Safety Act of 1966 (with an accompanying paper); to the Committee on Commerce.

PROPOSED LEGISLATION TO PROVIDE AN IMPROVED AND ENFORCEABLE PROCEDURE FOR THE NOTIFICATION OF DEFECTS IN TIRES

A letter from the Secretary of Transportation, transmitting a draft of proposed legislation to provide an improved and enforceable procedure for the notification of defects in tires (with an accompanying paper); to the Committee on Commerce.

PROPOSED REPEAL OF LAWS LIMITING SHIPOWNERS' LIABILITY FOR PERSONAL INJURY OR DEATH

A letter from the Secretary of Transportation and the Acting Secretary of Commerce, transmitting a draft of proposed legislation to repeal the laws authorizing limitation of shipowners' liability for personal injury or death (with accompanying papers); to the Committee on Commerce.

PROPOSAL TO DEDUCT FROM GROSS TONNAGE IN DETERMINING NET TONNAGE SPACES USED FOR SLOP OIL ON BOARD VESSELS

A letter from the Secretary of Transportation, transmitting a draft of proposed legislation to deduct from gross tonnage in determining net tonnage spaces used for slop oil on board vessels (with an accompanying paper); to the Committee on Commerce.

PROPOSED LEGISLATION TO REQUIRE A RADIOTELEPHONE OF CERTAIN VESSELS

A letter from the Secretary of Transportation, transmitting a draft of proposed legislation to require a radiotelephone on certain vessels while navigating upon specified waters of the United States (with an accompanying paper); to the Committee on Commerce.

AUTHORIZATION OF APPROPRIATIONS TO CARRY OUT THE STANDARD REFERENCE DATA ACT

A letter from the Secretary of Commerce, transmitting a draft of proposed legislation to authorize appropriations to carry out the Standard Reference Data Act (with accompanying papers); to the Committee on Commerce.

AMENDMENT OF INTERNATIONAL TRAVEL ACT OF 1961

A letter from the Acting Secretary of Commerce, transmitting a draft of proposed legislation to amend the International Travel Act of 1961, as amended, in order to improve the balance of payments by further promoting travel to the United States, and for other purposes (with accompanying papers); to the Committee on Commerce.

PROPOSED AUTHORIZATION OF APPROPRIATIONS FOR CERTAIN MARITIME PROGRAMS

A letter from the Acting Secretary of Commerce, transmitting a draft of proposed legislation to authorize appropriations for certain maritime programs of the Department of Commerce (with accompanying papers); to the Committee on Commerce.

AUTHORIZATION OF APPROPRIATIONS TO CARRY OUT THE METRIC SYSTEM STUDY

A letter from the Secretary of Commerce, transmitting a draft of proposed legislation to authorize appropriations for fiscal years 1970, 1971, and 1972 to carry out the metric system study (with accompanying papers); to the Committee on Commerce.

APPOINTMENT, PROMOTION, SEPARATION, AND RETIREMENT OF COMMISSIONED OFFICERS OF THE ENVIRONMENTAL SCIENCE SERVICES ADMINISTRATION

A letter from the Secretary of Commerce, transmitting a draft of proposed legislation to provide for the appointment, promotion, separation, and retirement of commissioned officers of the Environmental Science Services Administration, and for other purposes (with an accompanying paper); to the Committee on Commerce.

PROPOSED FEDERAL CONTRIBUTION FOR A TRANSIT DEVELOPMENT PROGRAM FOR THE NATIONAL CAPITAL REGION

A letter from the Assistant to the Commissioner, Government of the District of Columbia and the Chairman, Board of Directors, Washington Metropolitan Area Transit Authority, transmitting a draft of proposed legislation to authorize a Federal contribution for the effectuation of a transit development program for the National Capital region, and to further the objectives of the National Capital Transportation Act of 1965 (79 Stat. 663) and Public Law 89–774 (80 Stat. 1324); with an accompanying paper; to the Committee on the District of Columbia.

PROPOSED IMMUNITY FROM TAXATION IN THE DISTRICT OF COLUMBIA OF A COMMUNICATIONS SATELLITE SYSTEM

A letter from the Assistant Secretary for Congressional Relations, transmitting a draft of proposed legislation to provide for the immunity from taxation in the District of Columbia in the case of a communications satellite system (with accompanying papers); to the Committee on the District of Columbia.

PROPOSED LEGISLATION TO ESTABLISH IN THE HOUSE OF REPRESENTATIVES THE OFFICE OF DELEGATE FROM THE DISTRICT OF COLUMBIA

A letter from the Attorney General of the United States, transmitting a draft of proposed legislation to establish, in the House of Representatives, the office of Delegate from the District of Columbia, to amend the District of Columbia Election Act, and for other purposes (with an accompanying paper); to the Committee on the District of Columbia.

PROPOSED LEGISLATION TO ADJUST CERTAIN SALARIES IN THE DISTRICT OF COLUMBIA

A letter from the Chairman, U.S. Civil Service Commission, transmitting a draft of proposed legislation to adjust the salaries of certain District of Columbia judges, members of the District of Columbia Council, and U.S. magistrates (with accompanying papers); to the Committee on the District of Columbia.

PROPOSED AMENDMENT OF DISTRICT OF COLUMBIA INCOME AND FRANCHISE TAX ACT OF 1947

A letter from the Assistant to the Commissioner, Government of the District of Columbia, transmitting a draft of proposed legislation to amend the District of Columbia Income and Franchise Tax Act of 1947, as heretofore amended, so as to provide that income subject to tax for District income tax purposes shall conform as closely as possible to income subject to Federal income tax, and for other purposes (with an accompanying paper); to the Committee on the District of Columbia.

REPORT OF BOARD OF TRUSTEES OF THE FEDERAL OLD-AGE AND SURVIVORS INSURANCE TRUST FUND AND THE FEDERAL DISABILITY INSURANCE TRUST FUND

A letter from the Managing Trustee and members of the board of trustees of the Federal old-age and survivors insurance trust fund and the Federal disability insurance trust fund, transmitting, pursuant to law, a report of that board, dated 1969 (with an accompanying report); to the Committee on Finance.

REPORT OF BOARD OF TRUSTEES OF THE FEDERAL HOSPITAL INSURANCE TRUST FUND

A letter from the board of trustees, transmitting, pursuant to law, a report of the board of trustees of the Federal hospital insurance trust fund (with an accompanying report); to the Committee on Finance.

PROPOSED INCOME TAX CREDIT FOR CERTAIN POLITICAL CONTRIBUTIONS

A letter from the Attorney General of the United States, transmitting a draft of proposed legislation to provide an income tax credit for certain political contributions (with an accompanying paper); to the Committee on Finance.

AMENDMENT OF TARIFF SCHEDULES OF THE UNITED STATES RELATING TO WOOL

A letter from the Assistant Secretary for Congressional Relations, Department of State, transmitting a draft of proposed legislation to amend the tariff schedules of the United States with respect to articles in part of reprocessed wool or reused wool (with an accompanying paper); to the Committee on Finance.

WAGERING TAX AMENDMENTS ACT OF 1969

A letter from the Attorney General, transmitting a draft of proposed legislation to amend the Internal Revenue Code of 1954, as amended, to modify the provisions relating to taxes on wagering to insure the constitutional rights of taxpayers, to facilitate the collection of such taxes, and for other purposes (with accompanying papers); to the Committee on Finance.

PROPOSED WATERWAY USER ACT OF 1969

A letter from the Secretary of Transportation, transmitting a draft of proposed legislation to provide for the imposition of waterway user charges and for other purposes (with accompanying papers); to the Committee on Finance.

PROPOSED HIGHWAY USER ACT OF 1969

A letter from the Secretary of Transportation, transmitting a draft of proposed legislation to provide additional revenues for the highway trust fund, to finance additional programs from the highway trust fund, and for other purposes (with an accompanying paper); to the Committee on Finance.

PROPOSED FINANCING OF CERTAIN HIGHWAY PROGRAMS

A letter from the Secretary of Transportation, transmitting a draft of proposed legislation to amend certain authorizations for carrying out the provisions of title 23, United States Code (with an accompanying paper); to the Committee on Public Works.

PROPOSED LEGISLATION TO ENCOURAGE STATES TO IMPROVE THEIR WORKMEN'S COMPENSATION LAWS

A letter from the Secretary of Labor, transmitting a draft of proposed legislation to encourage the States to improve their workmen's compensation laws to assure adequate coverage and benefits to employees injured in employment, and for other purposes (with accompanying papers); to the Committee on Finance.

PROPOSED LEGISLATION EXTENDING THE INTEREST EQUALIZATION TAX

A letter from the Secretary of the Treasury, transmitting a draft of proposed legislation to provide an extension of the interest equalization tax (with accompanying papers); to the Committee on Finance.

PROPOSED AUTHORIZATION OF APPROPRIATIONS FROM THE HIGHWAY TRUST FUND

A letter from the Secretary of Transportation, transmitting a draft of proposed legislation to authorize appropriations from the highway trust fund for motor carrier safety functions of the Department of Transportation (with an accompanying paper); to the Committee on Finance.

PROPOSED INCREASED FINANCING OF EMPLOYMENT SECURITY PROGRAM

A letter from the Secretary of Labor, transmitting a draft of proposed legislation to provide for the collection of the Federal unemployment tax in quarterly installments during each taxable year; to make status of employer depend on employment during preceding as well as current taxable year; to exclude specified sum from the computation of excess in the employment security administration account in the unemployment trust fund as of the close of fiscal year ending June 30, 1970; to raise the limitation on the amount authorized to be made available for expenditure out of the employment security administration account for fiscal year ending June 30, 1971, by the amount so excluded; and for other purposes (with accompanying papers); to the Committee on Finance.

PROPOSED LEGISLATION TO INCREASE THE AMOUNT DEDUCTIBLE BY MEMBERS OF CONGRESS FOR LIVING EXPENSE

A letter from the Chairman, U.S. Civil Service Commission, transmitting a draft of proposed legislation to amend the Internal Revenue Code of 1954 to increase the amount deductible by Members of Congress for living expenses (with accompanying papers); to the Committee on Finance.

REPORT OF NATIONAL ADVISORY COUNCIL ON INTERNATIONAL MONETARY AND FINANCIAL POLICIES

A letter from the Chairman and members, National Advisory Council on International Monetary and Financial Policies, Washington, D.C., transmitting, pursuant to law, a report of that Council, for the period July 1, 1967-June 30, 1968 (with an accompanying report); to the Committee on Foreign Relations.

PROPOSED ESTABLISHMENT OF INTER-AGENCY COMMITTEE ON MEXICAN-AMERICAN AFFAIRS

A letter from the Chairman, Inter-Agency Committee on Mexican-American Affairs, transmitting a draft of proposed legislation to establish the Inter-Agency Committee on Mexican-American Affairs, and for other purposes (with an accompanying paper); to the Committee on Government Operations.

PAYMENT BY THE UNITED STATES OF ITS SHARE OF EXPENSES OF THE PAN AMERICAN INSTITUTE OF GEOGRAPHY AND HISTORY

A letter from the Assistant Secretary for Congressional Relations, Department of State, transmitting a draft of proposed legislation to amend the joint resolution authorizing appropriations for the payment by the United States of its share of the expenses of the Pan American Institute of Geography and History (with accompanying papers); to the Committee on Foreign Relations.

PROPOSED AMENDMENT OF THE INTERNATIONAL CLAIMS SETTLEMENT ACT OF 1949

A letter from the Chairman, Foreign Claims Settlement Commission of the United States, transmitting a draft of proposed legislation to amend section 510, title V of the International Claims Settlement Act of 1949, as amended, to provide for the extension of time within which the Foreign Claims Settlement Commission shall complete its affairs in connection with the settlement of claims against the Government of Cuba (with an accompanying paper); to the Committee on Foreign Relations.

ORGANIZATION OF A DIPLOMATIC CONFERENCE IN THE UNITED STATES

A letter from the Assistant Secretary for Congressional Relations, Department of State, transmitting a draft of proposed legislation to enable the United States to organize and hold a diplomatic conference in the United States in fiscal year 1970 to negotiate a Patent Cooperation Treaty and authorize an appropriation therefor (with an accompanying paper); to the Committee on Foreign Relations.

PROPOSED PROTOTYPE DESALTING PLANT IN ISRAEL

A letter from the Assistant Secretary of the Interior, transmitting a draft of proposed legislation to authorize the Secretary of the Interior to participate in the development of a large prototype desalting plant in Israel, and for other purposes (with an accompanying paper); to the Committee on Foreign Relations.

INCREASED PARTICIPATION BY THE UNITED STATES IN THE INTERNATIONAL DEVELOPMENT ASSOCIATION

A letter from the Secretary of the Treasury, transmitting a draft of proposed legislation to provide for increased participation by the United States in the International Development Association, and for other purposes (with an accompanying paper); to the Committee on Foreign Relations.

AUTHORIZATION OF APPROPRIATION TO MULTILATERAL SPECIAL FUNDS OF THE ASIAN DEVELOPMENT BANK

A letter from the Secretary of the Treasury, transmitting a draft of proposed legislation to authorize the appropriation of $200,000,000 for a U.S. contribution to multilateral special funds of the Asian Development Bank (with an accompanying paper); to the Committee on Foreign Relations.

AMENDMENT OF PEACE CORPS ACT

A letter from the Director, Peace Corps, Washington, D.C., transmitting a draft of proposed legislation to amend further the Peace Corps Act (75 Stat. 612), as amended (with accompanying papers); to the Committee on Foreign Relations.

AMENDMENT OF FOREIGN MILITARY ACT OF 1968

A letter from the Secretary of State, transmitting a draft of proposed legislation to amend the Foreign Military Sales Act of 1968 (with an accompanying paper); to the Committee on Foreign Relations.

INTERGOVERNMENTAL PERSONNEL ACT OF 1969

A letter from the Chairman, U.S. Civil Service Commission, Washington, D.C., transmitting a draft of proposed legislation to be cited as the "Intergovernmental Personnel Act of 1969" (with accompanying papers); to the Committee on Government Operations.

PROPOSED FEDERAL REGULATION OF LOBBYING AMENDMENTS OF 1969

A letter from the Attorney General, transmitting a draft of proposed legislation to amend the Federal Regulation of Lobbying Act, and for other purposes (with an accompanying paper); to the Committee on Government Operations.

EXECUTIVE REORGANIZATION

A letter from the Director, Bureau of the Budget, Executive Office of the President, transmitting a draft of proposed legislation to amend chapter 9 of title 5 of the United States Code, relating to executive reorganization (with an accompanying paper); to the Committee on Government Operations.

PROGRESS REPORT NO. 4—QUALITY OF WATER, COLORADO RIVER BASIN

A letter from the Assistant Secretary of the Interior, transmitting, pursuant to law, Progress Report No. 4 on continuing studies of the quality of water of the Colorado River Basin, dated January 4, 1969 (with an accompanying report); to the Committee on Interior and Insular Affairs.

DEFERRAL AND RESCHEDULING OF CONSTRUCTION CHARGES

A letter from the Assistant Secretary of the Interior, transmitting, pursuant to law, the Department's determination relating to deferment of a portion of the scheduled construction charge installments due the United States during the period 1969 through 1985 on behalf of the Georgetown Divide Public Utility District, El Dorado County, Calif.; to the Committee on Interior and Insular Affairs.

CERTAIN LAND CLAIMS OF ALASKA NATIVES

A letter from the Assistant Secretary of the Interior, transmitting, pursuant to law, a draft of proposed legislation to provide for the settlement of certain land claims of Alaska natives, and for other purposes (with accompanying papers); to the Committee on Interior and Insular Affairs.

PROPOSED ESTABLISHMENT OF POTOMAC NATIONAL RIVER

A letter from the Assistant Secretary of the Interior, transmitting a draft of proposed legislation to establish the Potomac National River in the States of Maryland, Virginia, and West Virginia, and for other purposes (with accompanying papers); to the Committee on Interior and Insular Affairs.

PROPOSED ESTABLISHMENT OF APOSTLE ISLANDS NATIONAL LAKESHORE IN THE STATE OF WISCONSIN

A letter from the Assistant Secretary of the Interior, transmitting a draft of proposed legislation to provide for the establishment of the Apostle Islands National Lakeshore in the State of Wisconsin, and for other purposes (with accompanying papers); to the Committee on Interior and Insular Affairs.

PROPOSED ENCOURAGEMENT OF TRAVEL WITHIN THE UNITED STATES

A letter from the Assistant Secretary of the Interior, transmitting a draft of proposed legislation to amend authority of the Secretary of the Interior under the act of July 19, 1940 (54 Stat. 773), to encourage through the National Park Service travel in the United States, and for other purposes (with an accompanying paper); to the Committee on Interior and Insular Affairs.

PROPOSED AUTHORIZATION OF APPROPRIATIONS FOR THE SALINE WATER CONVERSION PROGRAM

A letter from the Assistant Secretary of the Interior, transmitting, pursuant to law, a draft of proposed legislation to authorize appropriations for the saline water conversion program for fiscal year 1970, and for other purposes (with an accompanying paper); to the Committee on Interior and Insular Affairs.

FEDERAL COAL MINE HEALTH AND SAFETY ACT OF 1969

A letter from the Assistant Secretary of the Interior, transmitting a draft of proposed legislation to improve the health and safety conditions of persons working in the coal mining industry of the United States (with accompanying papers); to the Committee on Labor and Public Welfare.

PROPOSED NONVOTING DELEGATE TO THE HOUSE OF REPRESENTATIVES FROM GUAM AND THE VIRGIN ISLANDS

A letter from the Assistant Secretary of the Interior, transmitting a draft of proposed legislation to provide that the unincorporated territories of Guam and the Virgin Islands shall each be represented in Congress by a Delegate to the House of Representatives (with an accompanying paper); to the Committee on Interior and Insular Affairs.

PROPOSED FEASIBILITY INVESTIGATIONS OF CERTAIN WATER RESOURCE DEVELOPMENTS

A letter from the Assistant Secretary of the Interior, transmitting a draft of proposed legislation to authorize the Secretary of the Interior to engage in feasibility investigations of certain water resource developments (with accompanying papers); to the Committee on Interior and Insular Affairs.

FUTURE REGULATION OF SURFACE MINING OPERATIONS

A letter from the Assistant Secretary of the Interior, transmitting a draft of proposed legislation to provide for the cooperation between the Secretary of the Interior and the States with respect to the future regulation of surface mining operations, and for other purposes (with accompanying papers); to the Committee on Interior and Insular Affairs.

PROPOSED LEGISLATION TO IMPROVE THE ECONOMIC CONDITIONS OF THE AMERICAN INDIANS

A letter from the Assistant Secretary of the Interior, transmitting four drafts of proposed legislation, (with accompanying papers) as follows:

A bill to provide for the economic development of Indians, Indian tribes, and other Indian organizations, and for other purposes;

A bill to provide for the establishment of Indian corporate entities for the economic development of Indian tribes and other organizations of Indians, and for other purposes;

A bill to provide for the resolution of the Indian fractionated ownership problem, and for other purposes; and

A bill to permit Indian tribes to have greater management over their property, and for other purposes; to the Committee on Interior and Insular Affairs.

ANNUAL REPORT OF THE COMMUNITY RELATIONS SERVICE

A letter from the Attorney General of the United States, transmitting, pursuant to law, a report on the activities of the Community Relations Service for fiscal year 1968 (with an accompanying report); to the Committee on the Judiciary.

REPORT OF THE GEORGETOWN BARGE, DOCK, ELEVATOR & RAILWAY CO.

A letter from the president, Georgetown Barge, Dock, Elevator & Railway Co., reporting, pursuant to law, on their financial condition for the calendar year 1968; to the Committee on the Judiciary.

PROPOSED LEGISLATION BY THE ATTORNEY GENERAL

A letter from the Attorney General, transmitting a draft of proposed legislation to authorize appropriations for the Civil Rights Commission (with an accompanying paper); to the Committee on the Judiciary.

A letter from the Attorney General, transmitting a draft of proposed legislation to amend the Constitution to provide for representation of the District of Columbia in the Congress (with an accompanying paper); to the Committee on the Judiciary.

A letter from the Attorney General, transmitting a draft of proposed legislation to be cited as the "Federal Gun Registration and Licensing Act of 1969" (with an accompanying paper); to the Committee on the Judiciary.

A letter from the Attorney General, transmitting a draft of proposed legislation to provide improved judicial machinery for the selection of juries, and for other purposes (with an accompanying paper); to the Committee on the Judiciary.

A letter from the Attorney General, transmitting a draft of proposed legislation proposing an amendment to the Constitution of the United States relating to the elective franchise of citizens 18 years of age or older (with an accompanying paper); to the Committee on the Judiciary.

A letter from the Attorney General, transmitting a draft of proposed legislation to prohibit business enterprises of gambling (with an accompanying paper); to the Committee on the Judiciary.

PROPOSED AMENDMENT OF VOTING RIGHTS ACT OF 1965

A letter from the Attorney General of the United States, transmitting a draft of proposed legislation to extend the Voting Rights Act of 1965 with respect to the discriminatory use of tests and devices (with an accompanying paper); to the Committee on the Judiciary.

PROPOSED OCCUPATIONAL SAFETY AND HEALTH ACT OF 1969

A letter from the Secretary of Labor, transmitting a draft of proposed legislation to assure safe and healthful working conditions for working men and women; to assist the States to participate in efforts to assure such working conditions; to provide for research, information, education, and training in the field of occupational safety and health; and for other purposes (with accompanying

papers); to the Committee on Labor and Public Welfare.

NATIONAL COMMISSION ON REFORM OF FEDERAL CRIMINAL LAWS

A letter from the Chairman, the National Commission on Reform of Federal Criminal Laws, transmitting a draft of proposed legislation to amend the act of November 8, 1966 (with an accompanying paper); to the Committee on the Judiciary.

REPORT ON AGE DISCRIMINATION IN EMPLOYMENT ACT OF 1967

A letter from the Secretary of Labor, transmitting, pursuant to law, a report pertaining to activities in connection with the Age Discrimination in Employment Act of 1967 (with an accompanying report); to the Committee on Labor and Public Welfare.

REPORT RELATING TO FAIR LABOR STANDARDS IN EMPLOYMENTS IN AND AFFECTING INTERSTATE COMMERCE

A letter from the Secretary of Labor, transmitting, pursuant to law, a report relating to fair labor standards in employments in and affecting interstate commerce, dated January, 1969 (with an accompanying report); to the Committee on Labor and Public Welfare.

REPORT ON ADMINISTRATION OF THE WELFARE AND PENSION PLANS DISCLOSURE ACT

A letter from the Secretary of Labor, transmitting, pursuant to law, a report on the administration of the Welfare and Pension Plans Disclosure Act, for the calendar year 1968 (with an accompanying report); to the Committee on Labor and Public Welfare.

PROPOSED AUTHORIZATION OF FEDERAL ASSISTANCE TOWARD ADEQUATE BENEFITS FROM DISABILITY AND DEATH OF URANIUM MINERS FROM LUNG CANCER

A letter from the Secretary of Labor, transmitting a draft of proposed legislation to authorize the Secretary of Labor to provide supplementary compensation for permanent total disability or death from lung cancer resulting from exposure to ionizing radiation in uranium mines; to provide grants to States for research and planning with respect to ionizing radiation injuries in uranium mines; and for other purposes (with accompanying papers); to the Committee on Labor and Public Welfare.

PROPOSED WELFARE AND PENSION PLAN PROTECTION ACT OF 1969

A letter from the Secretary of Labor, transmitting a draft of proposed legislation entitled "Welfare and Pension Plan Protection Act of 1969" (with accompanying papers); to the Committee on Labor and Public Welfare.

PROPOSED AMENDMENT OF THE LONGSHOREMEN'S AND HARBOR WORKER'S COMPENSATION ACT

A letter from the Secretary of Labor, transmitting a draft of proposed legislation to amend the Longshoremen's and Harbor Workers' Compensation Act to improve its benefits, and for other purposes (with accompanying papers); to the Committee on Labor and Public Welfare.

AUTHORIZATION OF APPROPRIATIONS FOR ACTIVITIES OF THE NATIONAL SCIENCE FOUNDATION

A letter from the Director, National Science Foundation, Washington, D.C., transmitting a draft of proposed legislation to authorize appropriations for activities of the National Science Foundation pursuant to Public Law 81–507, as amended (with an accompanying paper); to the Committee on Labor and Public Welfare.

PROMOTION OF EQUAL EMPLOYMENT OPPORTUNITIES OF AMERICAN WORKERS

A letter from the Attorney General, transmitting a draft of proposed legislation to further promote equal employment opportunities of American workers (with an accompanying paper); to the Committee on Labor and Public Welfare.

REPORT OF THE POST OFFICE DEPARTMENT

A letter from the Postmaster General, transmitting, pursuant to law, a report of that Department, for the fiscal year ended June 30, 1968 (with an accompanying report); to the Committee on Post Office and Civil Service.

REPORT OF NATIONAL AERONAUTICS AND SPACE ADMINISTRATION ON PUBLIC LAW 313 POSITIONS

A letter from the Acting Administrator, National Aeronautics and Space Administration, transmitting, pursuant to law, a report of the Administration with respect to certain civilian positions established during the calendar year 1968 (with accompanying papers); to the Committee on Post Office and Civil Service.

PROPOSED ADJUSTMENT OF SALARIES FOR THE VICE PRESIDENT AND CERTAIN OFFICERS OF CONGRESS

A letter from the Chairman, U.S. Civil Service Commission, transmitting a draft of proposed legislation to adjust the salaries for the Vice President and certain officers of Congress (with accompanying papers); to the Committee on Post Office and Civil Service.

ADDITIONAL POSITIONS IN GRADES GS–16, 17, AND 18

A letter from the Chairman, U.S. Civil Service Commission, transmitting a draft of proposed legislation to amend title 5, United States Code, to provide for additional positions in grades GS–16, 17, and 18 (with accompanying papers); to the Committee on Post Office and Civil Service.

PROPOSED LEGISLATION RELATING TO CONFLICTS OF INTEREST WITH RESPECT TO MEMBERS OF THE DISTRICT OF COLUMBIA COUNCIL

A letter from the Assistant to the Commissioner, Government of the District of Columbia, transmitting a draft of proposed legislation to amend title 18, United States Code, relating to conflicts of interest, with respect to the members of the District of Columbia Council (with an accompanying paper); to the Committee on Post Office and Civil Service.

PAYMENT OF CERTAIN TRAVEL EXPENSES OF CIVILIAN EMPLOYEES

A letter from the Secretary of the Navy, transmitting a draft of proposed legislation to amend section 5724(e) of title 5, United States Code, with respect to the payment of travel and transportation expenses of civilian employees who transfer from one agency to another after satisfactorily completing an agreed period of service outside the continental United States (with an accompanying paper); to the Committee on Post Office and Civil Service.

PROPOSED EXTENSION OF AUTHORIZATIONS FOR THE HIGHWAY BEAUTIFICATION PROGRAM

A letter from the Secretary of Transportation, transmitting a draft of proposed legislation to amend title 23, United States Code, to extend the authorizations for the highway beautification program through the fiscal year ending June 30, 1971, and for other purposes (with an accompanying paper); to the Committee on Public Works.

PROPOSED PUBLIC WORKS AND ECONOMIC DEVELOPMENT ACT AMENDMENTS OF 1969

A letter from the Acting Secretary of Commerce, transmitting a draft of proposed legislation to provide for the renewal and extension of certain sections of the Public Works and Economic Development Act of 1965, as amended (with accompanying papers); to the Committee on Public Works.

PROPOSED APPALACHIAN REGIONAL DEVELOPMENT ACT AMENDMENTS OF 1969

A letter from the Federal Cochairman, the Appalachian Regional Commission, transmitting a draft of proposed legislation to provide for the renewal and extension of certain sections of the Appalachian Regional Development Act of 1965, as amended (with an accompanying paper); to the Committee on Public Works.

HERBERT HOOVER LIBRARY AND EISENHOWER MUSEUM

A letter from the Administrator, General Services Administration, transmitting, pursuant to law, prospectuses which propose the construction of extensions to the Herbert Hoover Library at West Branch, Iowa, and the Eisenhower Museum at Abilene, Kans. (with accompanying papers); to the Committee on Public Works.

APPORTIONMENT OF STATE AND COMMUNITY HIGHWAY SAFETY FUNDS

A letter from the Secretary of Transportation, transmitting a draft of proposed legislation to provide a formula for apportionment of State and community highway safety funds for fiscal year 1970 and thereafter (with an accompanying paper); to the Committee on Public Works.

PROPOSED LEGISLATION FROM THE ATTORNEY GENERAL

A letter from the Attorney General, transmitting a draft of proposed legislation to revise the Federal election laws, and for other purposes (with an accompanying paper); to the Committee on Rules and Administration.

A letter from the Attorney General, transmitting a draft of proposed legislation to enable citizens of the United States who change their residences to vote in presidential elections, and for other purposes (with an accompanying paper); to the Committee on Rules and Administration.

AMENDMENT OF CHAPTER 18 OF ATOMIC ENERGY ACT OF 1954

A letter from the Chairman, U.S. Atomic Energy Commission, Washington, D.C., transmitting a draft of proposed legislation to amend chapter 18 of the Atomic Energy Act of 1954, as amended, and for other purposes (with accompanying papers); to the Joint Committee on Atomic Energy.

PROPOSED APPROPRIATIONS FOR THE U.S. ATOMIC ENERGY COMMISSION

A letter from the Chairman, Atomic Energy Commission transmitting a draft of proposed legislation to authorize appropriations to the Atomic Energy Commission in accordance with section 261 of the Atomic Energy Act of 1954, as amended, and for other purposes (with an accompanying paper); to the Joint Committee on Atomic Energy.

INCREASED PENALTIES FOR UNAUTHORIZED DIVERSION OF SPECIAL NUCLEAR MATERIAL AND RELATED OFFENSES

A letter from the Chairman, U.S. Atomic Energy Commission, transmitting a draft of proposed legislation to amend the Atomic Energy Act of 1954, as amended, to provide that life imprisonment shall be the maximum criminal penalty for certain offenses, to increase the criminal penalties for unauthorized diversion of special nuclear material and related offenses, and for other purposes (with accompanying papers); to the Joint Committee on Atomic Energy.

EXECUTIVE REPORT OF A COMMITTEE

As in executive session,

The following favorable report of a nomination was submitted:

By Mr. FULBRIGHT, from the Committee on Foreign Relations:

Charles W. Yost, of New York, to be the representative of the United States of America to the United Nations with the rank and status of Ambassador Extraordinary and Plenipotentiary, and the representative of the United States of America in the Security Council of the United Nations.

BILLS AND JOINT RESOLUTION INTRODUCED

Bills and a joint resolution were introduced, read the first time and, by unanimous consent, the second time, and referred as follows:

By Mr. HOLLAND:

S. 405. A bill to authorize the Secretary of the Interior to sell reserved phosphate interests of the United States in certain lands located in the State of Florida to the record owner or owners of such lands; to the Committee on Interior and Insular Affairs.

By Mr. PROXMIRE (for himself and Mr. BENNETT, Mr. BIBLE, Mr. BURDICK, Mr. FULBRIGHT, Mr. GRAVEL, Mr. HARTKE, Mr. INOUYE, Mr. JORDAN of Idaho, Mr. MCGEE, Mr. METCALF, Mr. MILLER, Mr. MONDALE, Mr. MOSS, Mr. NELSON, Mr. RANDOLPH, Mr. RIBICOFF, Mr. YOUNG of Ohio, Mr. KENNEDY, Mr. MCGOVERN, Mr. PELL, Mr. HART, Mr. YARBOROUGH, Mr. DODD, Mr. SCOTT, Mr. BAYH, Mr. MONTOYA, Mr. PERCY, Mr. STEVENS, Mr. COOK, Mr. TYDINGS, Mr. EAGLETON, Mr. HUGHES, and Mr. HATFIELD):

S. 406. A bill to amend the Federal Property and Administrative Services Act of 1949 to permit the rotation of certain property whenever its remaining storage or shelf life is too short to justify its retention, and for other purposes; to the Committee on Government Operations.

(See the remarks of Mr. PROXMIRE when he introduced the above bill, which appear under a separate heading.)

By Mr. SPARKMAN:

S. 407. A bill to amend the Consolidated Farmers Home Administration Act of 1961, as amended, in order to provide additional loan assistance under such act to farmers who have suffered severe production losses as the result of a national disaster; to the Committee on Agriculture and Forestry.

S. 408. A bill to modify eligibility requirements governing the grant of assistance in acquiring specially adapted housing to include loss or loss of use of a lower extremity and other service-connected neurological or orthopedic disability which impairs locomotion to the extent that a wheelchair is regularly required; and

S. 409. A bill to establish an Urban Development Bank to assist in broadening the sources and decreasing the costs of capital funds for State and local governments, and for other purposes; to the Committee on Banking and Currency.

(See the remarks of Mr. SPARKMAN when he introduced the last above bill, which appear under a separate heading.)

By Mr. MOSS:

S. 410. A bill to amend the Tariff Schedules of the United States with respect to the rate of duty on whole skins of mink; to the Committee on Finance.

(See the remarks of Mr. Moss when he introduced the above bill, which appear under a separate heading.)

By Mr. METCALF:

S. 411. A bill to provide financial assistance to candidates for President and Vice President and candidates for the Senate and House of Representatives to assist in defraying their election campaign expenses, and to repeal the Presidential Election Campaign Fund Act of 1966; to the Committee on Finance.

By Mr. METCALF (for himself and Mr. MANSFIELD):

S. 412. A bill to authorize and direct the Secretary of Agriculture to classify as wilderness the national forest lands known as the Lincoln Back Country, and parts of the Lewis and Clark and Lolo National Forests, in Montana, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. MONTOYA (for himself Mr. ANDERSON, Mr. BENNETT, Mr. BURDICK, Mr. BYRD of West Virginia, Mr. COOPER, Mr. EASTLAND, Mr. HART, Mr. MCCARTHY, Mr. MCGOVERN, Mr. METCALF, Mr. RANDOLPH, and Mr. YARBOROUGH):

S. 413. A bill to authorize the Secretary of Agriculture to cooperate with and furnish financial and other assistance to States and other public bodies and organizations in establishing a system for the prevention, control, and suppression of fires in rural areas, and for other purposes; to the Committee on Agriculture and Forestry.

(See the remarks of Mr. MONTOYA when he introduced the above bill, which appear under a separate heading.)

By Mr. MONTOYA (for himself and Mr. AIKEN, Mr. ANDERSON, Mr. BAYH, Mr. BYRD of West Virginia, Mr. EASTLAND, Mr. FULBRIGHT, Mr. HART, Mr. HATFIELD, Mr. MCGEE, Mr. METCALF, and Mr. RANDOLPH):

S. 414. A bill to amend the Consolidated Farmers Home Administration Act of 1961, as amended, to subject interest income on loans sold out of the Agricultural Credit Insurance Fund to Federal income taxes, and for other purposes; to the Committee on Agriculture and Forestry.

(See the remarks of Mr. MONTOYA when he introduced the above bill, which appear under a separate heading.)

By Mr. MONTOYA:

S. 415. A bill to provide for a program of mortgage insurance for sheltered care facilities and for other purposes; to the Committee on Banking and Currency.

(See the remarks of Mr. MONTOYA when he introduced the above bill, which appear under a separate heading.)

S. 416. A bill for the establishment of a board to review proposed procurements of automatic data processing equipment; to the Committee on Government Operations.

S. 417. A bill to authorize the Secretary of the Interior to convey certain lands in New Mexico to the Cuba Independent Schools and to the Village of Cuba; to the Committee on Interior and Insular Affairs.

S. 418. A bill to authorize the establishment of a National Nuclear Museum; to the Joint Committee on Atomic Energy.

(See the remarks of Mr. MONTOYA when he introduced the above bill, which appear under a separate heading.)

S. 419. A bill to amend section 6101 of title 5, United States Code, relating to workweeks and workdays of Federal and District of Columbia employees; to the Committee on Post Office and Civil Service.

(See the remarks of Mr. MONTOYA when he introduced the above bill, which appear under a separate heading.)

By Mr. MONTOYA (for himself and Mr. TYDINGS):

S. 420. A bill to provide more effectively for the regulation of the use of, and for the preservation of safety and order within, the Executive Mansion and grounds, and for other purposes; to the Committee on Public Works.

By Mr. MONTOYA:

S. 421. A bill to provide increased annuities under the Civil Service Retirement Act; to the Committee on Post Office and Civil Service.

(See the remarks of Mr. MONTOYA when he introduced the above bill, which appear under a separate heading.)

S. 422. A bill to amend the Internal Revenue Code of 1954 to provide that the first $5,000 received as civil service retirement annuity from the United States or any agency thereof shall be excluded from gross income; to the Committee on Finance.

(See the remarks of Mr. MONTOYA when he introduced the above bill, which appear under a separate heading.)

S. 423. A bill to amend the Civil Service Retirement Act, as amended, to provide minimum annuities for employee annuitants and spouse survivor annuitants; to the Committee on Post Office and Civil Service.

(See the remarks of Mr. MONTOYA when he introduced the above bill, which appear under a separate heading.)

By Mr. FANNIN (for himself, Mr. BENNETT, Mr. CURTIS, Mr. ERVIN, Mr. THURMOND, and Mr. WILLIAMS of Delaware):

S. 424. A bill to amend the National Labor Relations Act so as to prohibit the levying by labor organizations of fines against employees for exercising rights under such act or for certain other activities; to the Committee on Labor and Public Welfare.

(See the remarks of Mr. FANNIN when he introduced the above bill, which appear under a separate heading.)

By Mr. FANNIN (for himself, Mr. BENNETT, and Mr. WILLIAMS of Delaware):

S. 425. A bill to amend the national emergency provisions of the Labor-Management Relations Act, 1947, so as to provide for dissolution of injunctions thereunder only upon settlement of disputes; to the Committee on Labor and Public Welfare.

(See the remarks of Mr. FANNIN when he introduced the above bill, which appear under a separate heading.)

By Mr. FANNIN (for himself, Mr. BENNETT, Mr. CURTIS, Mr. ERVIN, Mr. THURMOND, and Mr. WILLIAMS of Delaware):

S. 426. A bill to amend the National Labor Relations Act so as to require a board-conducted election in representation cases; to the Committee on Labor and Public Welfare.

(See the remarks of Mr. FANNIN when he introduced the above bill, which appear under a separate heading.)

By Mr. MCGEE:

S. 427. A bill for the relief of Ho Chi Leung;

S. 428. A bill for the relief of Arlie A. Delano;

S. 429. A bill for the relief of Nedja Budisavljvich;

S. 430. A bill for the relief of Leonard F. Rizzuto; and

S. 431. A bill for the relief of Miss Teruko Sasaki; to the Committee on the Judiciary.

By Mr. MCGEE (for himself and Mr. HANSEN):

S. 432. A bill for the relief of Anka Zdunic; to the Committee on the Judiciary.

S. 433. A bill to provide for the establishment of a national cemetery in the State of Wyoming;

S. 434. A bill to reauthorize the Riverton extension unit, Missouri River Basin project, to include therein the entire Riverton Federal reclamation project, and for other purposes; to the Committee on Interior and Insular Affairs.

(See the remarks of Mr. MCGEE when he introduced the above bill, which appear under a separate heading.)

S. 435. A bill to amend section 35 of the Mineral Leasing Act of 1920 with respect to the disposition of the proceeds of sales, bonuses, royalties, and rentals under such act; to the Committee on Interior and Insular Affairs.

By Mr. MOSS (for himself and Mr. MONTOYA):

S. 436. A bill to equalize civil service retirement annuities, and for other purposes; to the Committee on Post Office and Civil Service.

(See the remarks of Mr. Moss when he introduced the above bill, which appear under a separate heading.)

By Mr. MOSS:

S. 437. A bill to amend chapter 83, title 5, United States Code, to eliminate the reduction in the annuities of employees or Members who elected reduced annuities in order to provide a survivor annuity if predeceased by the person named as survivor and permit a retired employee or Member to designate a new spouse as survivor if predeceased by the person named as survivor at the time of retirement; and

S. 438. A bill to amend section 8332 of title 5, United States Code, to provide for the inclusion in the computation of accredited services of certain periods of service rendered States or instrumentalities of States, and for other purposes; to the Committee on Post Office and Civil Service.

(See the remarks of Mr. Moss when he introduced the above bills, which appear under separate headings.)

By Mr. McINTYRE (for himself and Mr. COTTON):

S. 439. A bill to amend section 1777(c) of title 38, United States Code, in order to permit, under certain circumstances, the approval of on-the-job training courses which require more than 2 years' training; to the Committee on Labor and Public Welfare.

By Mr. ELLENDER:

S. 440. A bill for the relief of Ante Cibilich; to the Committee on the Judiciary.

By Mr. INOUYE:

S. 441. A bill for the relief of certain individuals employed by the Federal Aviation Agency at Wake Island;

S. 442. A bill for the relief of Mrs. Ryo H. Yokoyama;

S. 443. A bill to confer jurisdiction on the U.S. District Court for the District of Hawaii to hear, determine, and render judgment on the claims of Mrs. Agnes J. Wong against the United States;

S. 444. A bill for the relief of Chiyo Shitanishi;

S. 445. A bill for the relief of Antone R. Perreira;

S. 446. A bill for the relief of the estate of Yoshito Ota;

S. 447. A bill for the relief of Masayoshi Onaka;

S. 448. A bill for the relief of Gus Nihoa;

S. 449. A bill for the relief of Carl H. Carson;

S. 450. A bill for the relief of Chief Boatswain's Mate Benjamin Henry Blakeman, U.S. Navy;

S. 451. A bill for the relief of Captain John H. Beaumont, U.S. Air Force Reserve;

S. 452. A bill for the relief of Dionicia Ulivas;

S. 453. A bill for the relief of Herminia F. Tambaoan;

S. 454. A bill for the relief of Alfredo Moraldo;

S. 455. A bill for the relief of Lenisi Mataele;

S. 456. A bill for the relief of Arturo D. Lagasca Jr.;

S. 457. A bill for the relief of Mrs. Carolina M. Lacsamana;

S. 458. A bill for the relief of Yuka Fukunaga;

S. 459. A bill for the relief of Crispulo C. Cordero;

S. 460. A bill for the relief of Felicidad Calentena;

S. 461. A bill for the relief of Miss Filomena Cabot; and

S. 462. A bill for the relief of Mrs. Julia B. Briones; to the Committee on the Judiciary.

By Mr. TALMADGE (for himself and Mr. HOLLINGS):

S. 463. A bill authorizing the President to proclaim the period March 2 through March 8, 1969, as "Circle K Week"; to the Committee on the Judiciary.

By Mr. RANDOLPH:

S. 464. A bill for the relief of Dr. Jaime E. Lazaro;

S. 465. A bill for the relief of Dr. Lydia L. Lazaro; and

S. 466. A bill for the relief of Loreta Acdan; to the Committee on the Judiciary.

By Mr. RANDOLPH (by request):

S. 467. A bill for the elimination of health dangers to coal miners resulting from the inhalation of coal dust; to the Committee on Labor and Public Welfare.

By Mr. GRAVEL:

S. 468. A bill for the relief of Kam Ka Wong; to the Committee on the Judiciary.

By Mr. BAYH:

S. 469. A bill for the relief of Tsoi Chun;

S. 470. A bill for the relief of Yung Yee Ho; and

S. 471. A bill for the relief of Ho Kam; to the Committee on the Judiciary.

By Mr. BAYH (for himself and Mr. BAKER, Mr. CANNON, Mr. COOK, Mr. CRANSTON, Mr. DOLE, Mr. EAGLETON, Mr. FULBRIGHT, Mr. HART, Mr. HOLLINGS, Mr. HUGHES, Mr. INOUYE, Mr. JAVITS, Mr. MAGNUSON, Mr. METCALF, Mr. MONDALE, Mr. PACKWOOD, Mr. PROUTY, Mr. RANDOLPH, Mr. RIBICOFF, Mr. SPONG, Mr. STEVENS, Mr. TYDINGS, Mr. YOUNG of North Dakota, and Mr. ALLEN):

S. 472. A bill to amend title II of the Social Security Act to increase the annual amount individuals are permitted to earn without suffering deductions from the insurance benefits payable to them under such title; to the Committee on Finance.

(See the remarks of Mr. BAYH when he introduced the above bill, which appear under a separate heading.)

By Mr. GORE:

S. 473. A bill to amend section 320 of title 23 of the United States Code, relating to highway bridges on Federal dams, in order to increase the amount authorized in such section; to the Committee on Public Works.

S. 474. A bill to provide for the appointment of an additional district judge for the Western District of Tennessee; to the Committee on the Judiciary.

By Mr. MILLER:

S. 475. A bill for the relief of Hermenegildo M. Kadile; and

S. 476. A bill for the relief of Mrs. Marjorie Zuck; to the Committee on the Judiciary.

By Mr. GORE:

S. 477. A bill to prohibit the holding by the Secretary of the Treasury of stock in any bank, banking institution, or trust company; to the Committee on Finance.

By Mr. McGEE:

S.J. Res. 23. A joint resolution to determine the susceptibility of minerals to electrometallurgical processes, and for other purposes; to the Committee on Interior and Insular Affairs.

S. 406—INTRODUCTION OF MEDICAL STOCKPILE UTILIZATION BILL

Mr. PROXMIRE. Mr. President, once again this year I rise to introduce legislation to provide for the orderly disposal of Government-held, stockpiled medical supplies that would otherwise be destroyed at the termination of their useful shelf life. I introduce this proposal on behalf of my self and Senators BENNETT, BIBLE, BURDICK, FULBRIGHT, GRAVEL, HARTKE, INOUYE, JORDAN of Idaho, McGEE, METCALF, MILLER, MONDALE, MOSS, NELSON, RANDOLPH, RIBICOFF, YOUNG of Ohio, KENNEDY, McGOVERN, PELL, HART, YARBOROUGH, DODD, SCOTT, BAYH, MONTOYA, PERCY, STEVENS, COOK, TYDINGS, EAGLETON, HUGHES, and HATFIELD.

At the present time approximately $158 million worth of medical materials and supplies are stockpiled in the United States in 2,500 packaged disaster hospitals, natural disaster hospitals, medical stockpile depots, and hospital reserve disaster inventory units. Originally these stockpiled items were intended for use in case of nuclear attack, an attack which could result in 75 million casualties, one-third of which would require professional medical care. However, the prepositioned packaged disaster hospitals have also proven extraordinarily useful in dealing with natural disasters such as floods and hurricanes as well as riots, civil disturbances, and other manmade disasters.

While this lifesaving network has contributed to the Nation's security it has also fostered a serious problem—how does the Government handle perishables such as antibiotics and delicate medical instruments when they begin to disintegrate and lose their effectiveness? Until very recently the Government has destroyed these perishable commodities because the authority to dispose of them otherwise has been considered nonexistent or, at best, very unclear.

I am happy to say that since the time I first introduced this legislation back in the 89th Congress the situation has improved somewhat, however. In 1967, General Counsel at the Department of Health, Education, and Welfare, the Department responsible for the medical stockpile, found that items from the stockpile could be declared unsuitable for civil defense purposes because of limited remaining shelflife and disposed of as excess property. This means that the material could be transferred without reimbursement to other Federal agencies. The procedure is still under study by the Office of Emergency Planning. The major problem is simply that of funding the replacement of materials that have been declared excess.

In addition a limited number of agreements have been reached with existing hospitals for the placement of packaged disaster hospitals without charge, with the existing hospital agreeing to maintain the supply and freshness of the disaster items through rotation with medical equipment and supplies that are in use. This has reduced somewhat losses through the deterioration of medical supplies and equipment.

Finally, Federal agencies having requirements for medical materials have used stockpiled items and replaced them with fresh stock. Unfortunately such rotation is grossly inadequate to meet all losses caused by deterioration.

With all of this progress, and prospective progress, the fact remains that deterioration losses will continue at the rate of $4 to $5 million a year as estimated by the Division of Health Mobilization of the Public Health Service. This means that millions of dollars of lifegiving medicine and equipment will be put to the torch unless Congress acts to set national policy by making it clear beyond a shadow of a doubt that these medical items can be transferred, donated, or sold before they become completely useless.

This is exactly what the bill I am introducing today will do. It will permit medical equipment and supplies to be de-

cleared excess or surplus by the head of the administering agency if first, their remaining storage or shelf life is of too short duration to justify continued retention; and, second, their transfer or disposal would be in the interest of our Government.

My proposal would also improve substantially the handling of foreign excess property, with particular emphasis on medical materials and supplies. The bill would do this by permitting the return of foreign excess property to the United States for further Federal utilization and donation whenever it is in the national interest. The legislation would also permit medical items located overseas that would be available for donation if they were in this country to be given to nonprofit medical or health organizations for use in foreign lands. One need only turn to the terrible medical needs spawned by the Biafran crisis to recognize the importance of this provision.

I am happy to say that the bill I am introducing today has the approval and support of the General Services Administration, which administers the surplus property disposal program, as well as the concurrence of the Department of Health, Education, and Welfare—the Department in charge of the emergency medical stockpile program—and the Bureau of the Budget. In fact today's legislation represents a substitute suggested by the General Services Administration for S. 1717, the bill I introduced on this subject in the last Congress.

Mr. President, I sincerely hope that the Congress will act quickly to pass this modest bill and thus make sure that vitally needed medical supplies can be made available to heal the suffering before deterioration dictates the destruction of these precious commodities.

Mr. President, I ask unanimous consent that the bill be printed in the RECORD.

The VICE PRESIDENT. The bill will be received and appropriately referred; and without objection, the bill will be printed in the RECORD.

The bill (S. 406) to amend the Federal Property and Administrative Services Act of 1949 to permit the rotation of certain property whenever its remaining storage or shelf life is too short to justify its retention, and for other purposes, introduced by Mr. PROXMIRE (for himself and other Senators), was received, read twice by its title, referred to the Committee on Government Operations, and ordered to be printed in the RECORD, as follows:

S. 406

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 201 of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 481) is amended by adding at the end thereof the following new subsection:

"(e) Whenever the head of any executive agency determines that the remaining storage or shelf life of any medical materials or medical supplies held by such agency for national emergency purposes is of too short duration to justify their continued retention for such purposes and that their transfer or disposal would be in the interest of the United States, such materials or supplies shall be considered for the purposes of section 202 of this Act to be excess property. In accordance with the regulations of the Administrator, such excess materials or supplies may thereupon be transferred to or exchanged with any other Federal Agency for other medical materials or supplies. Any proceeds derived from such transfers may be credited to the current applicable appropriation or fund of the transferor agency and shall be available only for the purchase of medical materials or supplies to be held for national emergency purposes. If such materials or supplies are not transferred to or exchanged with any other Federal agency, they shall be disposed of as surplus property. To the greatest extent practicable, the head of the executive agency holding such medical materials or supplies shall make the determination provided for in the first sentence of this subsection at such times as to insure that such medical materials or medical supplies can be transferred or otherwise disposed of in sufficient time to permit their use before their shelf life expires and they are rendered unfit for human use."

SEC. 2. Section 402 of the Federal Property and Administrative Services Act of 1949, as amended (40 U.S.C. 512), is amended by—

(a) inserting, immediately after the section number "SEC. 402", the subsection designation "(a)";

(b) inserting after the words "Foreign excess property" in the first sentence thereof the words "not disposed of under subsections (b) and (c) of this section";

(c) striking out in the first sentence thereof the clause designations "(a)" and "b)", and inserting in lieu thereof the clause designations "(1)" and "(2)", respectively; and

(d) adding at the end thereof the following new subsections:

"(b) Any executive agency having in any foreign country any medical materials or supplies not disposed of under subsections (c) of this section, which, if situated within the United States would be available for donation pursuant to section 203 of this Act, may donate such materials or supplies without cost (except for costs of care and handling), for use in any foreign country, to nonprofit medical or health organizations, including those qualified to receive assistance under sections 214(b) and 607 of the Foreign Assistance Act of 1961, as amended (22 U.S.C. 2174(b) and 2357).

"(c) Under such regulations as the Administrator shall prescribe pursuant to this subsection, any foreign excess property may be returned to the United States for handling as excess or surplus property under the provisions of sections 202, 203(j) and 203(l) of this Act whenever the head of the excessive agency concerned determines that it is in the interest of the United States to do so: *Provided,* That regulations prescribed pursuant to this subsection shall require that the transportation costs incident to such return shall be borne by the Federal agency, State agency, or donee receiving the property."

S. 409—INTRODUCTION OF BILL TO BE CITED AS THE "URBAN DEVELOPMENT BANK ACT OF 1969"

Mr. SPARKMAN. Mr. President, I introduce, for appropriate reference, a bill to be cited as the "Urban Development Bank Act of 1969." I ask unanimous consent that a section-by-section summary of the bill be printed in the RECORD.

The VICE PRESIDENT. The bill will be received and appropriately referred; and, without objection, the section-by-section summary will be printed in the RECORD.

The bill (S. 409) to establish an Urban Development Bank to assist in broadening the sources and decreasing the costs of capital funds for State and local governments, and for other purposes, introduced by Mr. SPARKMAN, was received, read twice by its title, and referred to the Committee on Banking and Currency.

The summary presented by Mr. SPARKMAN is as follows:

SECTION-BY-SECTION SUMMARY OF THE URBAN DEVELOPMENT BANK ACT OF 1969

SEC. 1. This section provides for the Act to be cited as the "Urban Development Bank Act of 1969."

Sec. 2. Findings and Declaration of Purpose: This section states the findings that the sound and orderly development of our Nation's communities requires the timely provision of a wide variety of public works and community facilities and that the present source of capital funds to finance these projects is inadequate, and states the purpose of the Act to establish an Urban Development Bank to make long-term development loans at reasonable interest rates and to provide technical assistance to State and local governments to help them meet needs for public works and community facilities.

Sec. 3. Creation of Bank: This section would establish the Urban Development Bank as a non-Federal corporation and would authorize the Bank to establish regional or metropolitan offices.

Sec. 4. Board of Directors: This section would provide for a 17-member board of directors to consist of the president of the Bank, not more than three Federal officials or employees appointed by the President, three members appointed by the President representative of State or local government, four members elected by local governments holding class A stock of the Bank, four members elected by the States holding class B stock, and two members elected by private persons or organizations holding class C stock. Class C stockholders would elect only one director if their aggregate holdings were less than $50 million, the President to appoint the remaining director. The term of non-Federal members would be one year, and members who were Federal officials would serve at the pleasure of the President. The board would meet at least monthly and would determine general policies of the Bank. The president of the Bank would be appointed by the President and would be chairman of the board of directors.

Sec. 5. Initial Board of Directors: This section would authorize the President to appoint all directors for an initial term until all classes of common stock were represented, but not less than one year. The President's appointments would be representative of Federal, State, local, and private interests.

Sec. 6. Initial Expenses: This section would authorize an appropriation not exceeding $1 million, to remain available for three years, for the Secretary of Housing and Urban Development to pay initial organizing and operating expenses of the Bank.

Sec. 7. Functions: This section would authorize the Bank to make loans, or participations in loans, to a State or local government to finance capital expenditures for public works and community facilities. Loans could not exceed the capital cost of the project, have a maturity exceeding 40 years, or an interest rate less than two-thirds the current average yield on the Bank's outstanding obligations. Projects financed by the Bank would not be inconsistent with comprehensive planning for the community, or disruptive of Federal programs assisting similar or like projects.

Sec. 8. Common Stock: This section would provide for three classes of common stock, class A to be issued to local governments; class B to be subscribed for by the States; and class C to be subscribed for by private individuals and organizations, in a minimum of $10,000. Each share of stock would be entitled to one vote, except that any class C stock held by one person in excess of $1,000,000 would be non-voting. Borrowers from the Bank would be required to make nonrefundable capital subscriptions in amounts

of not less than 1 nor more than 2 per cent of the amount of the loan. The Bank would be authorized to impose fees for its services to meet costs and expenses. Dividends declared by the Bank, limited to six per cent annually, could be paid to the stockholders out of any net earnings.

Sec. 9. Obligations of the Bank: This section would authorize the Bank to raise funds through the issuance of bonds or other debt instruments. The Bank's issues would be required to receive the prior approval of the Secretary of the Treasury. Obligations issued by the Bank would state that they are not guaranteed by the United States and do not constitute an obligation of the United States. The aggregate amount of outstanding obligations would be limited to $2 billion, which amount would be increased by $5 billion on July 1, 1970, and by $5 billion on July 1 of each of three succeeding years. In addition to these obligations, the Bank could issue other obligations which the Secretary of the Treasury would be authorized to purchase in order to insure the financial integrity of the operations of the Bank.

Sec. 10. Federal Payment to the Bank: This section would authorize the Secretary of Housing and Urban Development to make, and to contract to make, annual payments to the Bank in amounts necessary to equal the amount by which the dollar amount of interest paid by the Bank on its obligations exceeds the dollar amount of interest received by the Bank on loans made by it. For this purpose, the amount of loans that could be made by the Bank would be approved in Appropriation Acts.

Sec. 11. General Powers: This section would provide the Bank with general corporate powers.

Sec. 12. Technical Assistance: This section would authorize the Bank to render technical assistance to State and local governments in the preparation and implementation of projects, and to gather and facilitate the interchange of advanced concepts relating to municipal development.

Sec. 13. Audit of Financial Transactions: This section would require the financial transactions of the Bank to be audited by the General Accounting Office. The Bank would reimburse the Government for the cost of any audit.

Sec. 14. Audit Report to Congress: This section would require a report of each audit to be made by the Comptroller General to the President and the Congress, with copies of each report to the Secretary of Housing and Urban Development, the Secretary of the Treasury, and the Bank.

Sec. 15. Tax Exemption: This section would generally exempt the Bank and its income from all taxes. However, any real and personal property of the Bank would be subject to taxation and all obligations issued by the Bank would be subject both as to principal and interest to Federal, State, and local taxation to the same extent as obligations of private corporations.

Sec. 16. Obligations as Lawful Investments, Acceptance as Security: This section would make obligations issued by the Bank lawful investments and acceptable as security for all fiduciary, trust, and public funds, and its stock exempt from SEC requirements.

Sec. 17. Preparation of Obligations: This section would authorize the Secretary of the Treasury to prepare, hold, and deliver obligations for the Bank on a reimbursable basis.

Sec. 18. United States Not Liable: This section provides that the United States shall not be liable for any debts, defaults, acts, or omissions of the Bank.

Sec. 19. Annual Report: This section would require the Bank to transmit to the President and Congress an annual report of its operations and activities.

Sec. 20. Amendments Relating to Financial Institutions: This section would permit Federal Reserve banks, national banks, and Federal savings and loan associations to invest in or deal in obligations of the Bank.

Sec. 21. Definitions: This section would provide definitions.

Sec. 22. Separability: This section would make the provisions and validity of the Act separable if any provision is held invalid.

Sec. 23. Authorization for Appropriations: This section would authorize appropriations necessary to carry out the purposes of the Act.

S. 410—INTRODUCTION OF BILL RELATING TO MINK PELT QUOTAS

Mr. MOSS. Mr. President, I introduce, for appropriate reference, a bill to limit the number of mink pelts imported to this country from foreign countries.

The production of mink pelts is a major business in the State of Utah. The bill I am introducing today will protect the interests of our domestic mink ranchers, and still provide for a fair share of our market to foreign competition.

Mr. Richard E. Westwood, a resident of Utah, currently serves as president of Emba Mink Breeders Association, a pelt marketing cooperative.

He informs me that the impact of imports on the domestic mink market is evident in two areas. First, the membership in his organization has dropped from a peak of 5,623 in 1958 to 2,800 at the beginning of 1969.

The second factor is the price Emba members are receiving for their mink pelts. Mr. Westwood is now in New York City attending an auction of mink pelts, and he told me this morning that the price for the 1968 crop is stabilizing at about $14.50. Compare this with the average price of $19.55 received in 1966 for the 1965 crop.

These lower prices are the main reason for the decline in the number of mink producers still in operation. The $14.50 average price of 1968 is actually below the cost most producers encounter in raising the mink. Many producers have not quit, but have been forced to use up reserve funds or have delayed improvements to their facilities. Both measures are temporary and cannot be sustained over too long a period.

Foreign producers have lower production costs and have, therefore, increased their production at a faster rate than domestic producers. According to the U.S. Tariff Commission, the production of the four Scandinavian countries now exceeds that of the United States. The United States consumes 45 percent of the world crop while producing only 27 percent.

Imports account for more than 50 percent of the domestic consumption. The higher costs and lower prices facing the domestic producer give the advantage to the importer, and this means the imports will continue to increase unless some restrictions are placed on these imports.

The bill I am introducing seeks to control the importation of mink pelts while still sharing a substantial part of the market with our foreign friends. I think the bill is fair to the importers and is vitally necessary to protect the existence of the domestic mink producer.

I ask that the bill be printed at this point in the RECORD.

The VICE PRESIDENT. The bill will be received and appropriately referred; and, without objection, the bill will be printed in the RECORD.

The bill (S. 410) to amend the Tariff Schedules of the United States with respect to the rate of duty on whole skins of mink introduced by Mr. Moss, was received, read twice by its title, referred to the Committee on Finance, and ordered to be printed in the RECORD, as follows:

S. 410

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) schedule 1, part 5, subpart B of the Tariff Schedules of the United States (19 U.S.C. 1202) is amended by inserting after item 123.50 the following new items:

"	Whole skins of mink, whether or not dressed (see headnote 5 to this subpart):		
123.60	In each calendar year before the entry, or withdrawal from warehouse, for consumption of the number of such skins which equals 40% of the domestic consumption of such skins during that year, as estimated by the Secretary of Agriculture under headnote 6 to this subpart	Free	Free
123.62	In each calendar year after the entry, or withdrawal from warehouse, for consumption of the number of such skins which equals 40% of the domestic consumption of such skins during that year, as estimated by the Secretary of Agriculture under headnote 6 to this subpart	50% ad val.	50% ad val.
123.65	Plates made of two or more whole skins of mink, whether or not dressed	50% ad val.	50% ad val. "

(b) The headnotes for schedule 1, part 5, subpart B of such Schedules are amended by adding at the end thereof the following headnotes:

"5. The aggregate number of dressed whole skins of mink which may be entered under item 123.60, during each calendar year after 1969 shall not exceed the average annual number of such skins which were imported into the United States during the 5 calendar years preceding each such year. The Secretary of Agriculture, for each calendar year after 1969, shall, before the beginning of such year, determine, publish, and certify to the Secretary of the Treasury the average annual number of dressed whole skins of mink which were imported into the United States during the 5 calendar years preceding such year. In making such determination for any calendar year, the Secretary of Agriculture shall use estimates for any portion of the immediately preceding calendar year for which final statistics are not available. Determinations made by the Secretary of Agriculture under this paragraph shall be final.

"6. The Secretary of Agriculture, for each calendar year after 1969, shall, before the beginning of such year, estimate, publish, and certify to the Secretary of the Treasury the number of whole skins of mink that will be domestically consumed during such year. Estimations made by the Secretary of Agriculture under this paragraph shall be final."

SEC. 2. The amendments made by the first section of this Act shall apply with respect to articles entered, or withdrawn from warehouse, for consumption on or after January 1, 1970.

S. 413—INTRODUCTION OF COOPERATIVE RURAL FIRE PROTECTION BILL

Mr. MONTOYA. Mr. President, I now introduce a bill for myself, Mr. BEN-

NETT, Mr. BURDICK, Mr. BYRD of West Virginia, Mr. COOPER, Mr. EASTLAND, Mr. HART, Mr. MCCARTHY, Mr. MCGOVERN, Mr. METCALF, Mr. RANDOLPH, and Mr. YARBOROUGH, to provide for cooperative rural fire protection.

The United States just recently achieved one of man's oldest dreams. We have sent men to orbit the moon and return safely to earth. This remarkably successful and historic event was the culmination of years of continuing cooperative effort on the part of many men, and the expenditure of great sums of money and materials.

The legislation I am introducing is also a new, forward-looking, cooperative program, though one of modest cost. It is needed throughout rural America to provide the capability to reduce the tragic loss of life and property resulting from fires. Nearly 1,000 rural people lose their lives to fire each year and total farm fire losses in the United States in 1967 amounted to $208 million.

The program provides for the technical assistance, training, and equipping of fire control forces to suppress both structural and wildfires in rural areas which are now under no organized protection or have only limited protection. It is basically a local effort supported by Federal-State cost sharing at a 75–25 percent level.

Potentially capable volunteer firefighters can be recruited in most rural areas and local initiative can usually be counted upon to provide suitable space and storage facilities for apparatus and fire equipment. The program would provide adequate fire protection for rural people living in communities of 5,500 or less. Also affected will be nearly 420 million acres of cropland, pastureland, farmsteads and other farmland, and nonmountainous range areas located in each of the 50 States.

Property and scenic values are high in these areas. Exclusive of land, total direct investments which will be protected by the program approach $195 billion.

Fire insurance benefits will accrue to rural residents whose property is not insurable at the present time due to lack of protection. Farm property insurance is commonly discouraged by high premiums. It is estimated that fire insurance premiums would be reduced as a result of improved, organized protection in rural areas. Better fire protection and reduced insurance rates should attract residents and business and help reduce the migration to urban areas.

Rapid changes in land-use patterns along with soaring resource and improvement values have made the need for adequate fire protection an urgent matter. I know this is true for the State of New Mexico.

Rural civil defense capability to cope with potential threat and devastation problems which nuclear scientific development has created will be strengthened. Most State foresters serve as chairmen of the State rural fire defense committee. This program will make it possible to establish urgently needed statewide protection. A strong rural fire control program is essential if the United States is to effectively meet the threat of nuclear or other fire emergencies.

Significant program effectiveness has already been reflected in the highly favorable reports received from five rural fire defense training projects located in Colorado, Florida, Kentucky, Missouri, and Oregon. Participation and acceptance of the training by local cooperators was excellent. However, these projects did not provide for an equipment component.

I believe that the economic and social gains in rural America will be great from the early enactment of this legislation. A number of Senators have expressed their interest in cosponsoring this measure and I would welcome and invite them to join me.

Mr. President, I ask unanimous consent that the text of the bill be printed at this point in the RECORD.

The VICE PRESIDENT. The bill will be received and appropriately referred; and, without objection, the bill will be printed in the RECORD.

The bill (S. 413) to authorize the Secretary of Agriculture to cooperate with and furnish financial and other assistance to States and other public bodies and organizations in establishing a system for the prevention, control, and suppression of fires in rural areas, and for other purposes, introduced by Mr. MONTOYA (for himself and other Senators), was received, read twice by its title, referred to the Committee on Agriculture and Forestry, and ordered to be printed in the RECORD, as follows:

S. 413

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That in order to reduce the economic loss to the Nation from fires in rural areas there is a need for the combined efforts of Federal, State, and local governments and nonprofit organizations to facilitate the establishment of adequate systems for the protection, control, and suppression of fires of woodlands, rangelands, orchards, pastures, crops, farmsteads, and other structures in rural areas, including those of a population of fifty-five hundred or less not included in a metropolitan area. To this end, the Secretary of Agriculture is authorized and directed to cooperate with State foresters or other appropriate officials of the several States for the development by States, other public bodies, and nonprofit organizations of effective organizations and systems and to provide financial and other assistance in organizing, training, and equipping forces for the prevention, control, and suppression of fires in rural areas and rural communities.

SEC. 2. The Secretary shall carry out this Act in accordance with cooperative agreements with appropriate State officials. Such agreements shall contain such conditions as the Secretary deems appropriate for the purposes of this Act. No such agreement shall provide for financial assistance by the Secretary under this Act in any State during any fiscal year in excess of 75 per centum of the total budgeted expenditures or the actual expenditures, whichever is less, of the undertakings of such agreement for such year, including expenditures of local public and private nonprofit organizations. Payments by the Secretary under such agreements may be made on the certificate of the appropriate State official that expenditures as provided for under such agreements have been made and funds may be made available, as determined by the Secretary, without regard to the provisions of the Act of July 31, 1823 (3 Stat. 723; 31 U.S.C. 529), concerning the advance of public moneys.

SEC. 3. There is authorized to be appropriated to carry out the provisions of this Act $3,500,000 for the fiscal year ending June 30, 1970; $4,500,000 for the fiscal year ending June 30, 1971; $6,000,000 for the fiscal year ending June 30, 1972; and thereafter such amounts as may be necessary.

S. 414—INTRODUCTION OF BILL RELATING TO GREATER USE OF PRIVATE CAPITAL FOR CONSTRUCTION OF WATER AND SEWER FACILITIES

Mr. MONTOYA. Mr. President, today, I introduce a bill for myself, Mr. AIKEN, Mr. ANDERSON, Mr. BAYH, Mr. BYRD of West Virginia, Mr. EASTLAND, Mr. FULBRIGHT, Mr. HART, Mr. MCGEE, Mr. METCALF, and Mr. RANDOLPH to provide increased capital for the Farmers Home Administration.

In the closing week of the last session, the Senate unanimously approved a measure for greater use of private capital in moving ahead with the rural water and sewer program which is being carried on through the Farmers Home Administration.

This measure passed the Senate as an amendment to the bill H.R. 2767. Unfortunately, in the adjournment rush of last October, the amendment had to be set aside for lack of opportunity to consider it in conference with the House.

However, in view of the Senate's recognition that this is a wise and necessary action, I now reintroduce it as a bill and urge that the Congress proceed to pass it as quickly as possible. Without this bill we cannot assure even the minimum acceptable rate of progress in building essential public services in rural areas.

Across the rural United States there are over 30,000 communities still deprived of adequate water supply systems and more than 40,000 communities without sanitary waste disposal systems. Recent acts of Congress authorizing the rural program have recognized that this lag between rural and urban standards is long overdue for correction. No family in America should be expected to go on living without a clean and dependable water supply or without protection against the hazards of bad sanitary conditions. Rural communities cannot regain their growth without these improvements. For people who suffer in overburdened cities, the great promise of opportunity in rural areas can never be realized unless rural communities offer real hope for economic progress and decent living conditions.

Congress has authorized the rural water and sewer program to be financed not only with direct Federal loans and grants but also through loans by private lending institutions whose risk is insured by the Farmers Home Administration.

However, the Treasury Department has held that private lenders should not enjoy income tax exemption on insured loans to small municipal governments and other local public bodies whose bond issues are tax exempt. Unless this objection is resolved, thousands of towns and public districts unable to finance their projects by conventional means may die on the vine as they wait for a day when enough Government money will be available.

Private funds can and should be used to sustain this program, and the bill I

resubmit today provides for a method that the Treasury endorsed when it was first put before the 90th Congress.

This bill would let the Farmers Home Administration buy tax-exempt bonds from small towns or public districts at interest rates not to exceed 5 percent. FHA then would resell these loans to private lenders, who would receive the higher insured loan interest rate from the Farmers Home Administration. The bonds would retain their tax-exempt form; but under separate agreements with the Farmers Home Administration insuring their investments, the private lenders would agree to pay income tax on their interest received from FHA.

In practical effect at the U.S. Treasury, there would be no net outlay by the Government. The difference between FHA's interest received from the local public body, and its interest paid to the private lender, would be offset by the lender's Federal income tax payments. In fact, the following figures, based on insured loan interest rates in force this fiscal year, show that the Government could more than offset its initial deficit:

First. FHA would collect 5 percent interest from the local public body. This would amount to $5 million on every $100 million of rural water and sewer system financing.

Second. FHA would pay an estimated 6 percent interest to a private investor for funds to cover the loan. Temporarily this would incur a net deficit of $1 million for every $100 million of financing.

Third. Assuming, as has the Treasury Department, that private lenders on the average would be in the 50-percent income tax bracket, lenders would pay $3 million income tax on the $6 million of interest earned from investments totaling $100 million. This tax would be $2 million more than FHA's deficit from the first two transactions described above.

Fourth. The Government thus would net $2 million a year on every $100 million worth of such financing accomplished through the Farmers Home Administration.

Mr. President, nearly every Member of the Senate has seen in his State the tremendous benefits of this rural water and sewer facilities program. In 8 years it has resulted in more than 4,000 projects. But need and demand far exceed by several hundred percent the $75 million or so now available in the national budget for direct loans to communities.

It seems incomprehensible that we would fail to encourage private investment in this program which is so essential to the betterment of life in all areas of the Nation.

I, therefore, urge that the Congress pass this bill to insure that the obstacle to more use of private capital be removed, so that more rural communities can proceed to a decent standard of water and sanitary services for their people.

I know there are a number of our colleagues that face this problem within their own respective States. I would welcome their cosponsorship of this measure.

Mr. President, I ask unanimous consent that the text of this measure be printed at this point in the RECORD.

The VICE PRESIDENT. The bill will be received and appropriately referred; and, without objection, the bill will be printed in the RECORD.

The bill (S. 414) to amend the Consolidated Farmers Home Administration Act of 1961, as amended, to subject interest income on loans sold out of the Agricultural Credit Insurance Fund to Federal income taxes, and for other purposes, introduced by Mr. MONTOYA (for himself and other Senators), was received, read twice by its title, referred to the Committee on Agriculture and Forestry, and ordered to be printed in the RECORD, as follows:

S. 414

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 306(a)(1) is amended by changing the period at the end thereof to a colon and adding: "*Provided,* That when such loans for water or waste disposal are hereafter sold out of the Agricultural Credit Insurance Fund as insured loans, the interest or other income thereon paid out of said Fund to the insured lenders, notwithstanding any other provision of Federal law, shall not be tax exempt for income purposes under Federal law."

S. 415—INTRODUCTION OF SHELTERED CARE FACILITY MORTGAGE INSURANCE ACT OF 1969

Mr. MONTOYA. Mr. President, I introduce, for proper reference, the "Sheltered Care Facility Mortgage Insurance Act of 1969." This is a bill to provide for a program of mortgage insurance for sheltered care facilities.

Mr. President, there appears to be a great need for a program to provide for "sheltered care facilities" for the care of persons who, while not in need of nursing home care and treatment, nevertheless are unable to live fully independently and who are in need of minimum but continuous care provided by semiprofessional personnel. This bill which I am introducing would make possible such sheltered care facilities.

The need for such facilities appears to be based on the need for facilities for those who require less attention than is normally expected in a nursing home. That is, accommodations for persons, who because of incapacitating infirmities, require minimum but continuous care but who are not in need of continuous medical or nursing services. Since there would be fewer "services" provided at such facilities, the cost to those residing in such facilities would be reduced proportionately, making "housing" available to a greater number of individuals.

This need was graphically illustrated by an instance last year in Las Cruces, N. Mex., when 18 welfare patients were asked to move from a nursing home because the nursing home was not able to operate profitably caring for welfare patients under the medicaid program. They reportedly were operating at a loss and had to ask such patients to leave with no place for the patients to go. Some of these individuals needed less than the continuous medical or nursing services which were being provided at the nursing home, but yet they were not able to care for themselves and did require at least minimum and continuous care. Had a sheltered care facility been available to them, their needs would have been met. This is but one example of individuals whose needs could be provided for.

The need for sheltered care facilities nationwide appears to be critical and one requiring our urgent attention. There are presently no Federal programs available to adequately meet the need.

Mr. President, with the assistance of the Department of Housing and Urban Development, and after consultation with the Department of Health, Education, and Welfare, I have drafted this measure which I am introducing today to fill the void. It may well be that modifications may be necessary. If so, I would welcome recommendations. My only interest is to provide necessary facilities for those in need of them. I, therefore, urge that prompt and full hearings be held on this measure in order that we may move forward in the best possible manner with the utmost of speed.

Mr. President, for the further information of my colleagues, I ask unanimous consent to have printed in the RECORD at this point, a section-by-section summary of the bill, as well as the text of my measure.

The VICE PRESIDENT. The bill will be received and appropriately referred; and, without objection, the bill and summary will be printed in the RECORD.

The bill (S. 415) to provide for a program of mortgage insurance for sheltered care facilities and for other purposes introduced by Mr. MONTOYA, was received, read twice by its title, referred to the Committee on Banking and Currency, and ordered to be printed in the RECORD, as follows:

S. 415

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 "Sheltered Care Facility Mortgage Insurance Act of 1969".

AMENDMENT TO NATIONAL HOUSING ACT

SEC. 2. Title II of the National Housing Act is amended by adding at the end thereof the following new Section:

"Mortgage insurance for sheltered care facilities

"SEC. 243. (a) The purpose of this section is to assist the provision of sheltered care facilities for the care of persons who, while not in need of nursing home care and treatment, nevertheless are unable to live fully independently and who are in need of minimum but continuous care provided by semi-professional personnel.

"(b) For the purposes of this section—

"(1) the term "sheltered care facility" means a proprietary facility, or facility of a private nonprofit corporation or association licensed or regulated by the State (or, if there is no State law providing for such licensing and regulation by the State, by the municipality or other political subdivision in which the facility is located, for the accommodation of persons, who because of incapacitating infirmities, require minimum but continuous care but who are not in need of continuous medical or nursing services.

"(2) the term "mortgage" means a first mortgage on real estate in fee simple, or on the interest of either the lessor or lessee thereof (A) under a lease for not less than ninety-nine years which is renewable, or (B) under a lease having a period of not less than fifty years to run from the date the mortgage was executed. The term "first mortgage" means such classes of first liens as are commonly given to secure advances (including but not limited to advances during construction) on, or the unpaid purchase price of, real estate under the laws of the State in

which the real estate is located, together with the credit instrument or instruments, if any, secured thereby, and any mortgage may be in the form of one or more trust mortgages or mortgage indentures or deeds of trust, securing notes, bonds, or other credit instruments, and, by the same instrument or by a separate instrument, may create a security interest in initial equipment, whether or not attached to the realty. The term "mortgagor" shall have the meaning set forth in section 207(a) of this Act.

"(c) The Secretary is authorized to insure any mortgage (including advances on such mortgages during construction) in accordance with the provisions of this section upon such terms and conditions as he may prescribe and to make commitments for insurance of such mortgage prior to the date of its execution or disbursement thereon.

"(d) In order to carry out the purpose of this section, the Secretary is authorized to insure any mortgage which covers a new or rehabilitated sheltered care facility, including equipment to be used in its operation, subject to the following conditions:

"(1) The mortgage shall be executed by a mortgagor approved by the Secretary. The Secretary may in his discretion require any such mortgagor to be regulated or restricted as to charges and methods of financing, and, in addition thereto, if the mortgagor is a corporate entity, as to capital structure and rate of return. As an aid to the regulation or restriction of any mortgagor with respect to any of the foregoing matters, the Secretary may make such contracts with and acquire for not to exceed $100 such stock or interest in such mortgagor as he may deem necessary. Any stock or interest so purchased shall be paid for out of the General Insurance Fund, and shall be redeemed by the mortgagor at par upon the termination of all obligations of the Secretary under the insurance.

"(2) The mortgage shall involve a principal obligation in an amount not to exceed $12,500,000, and not to exceed 90 per centum of the estimated value of the property or project including equipment to be used in the operation of the sheltered care facility when the improvements are completed and the equipment is installed.

"(3) The mortgage shall—

"(A) provide for complete amortization by periodic payments within such terms as the Secretary shall prescribe; and

"(B) bear interest (exclusive of premium charges for insurance) at not to exceed 5 per centum per annum of the amount of the principal obligation outstanding at any time, or not to exceed such per centum per annum not in excess of 6 per centum as the Secretary finds necessary to meet the mortgage market.

"(4) The Secretary shall not insure any mortgage under this section unless he has received, from the State agency designated in accordance with section 604(a)(1) of the Public Health Service Act for the State of which the proposed sheltered care facility would be located, a certification that (A) there is a need for such sheltered care facility, and (B) there are in force in such State or other political subdivision of the State in which the proposed sheltered care facility would be located reasonable minimum standards of licensure and methods of operation for sheltered care facilities. No such mortgage shall be insured under this section unless the Secretary has received such assurance as he may deem satisfactory from the State agency that such standards will be applied and enforced with respect to any sheltered care facility located in the State for which mortgage insurance is provided under this section.

"(e) The Secretary may consent to the release of a part or parts of the mortgaged property or project from the lien of any mortgage insured under this section upon such terms and conditions as he may prescribe.

"(f) The provisions of subsection (d), (e), (g), (h), (i), (j), (k), (l), and (n) of section 207 shall apply to mortgages insured under this section and all references therein to section 207 shall refer to this section.

"(g) The Secretary shall prescribe such regulations as may be necessary to carry out this section, after consulting with the Secretary of Health, Education, and Welfare with respect to any health or medical aspects of the program under this title which may be involved in such regulations.

"(h) The Secretary shall also consult with the Secretary of Health, Education, and Welfare as to the need for and the availability of such facilities in any area for which a sheltered care facility is proposed under this section."

Flexible interest rates

SEC. 3. Section 3(a) of the Act entitled "an Act to amend chapter 37 of title 38 of the United States Code with respect to the veterans' home loan program, to amend the National Housing Act with respect to interest rates on insured mortgages, and for other purposes" approved May 7, 1968, is amended by inserting "243(d)(3)(B)," after "242(d)(3)(B),".

Labor provisions

SEC. 4. Section 212(a) of the National Housing Act is amended by striking from the first sentence of the second paragraph "or 236" and inserting in lieu thereof ", 236, or 253".

The summary presented by Mr. MONTOYA is as follows:

SECTION-BY-SECTION SUMMARY OF THE "SHELTERED CARE FACILITY MORTGAGE INSURANCE ACT OF 1969"

The first section provides that the bill may be cited by its short title—the "Sheltered Care Facility Mortgage Insurance Act of 1969."

AMENDMENT TO NATIONAL HOUSING ACT

Section 2 amends title II of the National Housing Act by adding a new section 243 to authorize the Secretary of Housing and Urban Development to provide mortgage insurance for sheltered care facilities.

MORTGAGE INSURANCE FOR SHELTERED CARE FACILITIES

Subsection (a) of the new section 243 states that it is the purpose of this section to assist the provision of sheltered care facilities for the care of persons who, while not in need of nursing home care and treatment nevertheless are unable to live fully independently and who are in need of minimum but continuous care provided by semi-professional personnel.

Subsection (b) defines "sheltered care facility" as a proprietary facility, or facility of a private nonprofit corporation or association licensed or regulated by the State (or, if there is no State law providing for such licensing and regulation by the State, by the municipality or other political subdivision in which the facility is located), for the accommodation of persons, who because of incapacitating infirmities, require minimum but continuous care but who are not in need of continuous medical or nursing services; and "mortgage" as a first mortgage on real estate which instrument may also include security interests in the initial equipment of the facility.

Subsection (c) authorizes the Secretary to insure such mortgages on such terms and conditions as he may prescribe.

Subsection (d) provides that the Secretary may, in order to carry out this section, insure any mortgage on a new or rehabilitated sheltered care facility, including equipment, subject to these conditions:

(1) that the mortgage shall be executed by a mortgagor approved by the Secretary;

(2) that the mortgage shall involve a principal obligation not in excess of $12,500,000 or 90 per centum of the estimated value of the property or project including equipment;

(3) that the mortgage shall provide for complete amortization by periodic payments and bear interest at a rate not in excess of 5 per centum or 6 per centum if the Secretary finds it necessary to meet the mortgage market; and

(4) that the Secretary will require a certification by the State agency designated pursuant to the Public Health Service Act as to the need for such facilities and that there are appropriate standards for their operation.

Subsection (e) provides that the Secretary may consent to the release of the mortgaged property in whole or in part from the lien of an insured mortgage.

Subsection (f) provides that the insured mortgage will be subject to subsections (d), (e), (g), (h), (i), (j), (k), (l), and (n) of section 207 of the National Housing Act.

Subsection (g) provides that the Secretary shall consult with the Secretary of Health, Education, and Welfare with respect to any health or medical aspects of any regulations under this program prior to the issuance of such regulations.

Subsection (h) provides that the Secretary shall consult with the Secretary of Health, Education and Welfare as to the need for and the availability of sheltered care facilities in the area in which any such facility is proposed to be located under this program.

FLEXIBLE INTEREST RATES

Section 3 amends section 3(a) of the Act entitled "an Act to amend chapter 37 of title 38 of the United States Code with respect to the veterans' home loan program, to amend the National Housing Act with respect to interest rates on insured mortgages, and for other purposes" approved May 7, 1968, to permit higher interest rates under this program until October 1, 1969.

LABOR PROVISIONS

Section 4 amends section 212(a) of the National Housing Act to bring this new program under the Davis-Bacon Act labor provisions.

S. 418—INTRODUCTION OF LEGISLATION TO ESTABLISH NEW MEXICO NATIONAL NUCLEAR MUSEUM

Mr. MONTOYA. Mr. President, today I introduce a measure calling for the establishment and maintenance of a national nuclear museum at a suitable site in the State of New Mexico for the advancement of public knowledge with respect to matters pertaining to the uses and development of nuclear energy.

This measure is identical to S. 3364 which my colleague from New Mexico, Senator ANDERSON, and I introduced on May 17, 1966, and S. 434 which I introduced on January 17, 1967. I believe it unfortunate that neither of the previous measures were enacted and I, therefore, intend to push for action on the present proposal.

Mr. President, when the first atom bomb was developed, J. Robert Oppenheimer, director of the Los Alamos Laboratory, exulted, "these are heroic days." It was dawn in New Mexico over 23 years ago when, on July 16, 1945, men gathered at a remote section of Holloman Air Force Base, Alamogordo, 120 miles southeast of Albuquerque, to witness another dawn—that of the atomic age. The event they attended on the Alamogordo sands was an unprecedented scientific experiment to test the idea of the atom bomb, the end result of Operation Trinity of the Manhattan Engineer

District. That morning meeting culminated an enormous effort by thousands of people, many of them working in secret places in New Mexico.

Today, with the wisdom that over two decades' hindsight affords, we can know how heroic were those days in New Mexico, how significant were those men and their achievement at Alamogordo. In the Atomic Age they ushered in, mankind possesses a technology of war to destroy mighty nations, to decimate their peoples, to devastate their lands; and a technology of peace to move mountains and furnish energy for our future. During the time since that event, each Member of Congress has had to share the burden of the dread responsibility of providing nuclear weapons for our national defense, while yet restraining their rash use in order to assure our survival as a nation. The men who worked at Los Alamos, and those who followed them there and at the Sandia Base and at ACF Industries in Albuquerque have bought us the time to seek ways for the community of nations to live together without nuclear war.

Since 1945, Los Alamos and Sandia have emerged as great national centers for nuclear research and engineering, with dramatic achievements in military and civilian applications. I hope that someday the history of the Los Alamos Laboratory and Sandia Base and their work on nuclear and thermonuclear weapons can be properly chronicled. In recent years, Los Alamos has extended its research beyond its military functions to important peaceful uses of fission and fusion. The public should know of these civilian applications—of the Rover project in nuclear rocket propulsion; power and heat from fission; illuminating research in radiation biology, biochemistry, biophysics, radiochemistry, metallurgy, and cryogenics.

Perhaps one of the most exciting of the civilian applications of nuclear fission is Project Plowshare. Modern man may yet heed the Biblical admonition to beat his swords into plowshares, for Los Alamos and Sandia now work on peaceful uses for nuclear explosives. One Plowshare project, Project Gasbuggy, was designed to show how nuclear explosives can free enormous quantities of natural gas now trapped in rock. Other Plowshare programs will test the feasibility of recovering copper by in-place leaching of fragmented low-grade ore, and of using nuclear explosives to create underground storage for natural gas.

Nuclear explosives in the future may carve out harbors, blast through mountains for highways, railroads, and other great earthmoving projects such as the proposed sea-level canal from the Atlantic to the Pacific.

The splendid work begun and being continued in New Mexico should, I feel, be commemorated. The awesome achievements of our nuclear scientists, engineers, and technicians makes New Mexico appropriate for a place where men might reflect upon the great physical powers now entrusted to governments, a place where they might study and learn about this nuclear force and the political and social forces which govern its use, and a place where they might reaffirm their dedication to the proposition that the enormous energy unleashed at Alamogordo shall always be used benevolently, beneficially.

A park, a statue, or a plaque could perform the commemorative function. But this is not enough; more is needed. I submit that even more important than public commemoration, is public understanding of the nature of the primordial energy released in the first explosive blast. For this reason I introduce today a bill to establish a national nuclear museum at a suitable site in New Mexico for the advancement of public knowledge of the uses and development of nuclear energy. The initial displays specified in this measure can be an important first step toward a vital and living memorial.

Mr. President, as has been stated many times, knowledge is the only instrument of production that is not subject to diminishing returns. And what better storehouse of knowledge is there than a museum? Today there is a revival of public interest in museums in this country, and I speak not of seedy tourist traps but of real centers of intellectual adventure and ferment. The American Association of Museums, aided by the venerable but lively Smithsonian Institution and the U.S. Office of Education, has found that 300 million persons each year visit the museums of the Nation. Several new museums are founded every week. We in Congress recognize this interest in museums through the National Museum Act of 1966, which expressly stated that museums are cultural and educational institutions of great importance for our people.

Mr. President, a modest museum has already been initiated in Los Alamos as a tribute to, and an explanation of, the contributions which have been made in New Mexico in the nuclear field. I say modest, for although much has been accomplished with resources available, it is still not the quality museum which this Congress should take it upon itself to establish. Mr. President, I ask unanimous consent that an article from the Albuquerque Journal of December 15, 1968, entitled " 'Hill' Museum is Nuclear Physics Primer," be printed at this point in the RECORD as an example of the tremendous educational potential in the proposal which I make. That is, the establishment of a national nuclear museum.

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

"HILL" MUSEUM IS NUCLEAR PHYSICS PRIMER

(By Bill Hume)

LOS ALAMOS.—Atomic energy—from Alpha particle to Pi Mesons—came of age behind the barbed wire fences of wartime Los Alamos. Today, most of the secrecy is gone.

And the Los Alamos Scientific Laboratory features a unique window into the world of nuclear research in its unique action-filled science museum.

In this museum, working models of most of the projects underway on the "Hill" go bang, make sparks, whir and otherwise simulate what the actual devices do. There is even an electric train in the scale model of the Project Rover site.

"The museum began in 1963 in an old barracks-type building," said Robert Y. Porton, director of community relations. "We moved into the present new building in 1965."

Most popular exhibit, according to a recent public opinion poll, is "Pinocchio," an ingenious device for illustrating a nuclear chain reaction.

Pinocchio looks like a cross between a pinball machine and a large aquarium. Four glass walls enclose approximately one square yard of space over a "floor" with a grid of ping-pong ball sized holes.

When a chain reaction takes place in atoms of Uranium 235, a neutron striking the nucleus of a U-235 atom causes the atom to split in two, releasing two free neutrons. These two, all else being equal, strike two more nuclei, splitting them and releasing four neutrons, and so on.

In Pinocchio, a lone ping-pong ball represents the first free neutron. Each of the holes represents a U-235 nucleus.

The museum attendant drops the "neutron" in the glass box. It bounces around aimlessly, eventually dropping into one of the holes.

Out shoot two ping-pong balls, and these "neutrons" repeat the performance. Soon the glass box is filled with wildly bouncing "neutrons," and the "splitting atoms" sound like a cowboys-and-Indians shoot-em-up.

Community relations staff member Kent Bulloch told of the experience of an Italian film crew trying to film Pinocchio in action.

The ping-pong balls trigger the ejection of their fellows by tripping photoelectric cells, Bulloch explained. When the Italian crew turned on their floodlights and the first ball was dropped in, it fell into a hole and nothing happened.

Bulloch suggested turning off the floodlights temporarily, and "there was an explosion of ping-pong balls," as every tube fired, activated by the flood lights being turned off.

Pinocchio was so named because as his namesake wanted to be a real human, but couldn't, LASL's Pinocchio wants to be a real reactor, but can't.

In an average month, more than 5,000 persons sign in at the museum. The visitors have come from all 50 states and more than 70 foreign countries.

One day last week, for example, persons from six different states toured the facility.

The museum has its serious side, too.

In the patio are ballistic cases like the two which carried nuclear holocaust to Japan in World War II, and two sleeker, more modern looking casings, one from a 20 kiloton nuclear bomb and the other from a thermonuclear hydrogen bomb.

The more peaceful uses of the atom share the patio with the bombs, however. Kiwi-A, the first experimental nuclear rocket reactor is on display.

The museum, the only Los Alamos Scientific Laboratory area in which cameras are welcome, is open from 8 a.m. to noon and 1 to 5 p.m. Monday through Friday, and 9 a.m. to 5 p.m. Saturdays, and 1 p.m. to 5 p.m. Sundays.

One very simple display makes a very startling indication of the difference in densities of various elements. It is a table on which are placed three-inch cubes of various elements.

Each has a handle by which the observer can lift the identically sized cubes and compare their weights.

The weights vary from the magnesium cube, at 1.75 lbs., to the uranium cube, weighing 18.97 lbs.

The most exotic cube by far is one of solid gold, valued at more than $10,000. It is kept locked in a safe when not on display.

In Project Sherwood at LASL, scientists are trying to devise some method of containing a thermonuclear reaction and tap it for its power potential. The problem with the concept is that thermonuclear reactions take place at such temperatures that all

known materials on earth would quickly vaporize.

Project Sherwood scientists are working on a Buck Rogers-styled electromagnetic "force field" to contain the reaction.

Even though one of the project scientists compared the method to "trying to contain Jello with rubber bands on a hot day," the physicists hope to solve the problem in a few years.

Scylla II, the portion of Sherwood concerned with the force field, is represented in the museum.

A tube of aluminum foil is inserted into a plastic tube around which two electromagnetic coils are wound. Electricity is fed to a capacitor which, when it discharges, momentarily creates a strong electromagnetic field in the coils.

The electromagnetic fields instantly crush both ends of the foil tube closed, causing a report as loud as a firecracker.

The museum, however, like the city of Los Alamos, is aware that the history of New Mexico didn't begin with the coming of the nuclear age.

The entrance hall of the museum contains cases of artifacts from the Pajarito Plateau's first tenants, Indians who were there back when gunpowder was the "ultimate weapon."

Mr. MONTOYA. Mr. President, a national nuclear museum could take advantage of what Congress already has provided for the development of finer museums. I urge for action on this measure during this session of Congress. Mr. President, I ask unanimous consent that the text of my bill be printed at this point in the RECORD.

The VICE PRESIDENT. The bill will be received and appropriately referred; and, without objection, the bill will be printed in the RECORD.

The bill (S. 418) to authorize the establishment of a national nuclear museum, introduced by Mr. MONTOYA, was received, read twice by its title, referred to the Joint Committee on Atomic Energy, and ordered to be printed in the RECORD, as follows:

S. 418

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Atomic Energy Commission is authorized and directed to provide for the establishment and maintenance, at a suitable site in the State of New Mexico, of a National Nuclear Museum for the advancement of public knowledge with respect to matters pertaining to the uses and development of nuclear energy. The Commission is authorized to acquire the site for such museum by purchase, gift, condemnation, or otherwise, and to make all necessary improvements thereto. Items displayed in such museum shall be selected to reflect their historical interest and educational value, subject to such limitations as the Commission in consultation with the Secretary of Defense, determines are necessary to the interests of the national security.

SEC. 2. There are hereby authorized to be appropriated such sums as may be necessary to carry out the purposes of this Act.

S. 419—INTRODUCTION OF LEGISLATION DEALING WITH WORKDAYS AND WORKWEEKS OF FEDERAL EMPLOYEES

Mr. MONTOYA. Mr. President, the Federal Government needs to take another look at its labor-management relations with civil service and wage board employees. It is inexcusable that in this day and age, some Federal agencies are clinging rigidly to practices bordering on the "sweat shop" conditions of a few decades ago.

There are two practices in particular which I find abominable—yet, judging from the number of complaints I have received, they are widely used by some agency executives.

One is the splitting of work-shift schedules without proper notice to employees—causing some to work extremely long hours on a few days of the week, or to work fewer hours but on more than 5 days—all to avoid the payment of overtime. Another, more reprehensible practice is that of scheduling employees to work back-to-back 5-day shifts over 2 workweeks—resulting in employees having to work 10 consecutive days without time off, and without overtime compensation.

In industry, our society no longer accepts such work schedules as being reasonable without the benefit of additional compensation. Yet, these practices are not only permitted by the present law—they are actually condoned by the heads of several agencies. I believe that we should now recognize that the Federal Government has the same responsibility to its employees as has been acknowledged by industry.

Therefore, I am introducing a bill to correct these practices by amending section 6101 of title 5 of the United States Code, relating to workweeks and workdays of Federal and District of Columbia employees. I am proposing that the head of any agency—in addition to recognizing the required basic workweek of 40 hours for each full-time employee—must establish a basic, nonovertime workday not to exceed 8 hours, and must schedule the hours of work within the basic workweek on 5 consecutive days.

Further, my bill would preclude requiring any employee to work more than 6 consecutive days without time off, and would require that employees or their appropriate recognized organizations be consulted on the equitable rotation of shift schedules in the case of night, weekend, or irregular tours of duty.

At the same time, adequate provision is made for alteration of work schedules to protect the public interest during a declared national emergency, or when it can be established that an agency would be seriously handicapped in carrying out its functions, or when costs would be substantially increased. Such alterations of schedule, however, would have to be justified by the head of an agency, with the concurrence of the Civil Service Commission Chairman.

I introduced a similar bill in the last session of Congress, and the response I got was noteworthy. While Federal agencies strongly opposed the bill, every employee and employee organization responding hailed it as a step in the right direction. Several groups suggested constructive modifications, which I have attempted to incorporate in this new bill.

Mr. President, this is a complicated subject that requires serious thought in order to provide for flexibility in operating Federal installations, while at the same time protecting the rights of employees. Therefore, I urge that hearings be scheduled immediately to resolve any serious differences—as I believe that the time is long overdue for positive action to end the abuses. The Federal Government owes this to its employees.

Mr. President, I ask unanimous consent to have the text of my bill printed at this point in the RECORD.

The VICE PRESIDENT. The bill will be received and appropriately referred; and, without objection, the bill will be printed in the RECORD.

The bill (S. 419) to amend section 6101 of title 5, United States Code, relating to workweeks and workdays of Federal and District of Columbia employees, introduced by Mr. MONTOYA, was received, read twice by its title, referred to the Committee on Post Office and Civil Service, and ordered to be printed in the RECORD, as follows:

S. 419

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That paragraphs (2) and (3) of section 6101(a) of title 5, United States Code, are amended to read as follows:

"(2) The head of each executive agency, military department, and of the government of the District of Columbia shall—

"(A) establish a basic administrative workweek of forty hours for each full-time employee in his organization;

"(B) require that the basic nonovertime hours of work within that workweek be performed on five consecutive days; and

"(C) establish a basic nonovertime workday not to exceed eight hours.

"(3) Except during a declared national emergency, or when the head of an executive agency, a military department, or of the government of the District of Columbia determines, with the concurrence of the Chairman of the Civil Service Commission, that his organization would be seriously handicapped in carrying out its functions or that costs would be substantially increased, he shall provide, with respect to each employee in his organization, that—

"(A) assignments to tours of duty are scheduled in advance over periods of not less than one week;

"(B) the basic forty-hour workweek is scheduled Monday through Friday when possible;

"(C) the working hours in each day in the basic workweek are of the same duration;

"(D) the two days outside the basic workweek are consecutive;

"(E) no more than six consecutive workdays may be scheduled within any two consecutive weeks;

"(F) the occurrence of holidays may not affect the designation of the basic workweek;

"(G) breaks in working hours of more than one hour may not be scheduled in a basic workday; and

"(H) in the case of night, weekend, and irregular tours of duty, equitable rotation of shift schedules will be established following consultation with employees or their appropriate recognized employee organization."

S. 421, S. 422, AND S. 423—INTRODUCTION OF LEGISLATION TO CORRECT INEQUITIES AFFECTING RETIRED CIVIL EMPLOYEES

Mr. MONTOYA. Mr. President, I introduce three bills which have the support of the National Association of Retired Civil Employees. The membership of this organization exceeds 135,000, and there are over 1,100 local chapters chartered throughout the United States.

The organization serves civil service annuitants and their survivors, and potential annuitants and their survivors. The association has also actively been involved in the problems of the aged and the aging.

Mr. President, I believe that it would be an abdication of our responsibility to those who have served our Government so effectively were we to ignore the National Association of Retired Civil Employees and more than 800,000 Federal retirees and their survivors. I am convinced that the three measures I have introduced are worthy of our careful consideration and study.

I need not remind my colleagues that the rising cost of living has steadily reduced the buying power of those living on fixed incomes. When we consider this factor, along with the realization that most retired civil employees receive monthly annuities in an amount insufficient to maintain an acceptable standard of living, the inequity our retired civil employees face becomes evident. I suggest that we have a responsibility to correct this injustice, an obligation to permit a life of dignity on the part of those who have served us so well.

According to the 1967 report of the U.S. Civil Service Commission, Bureau of Retirement and Insurance, of an approximate 800,000 retired civil employees and their survivors, some 279,000 receive a monthly annuity of less than $100, and 513,000 receive less than $200 per month. To correct this inequity, we must grant these former Federal employees a substantial annuity increase and provide a minimum annuity for them. S. 421 would provide a graduated annuity increase, with the largest increase going to those presently receiving the smallest annuities. These increases would be as follows:

First. Retirees presently receiving an annuity of less than $200 per month would receive an increase of $26 per month.

Second. Retirees presently receiving an annuity of at least $200 but less than $300 per month would receive an increase of 13 percent.

Third. Retirees presently receiving an annuity of at least $300 but less than $400 per month would receive an increase of 9 percent.

Fourth. Retirees presently receiving an annuity of at least $400 but less than $500 per month would receive an increase of 7 percent.

Fifth. Retirees presently receiving an annuity of at least $500 per month would receive an increase of 5 percent.

S. 422 would exclude from the computation of gross income for Federal income tax purposes the first $5,000 received as civil service retirement annuity. Civil service retirees would thus be categorized as are the recipients of social security and railroad retirement annuities for purposes of Federal income tax. It is manifestly unfair to exempt retirement income received as social security and railroad retirement annuities from Federal income tax, while imposing the tax on the annuities of retired Federal workers and retired teachers and municipal workers of the District of Columbia.

S. 423 would establish a minimum of $100 per month for an annuitant with neither spouse nor dependents, and a minimum of $200 per month for an annuitant with a spouse or dependents.

Mr. President, I am convinced that these three bills deserve our immediate attention and favorable consideration, and I ask unanimous consent that the text of my bills be printed at this point in the RECORD.

The VICE PRESIDENT. The bills will be received and appropriately referred; and, without objection, the bills will be printed in the RECORD.

The bills, introduced by Mr. MONTOYA, were received, read twice by their titles, referred to the appropriate committees, and ordered to be printed in the RECORD, as follows:

S. 421. A bill to provide increased annuities under the Civil Service Retirement Act; to the Committee on Post Office and Civil Service:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the annuity of each person who, on the effective date of this Act, is receiving or entitled to receive an annuity from the civil service retirement and disability fund shall be increased by—

$26.00 per month if now less than $200 per month,

13 per centum if now at least $200 but less than $300 per month,

9 per centum if now at least $300 but less than $400 per month,

7 per centum if now at least $400 but less than $500 per month, or

5 per centum if now at least $500 per month.

SEC. 2. The annuity of a survivor of a retired employee or Member who received an increase under this Act shall be increased in accordance with the formula set forth in section 1.

SEC. 3. No increase provided in this Act shall be computed on any additional annuity purchased at retirement by voluntary contributions.

SEC. 4. The increases provided by this Act shall become effective on the first day of the second month which begins after the date of enactment of this Act, except that any increase under section 2 shall take effect on the beginning date of the annuity.

SEC. 5. The monthly installment of annuity after adjustment under this Act shall be fixed at the nearest dollar.

SEC. 6. The provisions of section 8348(g) of title V, United States Code, shall not apply with respect to benefits resulting from the enactment of this Act.

S. 422. A bill to amend the Internal Revenue Code of 1954 to provide that the first $5,000 received as civil service retirement annuity from the United States or any agency thereof shall be excluded from gross income; to the Committee on Finance:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That part III of subchapter B of chapter 1 of the Internal Revenue Code of 1954 (relating to items specifically excluded from gross income) is amended by redesignating section 121 as section 122, and by inserting after section 120 the following new section:

"SEC. 121. Retirement annuities paid by the United States or any agency thereof.

"Gross income does not include the first $5,000 received during any tax year as civil service retirement annuity from the United States or any agency thereof, after the full amount of the annuitant's contribution to the civil service retirement and disability fund has been paid to the annuitant."

SEC. 2. The table of sections for part III of subchapter B of chapter 1 of the Internal Revenue Code of 1954 is amended by striking out

"SEC. 121. Cross references to other Acts"

and inserting in lieu thereof:

"SEC. 121. Retirement annuities paid by the United States or any agency thereof under Federal Retirement Acts.

"SEC. 122. Cross references to other Acts."

SEC. 3. Section 37(d)(1) of the Internal Revenue Code of 1954 (relating to limitation on retirement income) is amended by striking out "or at the end of subparagraph (B), by redesignating subparagraph (C) as subparagraph (D), and by inserting after subparagraph (B) the following new subparagraph:

"(C) under Federal Retirement Acts, or".

SEC. 4. The amendments made by this Act shall apply only with respect to taxable years ending after the date of the enactment of this Act.

S. 423. A bill to amend the Civil Service Retirement Act, as amended, to provide minimum annuities for employee annuitants and spouse survivor annuitants; to the Committee on Post Office and Civil Service:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 8339, Title V, United States Code, is amended by adding the following subsection (l) after subsection (k) thereof.

SECTION 1. No annuity under this section shall be less than $200 per month for an annuitant with a spouse and/or dependents, or $100 per month for an annuitant with neither spouse nor dependents.

SEC. 2. Section 8341, Title V, United States Code, is amended by adding the following subsection (g) after subsection (f) thereof:

(g) No annuity under this section shall be less than $200 per month for a spouse survivor annuitant with one or more dependents, or $100 per month for a spouse survivor annuitant without dependents.

SEC. 3. This Act shall take effect on the first day of the third month following its enactment.

SEC. 4. The provisions of section 8348(g), Title V, United States Code, shall not apply with respect to benefits resulting from the enactment of this Act.

S. 424, S. 425, AND S. 426—INTRODUCTION OF BILLS TO AMEND THE NATIONAL LABOR RELATIONS ACT AND THE LABOR-MANAGEMENT RELATIONS ACT OF 1947

Mr. FANNIN. Mr. President, on behalf of myself and other Senators, I introduce, for appropriate reference, three bills to amend the National Labor Relations Act and the Labor-Management Relations Act of 1947.

These bills are the same as those introduced by me in the 90th Congress. The first bill would amend the national emergency provisions of the Taft-Hartley Act to provide for dissolution of injunctions only upon the settlement of disputes. Under existing law, injunctions are limited to 80 days. The national interest must be protected as long as is necessary. I may point out that unions will, of course, retain the right to strike a particular plant or even a segment of an industry. The injunction, as under existing law, can be enforced only where the strikes are so broad as to jeopardize the national health and welfare.

A second bill would amend the National Labor Relations Act so as to require a Board-conducted election in all representation cases. Thus this bill would prevent

voluntary recognition of a union by an employer, a practice which has led to many abuses. I have always believed that it is the right of the worker, and not his boss or a few union advocates, to cast his ballot secretly for or against union representation.

Mr. President, the third bill would amend the National Labor Relations Act by prohibiting the levying by unions of fines against employees for exercising their rights under the act. Under this proposal, for example, a union could not fine an employee for exceeding production quotas set by the unions, crossing union picket lines, filing decertification petitions, nor for testifying in Board proceedings against a union. It seems to me that unions cannot be regarded in the same light as private voluntary associations, which are and should be free to impose on its members whichever rules it chooses. This bill will carry out the intent of Congress that the rights given to unions carry commensurate responsibility and obligations on unions to act in the public interest and in the interests of their members.

The VICE PRESIDENT. The bills will be received and appropriately referred.

The bills, introduced by Mr. FANNIN (for himself and other Senators), were received, read twice by their titles, and referred to the Committee on Labor and Public Welfare, as follows:

By Mr. FANNIN (for himself, Mr. BENNETT, Mr. CURTIS, Mr. ERVIN, Mr. THURMOND, and Mr. WILLIAMS of Delaware):

S. 424. A bill to amend the National Labor Relations Act so as to prohibit the levying by labor organizations of fines against employees for exercising rights under such act or for certain other activities.

By Mr. FANNIN (for himself, Mr. BENNETT, and Mr. WILLIAMS of Delaware):

S. 425. A bill to amend the national emergency provisions of the Labor-Management Relations Act, 1947, so as to provide for dissolution of injunctions thereunder only upon settlement of disputes.

By Mr. FANNIN (for himself, Mr. BENNETT, Mr. CURTIS, Mr. ERVIN, Mr. THURMOND, and Mr. WILLIAMS of Delaware):

S. 426. A bill to amend the National Labor Relations Act so as to require a Board-conducted election in representation cases.

S. 434—INTRODUCTION OF BILL TO REAUTHORIZE THE RIVERTON RECLAMATION PROJECT

Mr. McGEE. Mr. President, I introduce, in behalf of myself and my Wyoming colleague (Mr. HANSEN), a bill to reauthorize the Riverton reclamation project.

This measure is not a new one, Mr. President, and, in fact, hearings were held on similar legislation in the 90th Congress by the Interior Committee. It is, however, badly needed legislation which will, among other things, protect a considerable investment of money, time, and dedication. It represents the best thoughts I have heard from all quarters on how to resurrect the deteriorating Third Division of the Riverton project, which was bought back from its former settlers a few seasons ago and has since been leased to farmers of the successful Midvale Irrigation District, who have continued to make the lands produce.

The men on these lands have proven they can work them profitably and the Midvale district has shown it can handle the operation and maintenance of the old third division lands. This bill, then, would put their operation on solid footing by incorporating nearly 9,000 acres of the former third division into their operation, reauthorizing the entire Riverton unit as a part of the Missouri River Basin project, and providing for a single repayment contract with the Government.

Mr. President, the Riverton Ranger is a newspaper which advocates this bill, so vital to its own community. It has editorially supported the measure, and in an editorial published December 30, 1968, it summed up the need. I ask unanimous consent that that editorial be printed at this point in the RECORD.

The VICE PRESIDENT. The bill will be received and appropriately referred; and, without objection, the editorial will be printed in the RECORD.

The bill (S. 434) to reauthorize the Riverton extension unit, Missouri River Basin project, to include therein the entire Riverton Federal reclamation project, and for other purposes, introduced by Mr. McGEE (for himself and Mr. HANSEN), was received, read twice by its title, and referred to the Committee on Interior and Insular Affairs.

The editorial presented by Mr. McGEE is as follows:

DETERIORATION

Congress should enact, early in the session, the Riverton project reauthorization bill. The needs for the bill cry for prompt action.

The most immediate one is the necessity of returning the Third Division farms to private ownership. Leased out on a year to year basis since the government brought out the Third Division settlers, the 8800 acres in Third Division continue to produce, but the buildings, the fences, the weed control and the general maintenance and upbuilding of the farm suffers.

Deterioration is the word that best describes what's happening in Third Division while the Midvale farmers wait for action by Congress on the Riverton project bill. The lessees have proved the feasibility of the area. Midvale, through its experience, has proved it can handle the operation and maintenance of the Third Division right along with their own lands in the Second Division of the Riverton project.

Progress has been steady, if slow, toward such action by Congress. Hearings have been held by both the House and Senate on the bill. There's been a tour of the premises. The Central Arizona Project, long hailed as the stumbling block impeding action, is now out of the way.

Wyoming's Congressmen McGee, Hansen and Wold present a united front with promises to reintroduce the bill early in the session.

Colorado Congressman Wayne Aspinall is familiar with the needs of Riverton project.

Our request is urgent. It's irresponsible to defer action longer and contribute to further deterioration of Third Division farms. The bills should be passed. The first priority under its several phases should be to sell these farms to farmers who know how to run them and will reverse the tragic downward trend that's been inevitable with the one year leases.

S. 436, S. 437, AND S. 438—INTRODUCTION OF BILLS ON FEDERAL EMPLOYEES' LEGISLATION

Mr. MOSS. Mr. President, during my years in the Senate I have been very much concerned with the problems of people who work for the Federal Government. We want to attract the most competent and best trained people possible for Government service. Once we have attracted them, we want to hold them in their jobs. One of the most important incentives to Government careers is a fair retirement system.

Our present civil service system is one of the best in the world, but it has some glaring weaknesses. Some of these weaknesses grow out of arbitrary action taken by the Congress. For many years, when changes were made in the retirement system, they were made retroactive to provide benefits for those previously retired commensurate with the benefits granted to those who would retire in the future. However, in the last 15 years—during the 1950's and 1960's—when we have liberalized benefits, we have not made them retroactive, and as a result we have a patchwork quilt in which a difference of a year or two in retirement dates can make a tremendous difference in the benefits available and their cost.

I am today introducing three bills which will wipe out some of these inequities and make adjustments in the system to equalize its benefits to all concerned.

The first, which I am introducing for myself and Senator MONTOYA, is an omnibus bill which deals with eight inequities relating to various phases of the retirement system including such aspects as the formula for voluntary deductions from civil service retirement annuities to provide for a surviving spouse, the provisions affecting the age at which widows of former employees may remarry and not lose their survivor annuities, the rights of deferred annuitants with respect to survivor annuities, the rights of employees to make contributions to the retirement fund after completing service sufficient to earn a maximum annuity, and to many other aspects which I will not take the time to spell out here.

But it is clear that these inequities should be cleared up if we are to keep faith with our retired Government employees. And it is equally clear that unless we make an effort to correlate the benefits awarded prospectively during the past 15 years and the benefits now paid to those who retired prior to the effective dates for such prospective legislation, we cannot give assurance to present Federal employees that they, too, will not be forgotten as soon as they leave the working force.

The VICE PRESIDENT. The bill will be received and appropriately referred.

The bill (S. 436) to equalize civil service retirement annuities, and for other purposes, introduced by Mr. Moss (for himself and Mr. MONTOYA), was received, read twice by its title, and referred to the Committee on Post Office and Civil Service.

Mr. MOSS. Mr. President, the second

bill I introduce deals with one glaring inequity which is providing a special hardship on a number of retirees. The present law provides that when a retiree is predeceased by the survivor he has named, the reduction he has taken in his retirement continues even though the retiree remarries, and it keeps him from providing a survivor annuity to his second spouse. This is obviously not fair. The retiree has reduced his own annuity to provide for his spouse—this spouse dies, and he remarries, and although he still must take a reduced annuity each month, he cannot provide any security for his second spouse. One can change a beneficiary on an insurance policy—why not on a survivor annuity, which is in itself a form of insurance a person may take out by taking deductions in the amount he receives each month?

The VICE PRESIDENT. The bill will be received and appropriately referred.

The bill (S. 437) to amend chapter 83, title 5, United States Code, to eliminate the reduction in the annuities of employees or Members who elected reduced annuities in order to provide a survivor annuity if predeceased by the person named as survivor and permit a retired employee or Member to designate a new spouse as survivor if predeceased by the person named as survivor at the time of retirement, introduced by Mr. Moss, was received, read twice by its title, and referred to the Committee on Post Office and Civil Service.

Mr. MOSS. Mr. President, the last bill I am introducing would make certain types of employees rendering service to States or instrumentalities of States in Federal-State programs, eligible for inclusion under the civil service retirement system. I have received many letters on this from all over the country—as I am sure my colleagues have also—it is a bill which has been under consideration for several sessions, and I hope it can be enacted in the 91st Congress. Its passage is long past due.

Mr. President, I ask unanimous consent that the text of the three bills be printed in the RECORD following my remarks.

The VICE PRESIDENT. The bill will be received and appropriately referred; and, without objection, the bills will be printed in the RECORD.

The bill (S. 438) to amend section 8332 of title 5, United States Code, to provide for the inclusion in the computation of accredited services of certain periods of service rendered States or instrumentalities of States, and for other purposes introduced by Mr. Moss, was received, read twice by its title, referred to the Committee on Post Office and Civil Service; and the three above-mentioned bills will be printed in the RECORD, as follows:

S. 436

A bill to equalize civil service retirement annuities, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That notwithstanding any other provision of law each employee or Member as defined in section 8331 of title 5, United States Code, who retired prior to October 11, 1962, and who elected a reduced annuity in order to provide a survivor annuity for a spouse, shall be paid a reduced annuity computed in accordance with the provisions of section 8339(i) of title 5, United States Code.

SEC. 2. Notwithstanding any other provision of law each employee as defined in section 8331 of title 5, United States Code, who retired prior to July 18, 1966, and who had attained the age of fifty-five and completed thirty years of service at the time of separation from the service, shall be paid an annuity computed as provided in section 8339(a) of title 5, United States Code.

SEC. 3. Notwithstanding any other provision of law each employee as defined in section 8331 of title 5, United States Code, who was separated from the service prior to July 31, 1956, after completing five years of service and who is retired after attaining the age of sixty-two, may elect to receive a reduced annuity computed in accordance with the provisions of section 8339(i) of title 5, United States Code, and designate in writing a spouse to whom married prior to date of separation from service to receive a survivor annuity.

SEC. 4. Notwithstanding any other provisions of law the survivor annuity of each spouse of an employee or member, as defined in section 8331 of title 5, United States Code, who died or retired prior to July 18, 1966, terminated because of the remarriage of the surviving spouse, shall upon attainment of age sixty by such surviving spouse or upon dissolution of the remarriage of the surviving spouse by death, annulment or divorce be resumed pursuant to the provisions of section 8341 of title 5, United States Code at the same rate to which said surviving spouse would be entitled if there had been no remarriage: *Provided,* That (1) said surviving spouse elects to receive such annuity in lieu of any survivor benefit to which he or she may be entitled, under this or any other retirement system established for employees of the Government, by reason of the remarriage, and (2) any lump sum paid upon termination of the annuity is returned to the fund.

SEC. 5. Notwithstanding any other provision of law the provisions of section 8342 (h) of title 5, United States Code, shall be applicable to all employees or members as defined in section 8331 of title 5, United States Code, who were retired prior to July 12, 1960.

SEC. 6. Notwithstanding any other provision of law section 8339(f) of title 5, United States Code, shall be applicable to each employee or member as defined in section 8331 of title 5, United States Code, who retired on account of disability prior to October 1, 1956.

SEC. 7. Section 2 of the Act entitled "An Act to provide increases in certain annuities payable from the civil service retirement and disability fund and for other purposes," approved June 25, 1958 (72 Stat. 219, Public Law 85-465), is amended: By striking out the word "ten" in clause numbered (1) and substituting therefor the word "five"; by striking out the word "five" in line 11 and substituting therefor the word "two"; and by adding after the word "widower" in line 20 the words "but shall be resumed upon the termination of such remarriage by death, annulment or divorce".

SEC. 8. An allowance of not to exceed five hundred dollars to cover expense of last illness and burial shall, upon application to the Civil Service Commission, be paid to the person or persons who bear such expenses of each employee as defined in section 8331 of title 5, United States Code, who retired to an immediate annuity or who retired because of disability, prior to August 17, 1954, and who was not entitled to Federal group life insurance pursuant to the provisions of chapter 87 of title 5, United States Code.

SEC. 9. This Act shall take effect on the first day of the third month following its enactment: *Provided,* That no resulting annuity or increase in annuity shall be payable before the effective date of this Act.

SEC. 10. The provisions of section 8348(g) of title 5, United States Code shall not apply with respect to benefits resulting from the enactment of this Act.

S. 437

A bill to amend chapter 83, title 5, United States Code, to eliminate the reduction in the annuities of employees or Members who elected reduced annuities in order to provide a survivor annuity if predeceased by the person named as survivor and permit a retired employee or Member to designate a new spouse as survivor if predeceased by the person named as survivor at the time of retirement

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 8339(i) of title 5, United States Code, is amended by adding at the end thereof the following new sentence: "If the designated spouse predeceases the employee or Member making such election the reduction shall be restored to the employee or Member and the annuity of such employee or Member shall be computed without regard to any election made under this subsection, provided that any such employee or Member may elect to designate a new spouse as survivor when such new spouse has attained the age of sixty and all reductions by reason of prior designations that have been restored to such employee or Member have been repaid to the retirement fund."

SEC. 2. Annuities of those employees or Members as defined in section 8331 of title 5, United States Code, predeceased by a designated spouse after the date of enactment of this Act shall be computed pursuant to the amendment contained in section 1 of this Act and be effective the first day of the month which begins after the date of death of the spouse designated at time of retirement or the first day of the month which begins after a new spouse attains the age of sixty. Annuities of those employees or Members as defined in section 8331 of title 5, United States Code, retired prior to the date of enactment of this Act and predeceased by a designated spouse shall be computed pursuant to the amendment contained in section 1 of this Act and be effective the first day of the third month following the date of enactment of this Act.

SEC. 3. The provisions of section 8348(g), title 5, United States Code, shall not apply with respect to benefits resulting from the enactment of this Act.

S. 438

A bill to amend section 8332 of title 5, United States Code, to provide for the inclusion in the computation of accredited services of certain periods of service rendered States or instrumentalities of States, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 8332 of title 5, United States Code, is amended by adding at the end thereof the following new subsection:

"(1) Subject to the conditions contained in this subsection, any employee or Member who is serving in a position within the purview of section 8331 of title 5, United States Code, at the time of his retirement or death shall be allowed credit for all periods of service, not otherwise creditable, performed by him in connection with inspection and grading work pursuant to the authority contained in the annual Department of Agriculture Appropriations Act under the item 'Market inspection of farm products,' under agreements to which the Federal Government was a party, or performed by him (except for those periods in which the record

shows he was certified as being eligible for relief) in the employ of a State, or a political subdivision thereof or of any instrumentality of either in the carrying out of—

"(1) the program of a State rural rehabilitation corporation created for the purpose of handling rural relief the funds for which were made available by the Federal Emergency Relief Act of 1933 (48 Stat. 55), the Act of February 15, 1934 (48 Stat. 351), and the Emergency Appropriation Act, fiscal year 1935 (48 Stat. 1055), and any laws or parts of law amendatory of, or supplementary to, such Acts;

"(2) the Federal-State cooperative program of agricultural experiment stations research and investigation authorized by the Act of March 2, 1887, as amended and supplemented (7 U.S.C., ch. 14);

"(3) the Federal-State cooperative program of vocational education authorized by the Act of February 23, 1917, as amended and supplemented (20 U.S.C., ch. 2);

"(4) the Federal-State cooperative program of agricultural extension work authorized by the Act of May 8, 1914, as amended and supplemented (7 U.S.C. 341–348);

"(5) the Clark-McNary Act (Act of June 7, 1924, as amended (16 U.S.C. 564–570)); the cooperative forest management program (Act of August 25, 1950, as amended (16 U.S.C. 568 c, d)); and operations under the Forest Pest Control Act (Act of June 25, 1947 (16 U.S.C. 594–1 through 594–5)) and their predecessor programs;

"(6) the Federal-State cooperative program for the control of plant pests and animal diseases authorized by the provisions of law set forth in chapters 7 and 8 of title 7 and in section 114a of title 21 of the United States Code;

"(7) the Federal-State cooperative program of the public employment service authorized under the Deficiency Appropriation Act of October 6, 1917, and as amended (29 U.S.C. 49); and annual appropriation Acts of the United States Department of Labor in subsequent years; the Wagner-Peyser Act of June 6, 1933 (U.S. Stat. 113), as amended (29 U.S.C. 49); and the provisions for employment service and unemployment insurance under title III of the Social Security Act of August 14, 1935, as amended (42 U.S.C. 501 et seq.):

"(8) the Federal-State cooperative program of highway construction authorized by the Federal-Aid Road Act approved July 11, 1916, as amended and supplemented (23 U.S.C.);

"(9) the Federal-State cooperative assistance programs approved under titles I, IV, V, X, and XIV of the Social Security Act of August 14, 1935, as amended and supplemented (42 U.S.C., ch. 7, subchs. 1, 4, 5, 10, and 14), and under agreements entered into under section 221 of the Social Security Act of August 14, 1935, as amended and supplemented (42 U.S.C. ch. 7, sec. 421);

"(10) the Federal-State cooperative program of vocational rehabilitation authorized by the Vocational Rehabilitation Act of August 3, 1954, as amended and supplemented (29 U.S.C., ch. 4, secs. 31–42);

"(11) the cooperative program of fish restoration and management authorized by the Fish Restoration and Management Act of August 9, 1950, as amended and supplemented (16 U.S.C. 777 A–K);

"(12) the cooperative program in wildlife restoration authorized by the Wildlife Restoration Act of September 2, 1937, as amended and supplemented (16 U.S.C. 669–669j);

"(13) the Federal-State cooperative program in marketing service and research authorized by the Agricultural Marketing Act of 1946, as amended (7 U.S.C. 1621 et seq.), and predecessor programs;

"(14) the public health programs authorized by sections 309, 314, and 316 of the Public Health Service Act (Public Law 410) of July 1, 1944, as amended and supplemented (42 U.S.C. 242g, 246, 247a);

"(15) the program of aid to certain public schools for the education of Indian children authorized by the Johnson-O'Malley Act of April 16, 1934, as amended by the Act of June 4, 1936, as amended and supplemented (48 Stat. 596).

The period of any service specified in this subsection shall be included in computing length of service for the purposes of this section of any officer or employee only upon compliance with the following conditions:

"(A) The employee or Members shall have to his credit a total period of not less than five years of allowable service under this section, exclusive of service allowed by this subsection;

"(B) The performance of such service is certified, in a form prescribed by the Civil Service Commission, by the head, or by a person designated by the head, of the department, agency, or independent establishment in the executive branch of the Government of the United States which administers the provisions of law authorizing the performance of such service, or is otherwise established to the satisfaction of the Commission;

"(C) The employee or Member shall have deposited with interest at 4 per centum per annum to December 31, 1947, and 3 per centum per annum thereafter, compounded on December 31 of each year, to the credit of the civil service retirement and disability fund a sum equal to the aggregate of the amounts that would have been deducted from his basic salary, pay, or compensation during the period of service credited under this subsection if during such period he had been subject to this section, except that this paragraph shall not apply to services covered in paragraph (D) below;

"(D) The annuity computed under this subsection is reduced by the amount of any State annuity (including social security benefits) which an employee is receiving, or may receive, toward which the employee contributed during such State service and to which he is entitled by reason of such State service. As used in this subsection, the term 'State' includes the Commonwealth of Puerto Rico, and any political subdivision thereof, or of any instrumentality of either."

SEC. 2. The annuity of any person who shall have performed service described in subsection (1) of section 8332 of title 5, United States Code, as amended, and who on or after June 30, 1942, and before the date of enactment of this Act shall have been retired on annuity then or now payable from the civil service retirement and disability fund, shall, upon application filed by such person within one year after the date of enactment of this Act and upon compliance with the conditions prescribed by such subsection (1) be adjusted, effective as of the first day of the month immediately following the date of enactment of this Act, so that the amount of such annuity will be the same as if such subsection (1) had been in effect at the time of such person's retirement.

SEC. 3. The provisions of section 8348(g) of title 5, United States Code, shall not apply with respect to benefits resulting from the enactment of this Act.

S. 472—INTRODUCTION OF BILL TO LIBERALIZE THE EARNINGS TEST UNDER SOCIAL SECURITY

Mr. BAYH. Mr. President, when the Senate considered the 1967 Social Security Act, I offered an amendment to increase the earnings limitation from the proposed $1,680 to $2,400 annually. The amendment was adopted by a vote of 50 to 23, indicating that the Senate was strongly in favor of modernizing the arbitrary and restrictive test on earnings by the elderly. In the face of this one-sided Senate vote, and contrary to widespread sentiment among House Members in favor of the change, the conference committee was ill advised in deleting the amendment.

Therefore, Mr. President, I am today introducing the amendment in bill form and in the hope that the Senate Finance Committee, under the able leadership of the Senator from Louisiana (Mr. LONG) will act quickly and favorable on this proposal—and not delay its consideration pending the new administration's recommendations on a social security package.

Briefly, this bill would permit a social security recipient to earn $2,400 annually before suffering any reduction in benefits. For every $2 earned between $2,400 and $3,600, the beneficiary would lose $1 in benefits. Beyond that, $1 in earnings would result in the loss of $1 in benefits.

Mr. President, as a result of the 13-percent increase in cash benefits voted by the Congress in 1967, the average monthly benefit paid to an elderly couple is approximately $165. Thus, a social security beneficiary who continued to hold employment, and who was paid the average monthly benefit, could receive a combined income for he and his wife of $5,000 annually before continued employment resulted in an equal reduction in benefits. In view of the greatly increased cost of living and the fact that a very large percentage of the elderly's income—about two-thirds—is spent on food, shelter, clothing, and medical care, I believe that the $5,000 figure is a modest one.

As a society, we are today committed to the simple and just proposition that old age should not mean added life without dignity, but added dignity with life. How can we insure that dignity, that feeling of self-respect? The answer is to see that our senior citizens are self-sufficient; that they are not dependent upon welfare payments; that they are not subject to the embarrassments that come from dependence upon their children. And the way to do that, Mr. President, is to provide them with the opportunity for continued employment to supplement social security.

The VICE PRESIDENT. The bill will be received and appropriately referred.

The bill (S. 472) to amend title II of the Social Security Act to increase the annual amount individuals are permitted to earn without suffering deductions from the insurance benefits payable to them under such title, introduced by Mr. BAYH (for himself and other Senators), was received, read twice by its title, and referred to the Committee on Finance.

LISTING OF COSPONSORS OF S. 14

Mr. SCOTT. Mr. President, yesterday, in requesting that the cosponsors of S. 14 be included at the next printing of the bill, the list of names was incorrectly shown in the RECORD. Therefore, I make the following request.

I ask unanimous consent that at the next printing of S. 14, my bill to establish a Commission on Afro-American History and Culture, that the list of cosponsors be included. The names of the cosponsors were inadvertently omitted from the draft of the bill. However, I announced the cosponsors at the beginning of my remarks when I introduced S. 14. My

statement can be found on page 806 of the CONGRESSIONAL RECORD of January 15, 1969. The following Senators are cosponsors of S. 14: Senators BAYH, BROOKE, CASE, COOK, GOODELL, HART, HARTKE, HATFIELD, INOUYE, JAVITS, MCGEE, MATHIAS, MILLER, MONDALE, MUSKIE, NELSON, PERCY, SCHWEIKER, WILLIAMS of New Jersey, and myself.

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

ADDITIONAL COSPONSORS OF BILL AND JOINT RESOLUTIONS

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that, at its next printing, the name of the Senator from Illinois (Mr. PERCY) be added as a cosponsor of the bill (S. 1) to provide for uniform and equitable treatment of persons displaced from their homes, businesses, or farms by Federal and federally assisted programs and to establish uniform and equitable land acquisition policies for Federal and federally assisted programs.

The VICE PRESIDENT. Without objection, it is so ordered.

Mr. BAYH. Mr. President, I am delighted to announce that Senator HOWARD BAKER has requested that his name be added to the list of Senators cosponsoring Senate Joint Resolution 1, a proposed amendment to the Constitution calling for a direct election of the President and Vice President of the United States. I ask unanimous consent that Senator BAKER's name appear on Senate Joint Resolution 1 as a cosponsor at its next printing.

In addition, Mr. President, I ask unanimous consent to place in the RECORD at this point the text of remarks recently made by Senator BAKER on this subject. I believe that they shall be of interest to other Senators and to those persons who are following efforts to reform the present electoral system.

The VICE PRESIDENT. Without objection, it is so ordered.

EXCERPTS OF REMARKS BY SENATOR HOWARD H. BAKER, JR., PREPARED FOR DELIVERY BEFORE THE ANNUAL CONVENTION OF THE INVESTMENT BANKERS ASSOCIATION OF AMERICA, IN MIAMI BEACH, FLA., DECEMBER 5, 1968

MIAMI BEACH.—There has always been a good deal of distance and distrust between the American citizen and "them", "them" being my colleagues and I, the elected and appointed officials of the Government. "Theys" and "thems" get the blame whenever Government does something to you that you don't like. "Theys" and "Thems" are the sufficiently amorphous personalities who make it possible for the officeholders, if we are so inclined, to hide in any number of bureaucratic mazes and avoid being tagged with much of the blame for what "they" did.

But the times are changing. There is quite obviously a growing number of Americans who feel unable to communicate effectively with their government. There is an increasing feeling that the individual is not really relevant enough to the governmental process. And when this really sinks in, my guess is that the average American citizen won't stand for it. More and more in this age of instant communication and superior education, people are insisting that they have a real role in what their government does for them or to them.

The major political figures of 1968 all sensed this simmering among the members of the electorate. Everyone from Governor Wallace to Senator McCarthy called for "more power back to the people." And most candidates this year made a point to do some listening as well as talking.

President-elect Nixon's appeal for a wide variety of views within his Administration reflected this: "We should invite constructive criticism, not only because the critics have a right to be heard but because they often have something worth hearing."

The success of the Nixon Administration will be judged, to a significant extent, upon whether it is able to establish in America better communication between the government and the electorate. And I am convinced that, in order to achieve this reconciliation, some radical changes are going to be necessary.

One such step is the refederalization of our governments, the reversing of the centralizing trends which have dominated our federal structure for 35 years. More of our money should be spent and more of our decisions made at a level of government closer to the people, at a more accessible level where those citizens affected by governmental decisions can get their hands on the elected or appointed officials making the decisions. Refederalization will require as a first step the initiation of a system of Federal Revenue Sharing or Federal Tax Refunds to the states. This is a big, bold, essential and difficult step about which I could say a lot.

But instead, today I wish to discuss the electoral process, where, in my opinion, sweeping fundamental reforms must be accomplished in order to take the first steps in making the government adequately responsive to the electorate it serves in these modern times.

Throughout history there have always been qualifications to the central notion that each citizen in the nation should have a vote to determine who the representatives in government shall be, and that each man's vote, as much as is practicable, should count as much as the next man's. These qualifications, which have had more or less validity depending upon the times and circumstances (although some never had any validity at all), have included age, length of residency, race, property ownership, and accident of geographical location.

The trend of the last few years has been to strip away conditions to full participation in the electoral process except when there are clearly overwhelming considerations. For example, strong and effective efforts in the courts and Congress have virtually obliterated the totally invalid consideration of race as a restriction on an individual's right to vote. A few states already have reduced the voting age below 21 in recognition of the fact that the modern 18, 19 or 20-year old is suitably intelligent, aware and interested in public affairs to vote and that there is no overwhelming reason to deny him that right.

Sweeping strides have been taken in the courts and in Congress during the 1960's to eliminate the dilution of a man's vote by the accident of his geographical location. Reapportionment of state legislatures and redistricting of the Federal House of Representatives according to the one-man, one-vote rule have nearly put an end to instances where one man's vote for a Congressman or a state legislator might be worth more or less than his neighbor's because of unfairly apportioned districts.

Yet there are a number of efforts which need to be initiated or accelerated in this democratizing process.

The most important remaining new area of activity is the reform of the process for selecting the President and Vice-President of the United States. We have all read and heard more than enough this year about all the bizarre contingencies that could arise in a close election under the present electoral college system. We have been asked to imagine the sordid negotiation for electoral votes that might have taken place between November 5 and December 16 if, say, President-elect Nixon had received only 269 instead of 303 electoral votes. We have been presented with the prospect of the United States Representatives electing a man to the Presidency who had placed third in the electoral voting. We were even confronted with the possibility of a third-party vice-presidential nominee being sworn in on January 20, 1969.

There was a time when the concept of an electoral college served a desirable and necessary function. The public at large was poorly educated and had little or no access to the kind of information on which an intelligent choice could be made. It was sound public policy for the citizen to vote for a group of men in his own State who were educated and experienced and capable of choosing wisely men to lead the Nation. But the situation today is radically different from that which made the system appropriate at the time it was devised. The people today are widely educated and, due largely to the advent of electronic communications, generally well informed on the issues that confront our society and the persons who seek to lead it. The machinery of the electoral college remains; its reason for being has passed. The machinery itself must be eliminated. The system is more than a harmless anachronism; it represents a dangerous impediment to the voice of the people, an unnecessary barrier interposed between the voting citizen and the highest office in the land.

So I advocate the abolition of the electoral college and the substitution of direct popular election for the offices of President and Vice President. It is true that this solution gives rise to other questions, primarily the question of what to do in the case of a candidate with a popular plurality but less than a popular majority. In 1860, for example, Abraham Lincoln received 39.8 percent of the popular vote, Stephen Douglas 29.4 percent, John Breckenridge 19.2 percent, and John Bell 12.6 percent. Because Lincoln carried the populous northern states, he received 180 electoral votes, 28 more than the needed majority. He had won the election in strict accordance with the Constitutional procedures but with less than 40 percent of the popular vote. The sectional polarization of the vote, as we know, led directly to secession and Civil War.

It has been suggested that if the electoral college were to be abolished, as I believe it should be, a candidate in order to be elected President might be required by law to win a minimum of 40 percent of the popular vote or some similar figure. Failure to win such a specified percentage, whatever it might be, would mean a national run-off between the two leading candidates. There is much about this suggestion that appeals to me. After extensive study, perhaps the Congress and the States would agree that some version of it would be the wisest course. In any event, the "plurality problem" is definitely soluble and represents a far lesser risk than does the existing system.

Direct election of the President and Vice President is clearly the most urgently needed reform of our election procedures. But there are several other areas that need prompt and insightful attention and remedy. For example, I am firmly committed to the reduction of the voting age to 18 years. Not only is it unfair that today's active and educated young Americans should have no voice in the future of the country, it is also true that the country will benefit from their participation.

I further believe that immediate provision must be made in our national laws to permit the transient citizen to vote in national elections. In today's highly mobile society many qualified Americans are denied the right to vote for the Presidency and Vice Presidency because of residency require-

ments. This is a patently unjust impediment, and it must be removed.

Another badly needed reform is provision for 24-hour voting coordinated between time zones. In other words, polling places should be open for a full 24-hour period, and that period should begin and end at the same Greenwich Mean Time across the nation. This would have two salutary effects: it would make voting a great deal easier for many Americans who now find polling hours inconvenient or impossible to meet, and it would also eliminate the bothersome question of whether early returns from eastern States and network computer predictions influence voting patterns in the West where polls are still open.

In discussing reform of our election machinery, I want to make immediately and abundantly clear my deep reverence for an independent two-party system and for the fundamental right and privilege of the various States to make their own election laws and determine their own election procedures within the framework of constitutional federalism. The stability and longevity of our political system and the splendid success of our great experiment in democratic government have been largely due to the concept and the fact of federalism on one hand and the existence of two broad-based, popular, partisan political parties on the other hand. I would neither propose nor support any reform that would interfere with or in any way endanger either the right of the States to control elections or the freedom of the two national parties to transact their business.

There is a great deal of intelligent controversy over the proper role and function of the presidential preferential primary election. Thoughtful proposals have been made by good men for nationwide presidential primaries. I myself would prefer to see primary elections held in each of the fifty states. Such a system of state primaries—in which each candidate for the Presidency might enter as an individual and in which delegates to the national nominating conventions would be directly elected by the rank-and-file—such a system would have several advantages over a single national primary. It would reinforce rather than weaken the essentially federal nature of our government, greatly strengthen party structures in each of the States, involve many more citizens in the vitally important work of partisan political activity, and provide clear and unequivocal indicators of a given candidate's merit and of his ability to move the people.

The popular election of delegates would be a meaningful modification of the existing convention system. While ritual and tradition have their places, one clear lesson of 1968 is that national conventions must be streamlined and made more directly relevant to the wishes of the people. A convention made up of popularly elected delegates would be a significant move toward greater public participation in the nominating process. Such a system would do much to dissipate the public image of unscrupulous dealings in a "smoke-filled room," but at the same time it would bolster the two-party system that is so essential to our national life.

Finally, the business of insuring that one man's vote is worth as much as the next man's is not complete, insofar as the Federal House of Representatives is concerned. In the session just concluded, the Congress eliminated at-large districts which tended to discriminate against minority groups whose size would be a more effective political force in a smaller, single-member district. But no final action was taken on either the setting of legislative standards governing the population variance permitted between congressional districts or the outlawing of the shoddy practice of gerrymandering. This effort will be renewed in this Congress.

These are simply some random thoughts that I have on how the two major political parties might enhance public confidence in their nominating machinery. Any and all such proposals require careful and prudent study and discussion before action is taken. But action must be taken soon. I do not believe that we can afford to move into 1972 with party, State, and Federal election machinery as it exists today. It is too great a risk to take.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that at the next printing of the joint resolution (S.J. Res. 19) the name of the senior Senator from New York (Mr. JAVITS) be added as a cosponsor. The joint resolution proposes an amendment to the Constitution of the United States extending the right to vote to citizens 18 years of age or older.

The VICE PRESIDENT. Is there objection? The Chair hears none, and it is so ordered.

Mr. DIRKSEN. Mr. President, I ask unanimous consent that at its next printing, the names of Senators AIKEN, BAKER, GURNEY, JORDAN of North Carolina, LONG, MCCLELLAN, MURPHY, PASTORE, SCHWEIKER, TALMADGE, and WILLIAMS of Delaware be added to the list of cosponsors already of the resolution (S.J. Res. 6) the proposed constitutional amendment dealing with prayer in public buildings.

The VICE PRESIDENT. Without objection, it is so ordered.

SENATE RESOLUTION 29—RESOLUTION APPOINTING MR. DOLE A MEMBER OF THE SELECT COMMITTEE ON SMALL BUSINESS

Mr. DIRKSEN submitted a resolution (S. Res. 29) appointing Mr. DOLE a member of the Select Committee on Small Business, which was considered and agreed to.

(See the above resolution printed in full when submitted by Mr. DIRKSEN, which appears under a separate heading.)

SENATE RESOLUTION 30—RESOLUTION TO PROVIDE LEGISLATIVE AUTHORITY TO THE SELECT COMMITTEE ON SMALL BUSINESS

Mr. PROUTY. Mr. President, on behalf of myself and Senators ALLOTT, BAKER, BURDICK, CASE, DOLE, HATFIELD, JAVITS, MAGNUSON, MCGEE, MILLER, MONTOYA, MUNDT, MURPHY, PELL, RANDOLPH, SCOTT, and YOUNG of North Dakota, I submit, for appropriate reference, a resolution designed to give to the Select Committee on Small Business, the authority necessary for it to receive bills and resolutions relating to the problems of small business and to report bills and resolutions to the Senate for its consideration.

Mr. President, the Select Committee on Small Business does not now have this authority. It is empowered only to investigate and study problems peculiarly affecting the small business of this country. Such limited authority is unfortunate, to say the least, especially when problems are found to exist, can be identified, and yet are prevented from being considered by the Senate because the committee cannot report to the floor in a form upon which we can act.

This resolution does not establish a new standing committee. It does not amend the rules of the Senate relating to standing committees.

Positively speaking, this resolution gives to the Select Committee on Small Business of the Senate the authority to have bills, messages, petitions, memorials, and other matters relating to the problems of American small business enterprises referred to it and the additional authority to report bills and resolutions to the Calendar of the Senate for our consideration on the floor. This additional authority has often been referred to as legislative authority.

It is the feeling of large segments of the small business community that in the give and take of our national economic life there must be built into the structure of the Senate this select committee whose business it would be to consider legislation affecting the small business community.

In 1967 there were over 4.7 million small businesses in the country. They provided employment for over 30 million employees. They comprised 95 percent of the total number of businesses in the country. They generate 40 percent of the business activity in the country.

Small businesses furnish a livelihood for 60 percent of the population and provide employment for 40 percent of the population.

Their retail sales constituted 73 percent of total national retail sales.

Their wholesale sales constitute 70 percent of total national wholesale sales.

They constitute 82 percent of the construction activity in the country and 90 percent of the country's service industry.

They contribute 34 percent of the manufactured value added to the economy each year.

Mr. President, I do not demean any other committee of the Senate by offering this resolution. Most of the small business legislation offered in the Senate is considered by the Small Business Subcommittee of the Committee on Banking and Currency. I know that the members of that subcommittee, including its distinguished chairman, are hardworking, dedicated Senators who have the best interest of small business in view.

But, Mr. President, the Banking and Currency Committee is already overburdened with legislative proposals, highly complex in nature and, many of which, if enacted into law will have a massive impact upon the economic life of the Nation. The members of this great committee are just not in a position to devote the necessary time to the needs of small business.

Mr. President, I think we are all becoming increasingly aware of the plight of small business. If these small enterprises are not permitted to grow and prosper the Nation will suffer an irreparable loss in job opportunities and economic growth. Let us remember that all big business was once small business, and if we wish to maintain the competitive system in this country and expand the national economy small entrepreneurs must have a chance to exist.

The small business community has repeatedly urged the recognition of this legislation. Under the sustained leadership of the National Federation of Independent Business, an organization of in-

dependent business and professional men, small business enterprises across the country have sought only the same consideration as are given to other organizations.

It seems to me that there is little merit in the Senate's having for so many years a Select Committee on Small Business which can only suggest, which can only hold hearings, and which can only offer a hope that legislation might be considered. It seems to me that there is no point in our having a Select Committee on Small Business unless it can translate into action in the form of legislation those ideas and proposals which become patently necessary as a result of any hearings or investigations that select committees might make.

Despite the past failure to act on this matter, Mr. President, I believe and I am firmly convinced that this resolution has great merit.

The VICE PRESIDENT. The resolution will be received and appropriately referred; and, under the rule, the resolution will be printed in the RECORD.

The resolution (S. Res. 30) was referred to the Committee on Rules and Administration, as follows:

S. RES. 30

Resolved, That S. Res. 58, Eighty-first Congress, agreed to February 20, 1950, as amended, is amended to read as follows:

"That there is hereby created a select committee to be known as the Committee on Small Business, to consist of seventeen Senators to be appointed in the same manner and at the same time as the chairman and members of the standing committees of the Senate at the beginning of each Congress, and to which shall be referred all proposed legislation, messages, petitions, memorials, and other matters relating to the problems of American small business enterprises.

"It shall be the duty of such committee to study and survey by means of research and investigation all problems of American small business enterprises, and to obtain all facts possible in relation thereto which would not only be of public interest, but which would aid the Congress in enacting remedial legislation.

"Such committee shall from time to time report to the Senate, by bill or otherwise, its recommendations with respect to matters referred to the committee or otherwise within its jurisdiction."

SEC. 2. Subsection (d) of XXV of the Standing Rules of the Senate is amended by striking out in paragraph 2, the words "under this rule".

SENATE RESOLUTION 31—RESOLUTION TO AMEND RULE XXV RELATING TO AN APPROPRIATION FOR THE SUBCOMMITTEE ON PRIVILEGES AND ELECTIONS

Mr. CANNON. Mr. President, I submit for appropriate reference, an original resolution of $105,000 for the year beginning February 1, 1969, and ending January 31, 1970.

The appropriation is for the use of the Subcommittee on Privileges and Elections in carrying out its jurisdictional responsibilities under rule XXV of the Standng Rules of the Senate.

The amount requested is the same as has been agreed to by the Senate for the subcommittee's use in 1967. In 1968 the subcommittee had more because of the need to be prepared for possible election contests. It is anticipated that this money resolution will be sufficient to meet the current payroll plus the pay raise which will go into effect July 1, 1969, and all of the subcommittee's business for this fiscal year.

The VICE PRESIDENT. The resolution will be received and appropriately referred; and, under the rule, the resolution will be printed in the RECORD.

The resolution (S. Res. 31) was referred to the Committee on Rules and Administration, as follows:

S. RES. 31

Resolved, That the Committee on Rules and Administration, or any duly authorized subcommittee thereof, is authorized under sections 134(a) and 136 of the Legislative Reorganization Act of 1946, as amended, and in accordance with its jurisdictions specified by rule XXV of the Standing Rules of the Senate, to examine, investigate, and make a complete study of any and all matters pertaining to—

(1) the election of the President, Vice President, or Members of Congress;

(2) corrupt practices;

(3) contested elections;

(4) credentials and qualifications;

(5) Federal elections, generally; and

(6) presidential succession.

SEC. 2. For the purpose of this resolution, the committee, from February 1, 1969, to January 31, 1970, inclusive, is authorized (1) to make such expenditures as it deems advisable; (2) to employ, upon a temporary basis, technical, clerical, and other assistants and consultants: *Provided*, That the minority is authorized to select one person for appointment, and the person so selected shall be appointed and his compensation shall be so fixed that his gross rate shall not be less by more than $2,400 than the highest gross rate paid to any other employee; and (3) with the prior consent of the heads of the departments or agencies concerned, and the Committee on Rules and Administration, to utilize the reimbursable services, information, facilities, and the personnel of any of the departments or agencies of the government.

SEC. 3. The committee shall report its findings, together with its recommendations for legislation as it deems advisable, to the Senate at the earliest practicable date, but not later than January 31, 1970.

SEC. 4. Expenses of the committee, under this resolution, which shall not exceed $105,000, shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee.

SENATE RESOLUTION 32—RESOLUTION TO CREATE A STANDING COMMITTEE ON VETERANS' AFFAIRS

Mr. CANNON. Mr. President, I submit for myself and Senator BIBLE, Senator BYRD of West Virginia, Senator CURTIS, and Senator FONG for appropriate reference, a resolution to create a Standing Committee on Veterans' Affairs.

In 1967 I submitted Senate Resolution 13 which was favorably reported from the Committee on Rules and Administration but was not acted upon by the Senate.

Millions of veterans are in need of a Senate committee which will be given jurisdiction over all legislation affecting them instead of the present system of dividing that jurisdiction among the Finance, Labor, and Public Welfare, and Interior Committees. The contents of my resolution pertaining to veterans are exactly the same as those incorporated into the Legislative Reorganization Act of 1967 which unfortunately was not enacted into law.

I am very hopeful that this new resolution will be given the approval of the Senate when it is reported later this year.

All of the major veterans' organizations in the United States have expressed their desire for the creation of a separate standing committee to receive and consider all legislation pertaining to veterans. There are over 24 million veterans living in the United States today, many of whom have problems with respect to veterans' benefits, hospitalization, pensions, and other matters of equal importance.

Senate Resolution 13, which I submitted in 1967, was given the approval of the Subcommittee on Standing Rules of the Senate and subsequently was reported by the Committee on Rules and Administration. I regret that the resolution was not called up for debate on the floor of the Senate because I believe that if it had been considered by the Senate, it would have been approved. This new resolution is identical to Senate Resolution 13 as well as to the provisions pertaining to veterans which were approved during the last Congress as part of the Legislative Reorganization Act.

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

Mr. CANNON. I yield.

Mr. HOLLAND. Mr. President, I ask that I be added as a cosponsor to the legislation the Senator has referred to, which I think has been long needed.

Mr. CANNON. I am delighted to have the Senator from Florida join with me as a cosponsor.

The VICE PRESIDENT. Without objection, it is so ordered.

Mr. CANNON. Mr. President, I ask unanimous consent that the resolution be retained at the desk for 1 week for the purpose of including addition cosponsors.

The VICE PRESIDENT. The resolution will be received and appropriately referred; and, without objection, the resolution will be held at the desk, as requested by the Senator from Nevada. Under the rule, the resolution will be printed in the RECORD.

The resolution (S. Res. 32) to amend rule XXV of the Standing Rules of the Senate to create a Standing Committee on Veterans' Affairs, was referred to the Committee on Rules and Administration, as follows:

S. RES. 32

Resolved, That rule XXV of the Standing Rules of the Senate (relating to standing committees) is amended by—

(1) striking out items 10 through 13 in subparagraph (h) of paragraph 1;

(2) striking out the comma and the words "and national cemeteries" in item 5 of subparagraph (k) of paragraph 1;

(3) striking out items 16 through 19 in subparagraph (m) of paragraph 1; and

(4) inserting in paragraph 1 after subparagraph (p) the following new subparagraph:

"(q) Committee on Veterans' Affairs, to consist of nine Senators, to which committee shall be referred all proposed legislation,

messages, petitions, memorials, and other matters relating to the following subjects:

"1. Veterans' measures, generally.

"2. Pensions of all the wars of the United States, general and special.

"3. Life insurance issued by the Government on account of services in the Armed Forces.

"4. Compensation of veterans.

"5. Vocational rehabilitation and education of veterans.

"6. Veterans' hospitals, medical care, and treatment of veterans.

"7. Soldiers' and sailors' civil relief.

"8. Readjustment of servicemen to civil life.

"9. National cemeteries."

Sec. 2. The second sentence of paragraph 4 of rule XXV of the Standing Rules of the Senate is amended by striking out "and the Committee on Rules and Administration" and inserting in lieu thereof "Committee on Rules and Administration; and the Committee on Veterans' Affairs".

Sec. 3. Paragraph 6(a) of rule XVI of the Standing Rules of the Senate (relating to the designation of ex officio members of the Committee on Appropriations) is amended by adding at the end of the tabulation contained therein the following new item: "Committee on Veterans' Affairs—For the Veterans' Administration."

Sec. 4. The provisions of this resolution shall take effect upon passage.

Mr. CANNON. Mr. President, I withdraw my request that the bill lie on the desk for one week and I ask unanimous consent that it lie at the desk for the remainder of this day for the inclusion of additional sponsors.

Mr. BYRD of West Virginia. Mr. President, reserving the right to object—and I certainly will not object—I just want to inquire whether the Senator has cleared this with the minority side?

Mr. CANNON. I am informed that the reason I am withdrawing my request is that the minority had objected to any unanimous consent request that a bill lie at the desk for a period of time.

Mr. BYRD of West Virginia. I thank the Senator. I did not hear that.

SENATE RESOLUTION 33—RESOLUTION RELATING TO THE ACTIVITIES OF NATIONS IN OCEAN SPACE

Mr. PELL. Mr. President, for some time now I have been attempting to bring to the attention of the people of our country and our Government the dangers inherent in the legal void which exists vis-a-vis ocean space, our extraterritorial marine environment.

For example, in September 1967, I stated on the floor of the Senate:

> As our Nation expands its technology in the marine sciences at an ever-increasing pace, we are moving toward dangerous legal confrontations with foreign nations over the ownership and jurisdiction of the extraterritorial seabed and superadjacent waters.

Pressing this issue further, I noted at that time:

> We stand on the threshold of a vast technological breakthrough which may suddenly advance our Nation's—and other's—ability to carry out every type of oceanologic activity, at an depth, and in an area of the ocean. To date, there is no adequate regime to provide for order when this breakthrough comes.

Since making these observations, Mr. President, substantial progress has been made in the general field of marine technology, but, unfortunately, our advances in this field have not been matched on the diplomatic front, in terms of seeking the establishment of a meaningful legal regime to regulate the development of the ocean space environment. Because of this lag at the diplomatic level, I for one, can find little comfort in our undisputed leadership in the field of applied marine technology.

For the kind of problem we are now encountering in regard to the development of ocean space, the following example will suffice: In a press release dated August 24, 1968, the National Science Foundation reported that the new, specially designed research vessel *Glomar Challenger* had established a new deep sea drilling record with the recovery of core material at 2,500 feet in more than 9,000 feet of water; the previous record, set in 1961, was core recovery at 601 feet into the deep ocean floor. In addition, and perhaps of greater importance, the press release noted further that, while in the Sigsbee Knolls area of the Gulf of Mexico, this same vessel discovered a show of oil and gas in core material taken at 480 feet in almost 12,000 feet of water.

These two events are indeed historic: The first, recording the extraordinary advances over the last few years in drilling technology, and the second, proving—contrary to the general thinking of marine geologists—the existence of deep-sea oil and gas deposits.

Mr. President, these activities and discoveries dramatically raise the question of the legal status of the seabed and subsoil of the deep ocean floor; such incidents raise this question not only in terms of scientific investigation, but also in terms of resources discovered. Moreover, there is the further question, Does exploration carry a preferential right to exploitation? Do the classical rules of acquisition of territory through occupation apply to the ocean floor? If the answer is "Yes," what constitutes occupation, and does occupation carry sovereign rights with it? If the answer is "No," then what rules do apply to this new environment?

In posing these questions, I would hope that my colleagues do not dismiss them too readily, feeling that such questions are attached to one isolated incident; let me remind all of you that last year the Senate unanimously endorsed the proposal for an International Decade of Ocean Exploration, to begin in 1970. This project, which has just received United Nations endorsement, will undoubtedly raise a whole host of questions of the kind to which I already have alluded. Moreover, by 1970, no fewer than eight of our giant business enterprises will have a full range of commercial submersibles available to both industry and the military. Many of industry's advances in undersea technology are undergoing thorough testing during the conduct of the Navy's Sealab III project.

I think it is worth noting also that the Commission on Marine Science, Engineering and Resources, in its comprehensive report to the Congress last week, recommended that the United States adopt as national goals development of capabilities to physically occupy the seabed to a depth of 2,000 feet and to explore to depths of 20,000 feet within the next decade.

Mr. President, all of these activities should serve as a constant reminder to us that man has begun in earnest a systematic probe of the earth's last frontier. As the exploration of the ocean depths gathers momentum, technology will advance accordingly, and man will seek to exploit—if not occupy—the deep ocean floor. Thus, as science and technology conquer greater and greater segments of the marine environment, major political issues will loom larger and larger on the diplomatic horizon.

In fact, science and technology incorporate interrelated processes which cannot be divorced from political and diplomatic considerations to which they give rise. With respect to ocean space, it is clearly evident that the conduct of diplomacy is being outpaced, and international relations are dangerously strained by the speed at which scientific and technological achievements are occurring. Therefore, unless we face this new reality, and face it in terms of the international political setting, the future of ocean space may offer little more than protracted anarchy and chaos.

Mr. President, prompted by these circumstances and possibilities, I am submitting a resolution calling upon the U.S. Representative to the United Nations to place before its newly established Committee on the Peaceful Uses of the Seabed and Ocean Floor a set of detailed principles to govern the activities in ocean space of all the nations of the world. I ask unanimous consent, Mr. President, that the text of my resolution be printed in the RECORD.

I would like to direct attention again to the recent report by the Marine Science Commission. The report deals in some detail with the problems I have mentioned today. I am heartened by the fact that the Commission considers these jurisdictional questions to be urgent problems requiring immediate attention and am deeply gratified that the Commission report endorses many of the concepts and principles embodied in the resolution I introduced in the 90th Congress and which I am introducing again today.

Finally, Mr. President, I would like to speed up the process between the stages of a U.N. resolution on this subject and the formulation of a final draft treaty on ocean space by suggesting my own views on specific provisions of such a treaty. I plan to offer this treaty proposal shortly.

The VICE PRESIDENT. The resolution will be received and appropriately referred; and, under the rule, the resolution will be printed in the RECORD.

The resolution (S. Res. 33) was referred to the Committee on Foreign Relations, as follows:

S. RES. 33

Whereas the development of modern techniques for the exploration of the deep sea and the exploitation of its resources carries with it the threat of legal confrontation, between nations of the world over the ownership and jurisdiction of the bed of the deep

sea and the superjacent waters, and the resources therein; and

Whereas the threat of anarchy now exists in the field of scientific exploration and commercial exploitation of the deep sea and its resources: Now, therefore, be it

Resolved, That it is the sense of the Senate that the President should make such efforts, through the United States delegation to the United Nations, as may be necessary to place before the Committee on the Peaceful Uses of the Seabed and Ocean Floor beyond the Limits of National Jurisdiction for its consideration at the earliest possible time the following resolution endorsing basic principles for governing the activities of nations in ocean space:

"DECLARATION OF LEGAL PRINCIPLES GOVERNING ACTIVITIES OF STATES IN THE EXPLORATION AND EXPLOITATION OF OCEAN SPACE

"Preamble

"The General Assembly,

"Inspired by the great prospects opening up before mankind as a result of man's ever-deepening probe of ocean space—the waters of the high seas, including the superjacent waters above the continental shelf and outside the territorial sea of each nation, and the seabed and subsoil of the submarine areas of the high seas outside the area of the territorial sea and continental shelf of each nation,

"Recognizing the common heritage of mankind in ocean space and the common interest of all mankind in the exploration of ocean space and the exploitation of its resources for peaceful purposes,

"Believing that the threat of anarchy exists in the exploration and exploitation of ocean space and its resources,

"Desiring to contribute to broad international cooperation in the scientific as well as the legal aspects of the exploration and exploitation of ocean space and its resources for peaceful purposes,

"Recalling the four conventions on the Law of the Sea and an optional protocol of signature concerning the compulsory settlement of disputes, which agreements were formulated at the United Nations Conference on the Law of the Sea, held at Geneva, Switzerland, from 24 February to 27 April 1958, and were adopted by the Conference at Geneva on 29 April 1958,

"Recalling the Treaty on Principles Governing the Activities of States in the Exploration and Use of Outer Space, Including the Moon and Other Celestial Bodies, which was unanimously endorsed by General Assembly resolution 2222 (XXI) of 19 December 1966 and signed by sixty nations at Washington, London, and Moscow on 27 January 1967, and considering that progress towards international cooperation in the exploration and exploitation of ocean space and its resources and the development of the rule of law in this area of human endeavor is of comparable importance to that achieved in the field of outer space,

"Recalling General Assembly resolution 2467A (XXIII) of 20 December 1968, which provided for the establishment of a Committee on the Peaceful Uses of the Seabed and Ocean Floor beyond the Limits of National Jurisdiction,

"Recognizing that the problems resulting from the commercial exploitation of ocean space are imminent,

"Believing that the living and mineral resources in suspension in the high seas, and in the seabed and subsoil of ocean space, are free for the use of all nations, subject to international treaty obligations and the conservation provisions of the conventions on the Law of the Sea, adopted at Geneva on 29 April 1958,

"Convinced that international agreement on principles governing the activities of States in the exploration and exploitation of ocean space and its resources would further the welfare and prosperity of mankind and benefit their national States,

"Solemnly declares that in the exploration of ocean space and the exploitation of its resources States should be guided by the following principles:

"I—General principles applicable to ocean space

"1. The exploration and use of ocean space and the resources in ocean space shall be carried out for the benefit and in the interests of all mankind, and shall be the province of all mankind.

"2. Ocean space and the resources in ocean space shall be free for exploration and exploitation by all nations without discrimination of any kind, on a basis of equality of opportunity, and in accordance with international law, and there shall be free access to all areas of ocean space.

"3. Ocean space is not subject to national appropriation by claim of sovereignty, by means of use or occupation, or by any other means.

"4. There shall be freedom of scientific investigation in ocean space and States shall facilitate and encourage international cooperation in such investigation, but no acts or activities taking place pursuant to such investigation shall constitute a basis for asserting or creating any right to exploration or exploitation of ocean space and its resources.

"5. The activities of States in the exploration and exploitation of ocean space and its resources shall be carried on in accordance with international law, including the Charter of the United Nations, and the principles set forth in this Declaration, in the interest of maintaining international peace and security and promoting international cooperation and understanding.

"6. States bear international responsibility for national activities in ocean space, whether carried on by governmental agencies or non-governmental entities or nationals of such States, and for assuring that national activities are carried on in conformity with the principles set forth in this Declaration. The activities of non-governmental entities and nationals of States in ocean space shall require authorization and continuing supervision by the State concerned. When activities are carried on in ocean space by an international organization, responsibility for compliance with the principles set forth in this Declaration shall be borne by the international organization itself.

"7. In the exploration of ocean space and the exploitation of its resources, States shall be guided by the principle of cooperation and mutual assistance and shall conduct all their activities in ocean space with due regard for the corresponding interests of other States.

"8. States shall render all possible assistance to any person, sea vehicle, or facility found in ocean space in danger of being lost or otherwise in distress.

"9. States engaged in activities of exploration or exploitation in ocean space shall immediately inform other interested States and the Secretary-General of the United Nations of any phenomena they discover in ocean space which could constitute a danger to the life or health of persons exploring or working in ocean space.

"II—Use of ocean space except seabed and subsoil

"1. All States have the right for their nationals to engage in fishing, aquaculture, in-solution mining, transportation, and telecommunication in the waters of ocean space beyond the territorial seas of any State.

"2. This right shall be subject to the treaty obligations of each State and to the interests and rights of coastal States and shall be conditioned upon fulfillment of the conservation measures required in the agreement entitled 'Convention on Fishing and Conservation of the Living Resources of the High Seas', adopted by the United Nations Conference on the Law of the Sea at Geneva on 29 April 1958.

"3. Any disputes which may arise between States with respect to fishing, aquaculture, in-solution mining, conservation, and transportation activities of States in the high seas shall be settled in accordance with all the provisions of such convention setting forth a compulsory method for the settlement of such questions. The provisions of Article 27 and Annex 4 of the International Telecommunication Convention, signed at Geneva on 21 December 1959, shall be applicable to any disputes which may arise between States with respect to telecommunication activities in the high seas.

"III—Use of seabed and subsoil of ocean space

"1. In order to promote and maintain international cooperation in the peaceful and orderly exploration, and exploitation of the natural resources, of the seabed and subsoil of submarine areas of ocean space, States shall engage in such exploration or exploitation only under licenses issued by a technically competent licensing authority to be designated by the United Nations, and to be independent of any State.

"2. The natural resources referred to in this Article consist of the mineral and other non-living resources of the seabed and subsoil together with living organisms belonging to sedentary species, that is to say, organisms which, at the harvestable stage, either are immobile on or under the seabed or are unable to move except in constant physical contact with the seabed or the subsoil.

"3. The activities of nationals and non-governmental entities of States in the exploration of submarine areas of ocean space and the exploitation of the natural resources of such areas shall require authorization and continuing supervision by the State concerned, and shall be conducted under licenses issued to States making application on behalf of their nationals and non-governmental entities. When such activities are to be carried on by an international organization, a license may be issued to such organization as if it were a State.

"4. It shall be the duty of the licensing authority to act as promptly as possible on each application for a license made to it. In issuing licenses and prescribing regulations, the licensing authority shall apply all relevant provisions set forth in this Declaration, shall give due consideration to the potential impact on the world market for each resource to be extracted or produced under such license, and shall apply the following criteria:

"(a) The license issued by the licensing authority shall (i) cover an area of such size and dimensions as the licensing authority may determine, with due regard given to providing for a satisfactory return of investment, (ii) be for a period of not more than fifty years, with the option of renewal, provided that operations are conducted with the approval of the licensing authority, (iii) require the payment to the licensing authority of such fee or royalty as may be specified in the lease, (iv) require that such lease will terminate within a period of not more than ten years in the absence of operations thereunder unless the licensing authority approves an extension of the period of such license, and (v) contain such other reasonable requirements as the licensing authority may deem necessary to implement the provisions of this Article and to provide for the most efficient exploitation of resources possible, consistent with the conservation of and prevention of the waste of the natural resources of the seabed and subsoil of ocean space.

"(b) If two or more States apply for licenses to engage in the exploration of the seabed and subsoil of ocean space or the exploitation of its natural resources in the same area or areas of ocean space, the licensing

authority shall, to the greatest extent feasible and practicable, encourage cooperative or joint working relations between such States and be guided by the principle that ocean space shall be free for use by all States, without discrimination of any kind, on a basis of equality of opportunity. But, if it proves impractical for the license to be shared, the licensing authority shall determine which State shall receive the license with due regard given to the encouragement of the development of the technologically developing States.

"(c) A coastal State has a special interest in the conservation of the natural resources of the seabed and subsoil of ocean space adjacent to its territorial sea and continental shelf and this interest shall be taken into account by the licensing authority.

"(d) A coastal State is entitled to take part on an equal footing in any system of research and regulation for purposes of conservation of the natural resources of the seabed and subsoil of ocean space in that area, even though its agencies or nationals do not engage in exploration there or exploitation of its natural resources.

"(e) The exploration of the seabed and subsoil of ocean space and the exploitation of its natural resources must not result in any unjustifiable interference with navigation, fishing, or the conservation of the living resources of the sea, nor result in any interference with fundamental oceanographic or other scientific research carried out with the intention of open publication.

"(f) A State or international organization holding a license is obliged to undertake, in the area covered by such license, all appropriate measures for the protection of the living resources of the sea from harmful agents and shall pursue its activities so as to avoid the harmful contamination of the environment of such area.

"5. Subject to appropriate regulations prescribed by the licensing authority and to the following provisions, a State or international organization holding a license is entitled to construct and maintain or operate on the seabed and subsoil of ocean space installations and other devices necessary for its exploration and the exploitation of its natural resources, and to establish safety zones around such installations and devices and to take in those zones measures necessary for their protection:

"(a) The safety zones referred to in this paragraph may extend to a distance of 500 meters radius around the installations and other devices which have been erected, measured from each point of their outer edge. Ships of all nationalities must respect these safety zones.

"(b) Such installations and devices do not possess the status of islands and have no territorial sea of their own.

"(c) Due notice must be given of the construction of any such installations, and permanent means for giving warning of their presence must be maintained. Any installations which are abandoned or disused must be entirely removed by the State or international organization responsible for its construction.

"(d) Neither the installations or devices, nor the safety zones around them, may be established where interference may be caused to the use of recognized sea lanes essential to international commerce and navigation.

"6. To the greatest extent feasible and practicable, the licensing authority shall disseminate immediately and effectively information and data received by it from license owners regarding their activities in ocean space.

"7. If a license owner has reason to believe that an activity or experiment planned by it or its nationals or nongovernmental entities in the area covered by its license would cause potentially harmful interference with activities of other States in the peaceful exploration and exploitation of such area of ocean space, it shall undertake appropriate international consultations and obtain the consent of the licensing authority before proceeding with any such activity or experiment. Any interested State which has reason to believe that an activity or experiment planned by a license owner would cause potentially harmful interference with activities in the peaceful exploration and exploitation of submarine areas of ocean space may request consultation concerning the activity or experiment and submit a request for consideration of its complaint to the licensing authority, which may order that the activity or experiment shall be suspended, modified, or prohibited. Review of any such order shall be allowed in accordance with the provisions of paragraphs 12 through 16 of this Article.

"8. All stations, installations, equipment, and sea vehicles, machines, and capsules used on the seabed or in the subsoil of ocean space, whether manned or unmanned, shall be open to representatives of the licensing authority, except that if there is objection to this procedure by the licensee, such facilities shall be open only to the Sea Guard of the United Nations as set forth in Article VII of this Declaration.

"9. Whenever a license owner fails to comply with any of the provisions of a license issued to it under this Article, such license may be canceled by the licensing authority upon thirty days notice to the license owner, but subject to the right of the license owner to correct any failure of compliance within a reasonable period of time to be specified by the licensing authority, and, in any event, to request review of the decision of the licensing authority as set forth in paragraphs 12 through 16 of this Article.

"10. Any dispute which may arise under this Article between license owners and the licensing authority, shall first be submitted for settlement by the licensing authority, which shall determine its own procedure, assuring each party a full opportunity to be heard and to present its case.

"11. In all cases of disputes under this Article, whether among license owners or between license owners and the licensing authority, the licensing authority shall be empowered to make awards.

"12. In the case of any dispute under this Article, if the licensing authority shall not have rendered its decision within a reasonable period of time or if any party to a dispute under this Article desires review of the decision of the licensing authority, such dispute shall, at the request of any of the parties, be submitted to a standing review panel which shall consist of not more than three members to be appointed by the International Court of Justice. The decision of the licensing authority shall be final and binding upon all parties to a proceeding before it unless a request for a review of such decision is made under this paragraph within a period of thirty days from receipt by such parties of notice of such decision.

"13. No two members of the panel may be nationals of the same State. No member may participate in the decision of any case if he has previously taken part in such case in any capacity or if he is a national of any party involved in the case.

"14. Members of the panel shall serve at the pleasure of the International Court of Justice. The Court shall fix the salaries, allowances, and compensation of members of the panel. The expenses of the panel shall be borne by each party to proceedings before the panel in such a manner as shall be decided by the Court.

"15. The panel shall determine its own procedure, assuring each party to the proceeding a full opportunity to be heard and to present its case.

"16. The panel shall hear and determine each case within a period of ninety days from receipt of a request for review of such case, unless it decides, in case of necessity, to extend the time limit for a period not exceeding thirty additional days. The decision of the panel shall be by majority vote and shall be final and binding upon the parties to the proceeding; except that if any party to the proceeding desires review of the decision, or if the panel has failed to render its decision within the period prescribed in the preceding sentence, the case shall be within the compulsory jurisdiction of the International Court of Justice as contemplated by paragraph 1 of Article 36 of the Statute of the International Court of Justice, and may accordingly be brought before the Court by an application made by such party.

"IV—Use of seabed and subsoil of ocean space for peaceful purposes only

"1. The seabed and subsoil of submarine areas of ocean space shall be used for peaceful purposes only.

"2. The prohibitions of this Article shall not be construed to prevent—

"(a) the use of military personnel or equipment for scientific research or for any other peaceful purpose;

"(b) the temporary use or stationing of any military submarines on the seabed or subsoil of ocean space if such submarines are not primarily designed or intended for use or stationing on the seabed or subsoil of ocean space; or

"(c) the use or stationing of any device on or in the seabed or subsoil of ocean space which is designed and intended for purposes of submarine or weapons detection, identification, or tracking.

"3. All States shall refrain from the implacement or installation on or in the seabed or subsoil of ocean space of any objects containing nuclear weapons or any kinds of weapons of mass destruction, or the stationing of such weapons on or in the seabed or subsoil of ocean space in any other manner.

"4. All States shall furthermore refrain from causing, encouraging, or in any way participating in the conduct of the activities described in paragraph 3 of this Article.

"5. All stations, installations, equipment, and sea vehicles, machines, and capsules, whether manned or unmanned, on the seabed or in the subsoil of ocean space shall be open to representatives of other States on a basis of reciprocity, but only with the consent of the State concerned. Such representatives shall give reasonable advance notice of a projected visit in order that appropriate consultations may be held and that maximum precautions may be taken to assure safety and to avoid interference with normal operations in the facility to be visited. All such facilities shall be open at any time to the Sea Guard of the United Nations referred to in Article VII of this Declaration, subject to the control of the Security Council as set forth in such Article.

"V—Regulations on the disposal of radioactive waste material in ocean space

"1. The disposal of radioactive waste material in ocean space shall be subject to safety regulations to be prescribed by the International Atomic Energy Agency, in consultation with the licensing authority referred to in Article III of this Declaration.

"2. In the event of the conclusion of any other international agreements concerning the use of nuclear energy, including the disposal of radioactive waste material, to which all of the original parties to the international agreement implementing these principles and parties, the rules established under such agreements shall apply in ocean space.

"VI—Limits of continental shelf

"In order to assure freedom of the exploration and exploitation of ocean space and its resources as provided in this Declaration, there is a clear necessity that fixed limits

must be set for defining the outer boundaries of the continental shelf of coastal States. For the purpose of the provisions of this Declaration, the term 'continental shelf' is used as referring (a) to the seabed and subsoil of the submarine areas adjacent to the coast but outside the area of the territorial sea to a depth of 550 metres, or to a distance of 50 miles from the baselines from which the breadth of the territorial sea is measured, whichever results in the greatest area of continental shelf, (b) to the seabed and subsoil of similar submarine areas adjacent to the coasts of islands. In no case, however, shall the continental shelf be considered for such purpose to encompass an area greater than the area (exclusive of territorial sea) of the State or island to which it is adjacent. Recognizing the desirability of achieving agreement on unsettled questions relating to defining the boundaries of the continental shelf, States shall accept any agreements which may be reached in the event a conference is convened to consider such questions as provided for in Article 13 of the Convention on the Continental Shelf, adopted at Geneva on 29 April 1958; and any agreement so reached shall become effective for purposes of this Declaration when approved by the conference.

"VII—Sea Guard

"1. In order to promote the objectives and ensure the observance of the principles set forth in this Declaration there shall be established as a permanent force a Sea Guard of the United Nations which may take such action as may be necessary to maintain and enforce international compliance with these principles.

"2. The Sea Guard shall be under the control of the Security Council of the United Nations, in consultation with the licensing authority referred to in Article III of this Declaration. Paragraph 3 of Article 27 of the Charter of the United Nations shall be applicable to decisions of the Security Council made with respect to the Sea Guard. The licensing authority shall be responsible under the Security Council for the supervision of the Sea Guard in connection with the performance by the Sea Guard of such duties as the licensing authority may deem appropriate to assign or delegate to the Sea Guard for purposes of the implementation of Article III of this Declaration.

"3. States are encouraged to provide to the Sea Guard such personnel and suitable scientific and sea patrol vessels as are necessary for the establishment and maintenance of the Sea Guard.

"VIII—National laws to apply to crimes in ocean space pending international agreement on code of criminal law

"Pending agreement upon an international code of law governing criminal activities in ocean space and the institution of an appropriate tribunal with jurisdiction over violations of such code of law, personnel of States and non-governmental entities of States and international organizations engaged in activities of exploration or exploitation in ocean space shall be subject only to the jurisdiction of the State of which they are nationals or the State which bears responsibility for their activities in respect of all acts or omission occurring while they are in ocean space, unless otherwise provided for by international law or in this Declaration;

"Requests the Committee on the Peaceful Uses of the Seabed and Ocean Floor Beyond the Limits of National Jurisdiction established by General Assembly resolution 2467A (XXIII) of December 20, 1968, to prepare a draft international agreement to implement the principles set forth in this declaration;

"Requests the Committee on the Peaceful Uses of the Seabed and Ocean Floor Beyond the Limits of National Jurisdiction to report to the twenty-fifth session of the General Assembly on the progress of its work on such draft agreement."

SENATE RESOLUTION 34—RESOLUTION TO PROVIDE FUNDS FOR THE COMMITTEE ON PUBLIC WORKS—REPORT OF A COMMITTEE

Mr. RANDOLPH, from the Committee on Public Works, reported the following resolution (S. Res. 34); which was referred to the Committee on Rules and Administration:

S. RES. 34

Resolved, That the Committee on Public Works, or any duly authorized subcommittee thereof, is authorized under sections 134(a) and 136 of the Legislative Reorganization Act of 1946, as amended, and in accordance with its jurisdictions specified by rule XXV of the Standing Rules of the Senate, to examine, investigate, and make a complete study of any and all matters pertaining to flood control, navigation, rivers and harbors, roads and highways, water pollution, air pollution, public buildings, and all features of water resource development and economic growth.

SEC. 2. For the purposes of this resolution, the committee from February 1, 1969, to January 31, 1970, inclusive, is authorized (1) to make such expenditures as it deems advisable; (2) to employ, on a temporary basis, technical, clerical, and other assistants and consultants: *Provided,* That the minority is authorized to select one person for appointment, and the person so selected shall be appointed and his compensation shall be so fixed that his gross rate shall not be less by more than $2,400 than the highest gross rate paid to any other employee; and (3) with the prior consent of the heads of the departments or agencies concerned, and the Committee on Rules and Administration, to utilize the reimbursable services, information, facilities, and personnel of any of the departments or agencies of the Government.

SEC. 3. The committee shall report its findings, together with its recommendations for legislation as it deems advisable to the Senate at the earliest practicable date, but not later than January 31, 1970.

SEC. 4. Expenses of the committee, under this resolution, which shall not exceed $240,000, shall be paid from the contingent fund of the Senate on vouchers approved by the chairman of the committee.

HIJACKING, SAIGON STYLE

Mr. YOUNG of Ohio. Mr. President, it seems unbelievable, but the South Vietnamese Government has extorted $1,262,000 from American taxpayers during the past 3 years for permitting a small number of chartered U.S. airplanes to operate from South Vietnamese airports in the interest of the war effort and to maintain the Thieu-Ky administration in power in South Vietnam. The General Accounting Office in exposing this sham termed it "an inappropriate action on the part of the Saigon regime." "Inappropriate"—that is the greatest understatement of the year. It is unconscionable to demand that Americans pay this tribute. More than 228,000 young Americans have been killed and wounded in combat in Vietnam, and additional thousands have suffered from bubonic plague, malaria fever, hepatitis, and other tropical diseases while in Vietnam to maintain the corrupt Saigon regime in power. Did the French require a bribe to permit our troops to land on the Normandy beachhead in 1944? Did the South Koreans extort tribute for GI's who landed at Inchon in 1950? They did not.

This recent incident involved a U.S. military construction unit in South Vietnam applying to charter planes from a U.S. company. The thieving Saigon civil aviation director insisted that Air Vietnam be given the contract unless a bribe was paid him for permits and tower clearance. The tribute hijacked from Americans, Saigon style, amounted to 15 percent of the total amount taxpayers have been paying for air service to help maintain the Thieu-Ky regime. Some months ago our Government made an outright gift of two late model jets to Air Vietnam, following the Saigon threat to cut down Pan American Airway's landing rights. It seems unbelievable that our Government paid out and encouraged payment of blackmail by private American groups using commercial airline facilities to keep our puppet government of Thieu and Ky in office. This at a time when desertions from the South Vietnamese Army are at an alltime high—approximately 14,000 each month.

STARVATION IN BIAFRA

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that I may proceed for 10 minutes.

The VICE PRESIDENT. Without objection, it is so ordered.

Mr. BYRD of West Virginia. Mr. President, over 2 million Biafrans—many of them helpless women and children—have died from starvation since last July. The dimensions of that tragedy are barely comprehensible. For the 7 million people remaining in Biafran territory the future offers little hope; they are now almost entirely dependent on outside food aid. In coming months, unless there is a dramatic breakthrough in the international relief efforts, another 4.5 million people will have starved to death.

For those without enough moral imagination to feel the scope of this catastrophe, one might think in terms of what our own and the world's reaction might be if over the past 6 months the total population of the city of Los Angeles had been slowly decimated by starvation, or if the city of New York could no longer feed its people, or if the citizens of Chicago and Houston were doomed to a slow and inevitable death. We could only hope and pray that the outside world would come to their rescue using to the fullest all the human ingenuity, material capability, and superior technology which the advance of civilization has bestowed upon us. Yet, we cannot possibly say we are doing the same for the Biafrans. Our failure is too clear. Over 2 million dead; 4½ million almost doomed.

The United States has loudly and clearly pronounced its humanitarian interest in the Nigerian civil war. As the largest single donor of food supplies and financial assistance, the U.S. Government has contributed more than $22 million to the international relief effort. In addition, the sale of four strato-

freighter cargo planes to the American Voluntary Agency will enable the relief forces to increase daily food shipments to Biafra, enough to feed an additional half million people. I am against our becoming militarily involved. Yet, we cannot deny that more could be done without our becoming so entangled.

Admittedly, the Nigerians and Biafrans have thrown up barriers which have made relief efforts more difficult. The Biafrans have been particularly uncooperative on the issue of agreeing to allow daytime relief flights. Many of the frustrations which meet all efforts to launch a truly effective international relief effort have been imposed by the people who should seemingly be most concerned—the Nigerians and Biafrans themselves. As former Under Secretary of State Katzenbach has said:

> The ultimate answers lie in other people, in how they feel and what they are prepared to do or not do, and with whom our influence is most distinctly finite.

Yet, in history's record of this disaster, this moral loophole will be closed, unless we can say that we exerted our influence to the utmost of its limitations. So far, I do not believe that the United States has brought to bear upon the Biafran situation the full weight of its international power and material capability.

One of the greatest problems facing relief workers in their attempts to get food to the starving is transportation. As the most advanced technological society known to history, it is difficult to understand why we cannot utilize some of our great technical know-how and overcome some of these transportation problems. Limited by the Biafran Government to nighttime flights and one landing strip, international relief forces with their present equipment, which includes four C–97's supplied by the United States, can only transport about 150 tons of food to Biafra daily. The estimated need is 2,000 tons. Another Biafran landing strip open to daytime relief flights is clearly needed. Recently Lieutenant Colonel Ojukwu offered to make a site available for the international relief teams to build an airfield to receive daytime flights. The United States certainly could supply the expertise and material to quickly build such an airfield. To overcome the political problems which might accompany the possibility that the Biafrans would also use the new airfield for arms shipments it would seem possible to arrange for the internationalization of the field or the stationing of an OAU observer team at the landing strip to inspect incoming relief shipments.

On the diplomatic level, nothing less than a full frontal assault on the Biafran problem will fulfill our humanitarian obligation to try to stem this tragic wave of death by starvation. The finite nature of our influence is perhaps most obvious in the diplomatic sector but we must not overestimate these limitations. Relentless pressure should be applied upon the Federal Nigerian and Biafran Governments to fully cooperate with the international relief efforts. The Nigerian conflict is an internal matter and a U.S. policy of nonintervention would certainly be in keeping with one of the alleged key principles of our foreign policy—self determination. I say "alleged" in view of the contradiction involving Rhodesia. Yet there has been no plebiscite on starvation; the mass population of Biafra has been given no choice on this life or death issue. We must at least offer the people of Biafra a chance to make a choice by pressuring their Government to make it possible for the Biafrans to receive international relief supplies.

There is even less grounds for limiting our attempt to influence our allies, Great Britain and France, in an effort to change their policy toward arms supplies. Pressure should also be brought to bear on the Soviet Union to cease its supply of weapons. There seems little doubt that the conflict would come to a quicker conclusion if all outside arms supplies were suspended. Nigerian forces have been kept going principally by British and Russian arms while the Biafran cause has been rejuvenated by an infusion of French military equipment. Outside arms aid has only escalated and internationalized the conflict and thus prolonged an already tragic civil war.

One of our great American editors recently commented that it is "those great thrusts of moral indignation that in the end determine a people's place in history." The heart-rending tragedy of Biafra should fire the most creative spurt of humanitarian diplomacy the world has ever seen. Our moral indignation at the thought of watching another 4½ million helpless women and children starve to death should be great enough to inspire us to relentlessly pursue a solution to the Biafran crisis. History will not judge kindly a society which has enough creativity and technological ability to send men to the moon but not enough moral imagination to prevent the genocide of 7 million people through mass starvation.

Mr. RUSSELL. Mr. President, will the Senator from West Virginia yield?

Mr. BYRD of West Virginia. I am happy to yield to the senior Senator from Georgia.

Mr. RUSSELL. I wish to commend the distinguished Senator from West Virginia for the statement he has just made. Of course, when he made his reference to Biafra's uncooperative attitude, he was surely referring to some three or four running the Government and not the millions of starving people out in the bushes and in the swamps. They have had no method of expressing themselves at all.

My chief sorrow and humiliation about this entire matter has been caused by the fact that this country has had no African policy at all except that policy which is dictated by the British.

If we are to permit Great Britain or any other country to determine our policies throughout the entire, vast continent of Africa, we certainly do not deserve to be considered among the leading nations of the world. When a matter of mass starvation of this magnitude is presented, the United States of America should present its own policy. It should be a humanitarian policy, a policy that looks toward saving lives and not the killing of people in multitudes, as is being done at the present time in Biafra.

Here, Mr. President, we have a case where the British have issued all the edicts and they have supplied the Nigerians with arms. I do not undertake to pass judgment upon the merits of who is right, the Nigerians or the Biafrans. I have some ideas about it from what I have studied, but I do know that the British have dictated our policy in this area. More than that, they have dictated the policy of this country insofar as Rhodesia and South Africa are concerned.

It may or may not be a correct policy; but we are a great enough country to assume the responsibility of making our own policy anywhere in the world. In Africa, we have supinely trotted along behind the British foreign office in anything they have proposed throughout that continent. It is unworthy of a great nation, and it has resulted in brutal treatment, cruelty, and death that are almost incredible in this century.

Mr. BYRD of West Virginia. I thank the President pro tempore.

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

Mr. BYRD of West Virginia. I yield to the senior Senator from Massachusetts.

Mr. KENNEDY. I do not know how much time the Senator from West Virginia has remaining.

The VICE PRESIDENT. The Senator from West Virginia has 1 minute remaining.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that 5 additional minutes be yielded to the Senator from West Virginia.

The VICE PRESIDENT. Is there objection? Without objection, it is so ordered.

Mr. KENNEDY. Mr. President, the comments that have been made by the Senator from West Virginia, and particularly the comments that have now been made by the Senator from Georgia, I think are appropriate and quite factually true. Both Senators have described a situation which I hope will have the immediate time and attention of the new President, President Nixon. As President Nixon indicated yesterday, time is on the side of peace; but, as the distinguished Senator from West Virginia has pointed out and as the distinguished Senator from Georgia has mentioned, time is certainly not on the side of millions of starving people in Nigeria-Biafra.

As the Senator from Georgia has pointed out, really the dilemma in which we find ourselves is the bankruptcy of American foreign policy toward that country. I think, in reading through the background of the Nigerian civil war, we see that the United States felt that the conflict was going to be a very short engagement, and we felt it was, in any case, a British sphere of influence, and therefore we were extremely reluctant to become involved in using our good offices in trying to reach a satisfactory solution to the problem.

One of the points that I think our good friends from Africa have failed to realize, however, is that the deep interest of the people of the United States in the

Nigerian civil war is primarily based on the humanitarian concern for the millions of people who are starving there, and a desire to help them.

Mr. President, I think one of the great tragedies has been that we as a nation often find ourselves in a position, when it looks like there are Communist threats, of interfering in the affairs of other nations; and yet when it comes to humanitarian concerns, the problems of humanity, we find ourselves reluctant to give leadership—even with respect to supporting voluntary agencies which try to cope with humanitarian problems. Certainly this is true regarding Nigeria-Biafra.

In fairness, I think it should be pointed out, however, that there has been a new sense of urgency directed toward this problem in the last 6 or 8 weeks. The most significant action involved the release of some aircraft—C–97G's—for use by the relief agencies operating the airlift into the Biafran enclave.

However, I do want to associate myself with the comments which have been made by my two colleagues in the sense that our concern is really, basically and fundamentally, a humanitarian concern. We hold no brief for those either on the Nigerian or the Biafran side who are using the whole question of starvation for political purposes; and that has been, in fact, the case in this problem.

Mr. President, I would just like, finally, to suggest that our Government, in cooperation with others, request the Secretary-General of the United Nations to convene an International Conference on Nigeria-Biafra Relief, and I hope to comment more fully on this and other matters at a later time.

Despite such specific suggestions, however, it is clear that only a truce and effective cease-fire will save the people caught in this conflict. It is also clear that an important element in bringing this about will be the activities and interest of the new President. I look to him, as do millions of Americans, in this regard; I offer whatever support and encouragement I can give, and wish him well.

Mr. BYRD of West Virginia. Mr. President, I wish to express my gratitude to the distinguished majority whip for his comments this morning. He is one who has expressed repeated and profound concern about this very serious matter, and he has been in the vanguard of Senators urging that our country display and exert great moral persuasion and make a real and effective effort to bring some succor, comfort, and relief to the hundreds of thousands of innocent suffering men and women and children of the Ibo Tribe.

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

Mr. BYRD of West Virginia. Mr. President, I yield to the distinguished Senator from Kansas.

Mr. PEARSON. Mr. President, I want to associate myself with the comments of the distinguished Senator from West Virginia.

The VICE PRESIDENT. The time of the Senator has expired.

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that I may proceed for an additional 2 minutes.

The VICE PRESIDENT. Without objection, it is so ordered.

Mr. BYRD of West Virginia. I yield to the able Senator from Kansas.

Mr. PEARSON. Mr. President, tomorrow it will be my intention to file, with the distinguished junior Senator from Massachusetts (Mr. BROOKE), and I think some 40 other Senators, the Senator from West Virginia being one, a resolution which we hope will form a vehicle for this administration to do much of that which we have discussed today. I shall address myself to it at some length tomorrow. I merely want at this time to indicate my great interest in the problem as defined and delineated here today, and recognize the position of the distinguished junior Senator from Massachusetts, who I think was one of the first to speak on the floor of the Senate about this problem.

Mr. BYRD of West Virginia. Indeed he was.

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

Mr. BYRD of West Virginia. Mr. President, if I have any time remaining, I yield to the distinguished junior Senator from New York.

Mr. GOODELL. Mr. President, I want to commend the Senator from West Virginia for his comments. The Senator is aware, I believe, that I led a committee on behalf of the SS *Forra*, the so-called Biafran Christmas ship. As a result of contributions by the Dutch people, not the Government, that ship was chartered for the purpose of bringing relief to the starving people of Biafra. As a result of the mercy collection at St. Patrick's and of the generosity of the thousands of American people who responded to our appeal, more than 3,500 tons of food left last night for Biafran relief.

The ship is plying the seas right now. The amount of food is sufficient only to prevent starvation of 1 million people for 30 days. The ship will land at Sao Tomé. From there, the food must be shipped by air to Biafra.

I do not think this Government should take sides as between Biafra and Nigeria in its conflict, but I think that we cannot permit this tragedy to occur, with millions of people starving, without doing what we can to bring food to prevent starvation in Biafra and Nigeria.

Mr. BYRD of West Virginia. I thank the distinguished Senator from New York.

AUTHORITY TO PRINT PRESIDENT NIXON'S INAUGURAL ADDRESS AS A SENATE DOCUMENT

Mr. DIRKSEN. Mr. President, I ask unanimous consent that President Nixon's inaugural address be printed as a Senate document.

The VICE PRESIDENT. Without objection, it is so ordered.

NOMINATION OF DAVID PACKARD TO BE ASSISTANT SECRETARY OF DEFENSE

Mr. PELL. Mr. President, I rise not to criticize the character, the probity, the intelligence, or the patriotism of David Packard. He has all these qualities in the highest degree.

But, I well remember the warning President Eisenhower gave us in his farewell message when he expressed concern at the increasing role of the industrial-military complex in the leadership of our Nation and the formation of its policies.

President Eisenhower said:

> In the councils of government, we must guard against the acquisition of unwarranted influence, whether sought or unsought, by the military-industrial complex. The potential for the disastrous rise of misplaced power exists and will persist.

Mr. Packard's entire career has been devoted to the brilliantly successful development and management of a defense industry. What has been good for the defense of this country has been good for his business—and vice versa.

I recognize that Mr. Packard's intimate knowledge of the workings of defense industry can be of great assistance in managing Defense Department affairs. But, I am nevertheless apprehensive about the comity of interest between our Government Defense Establishment and our private defense industries. The community of interest is strong enough, I think, without reinforcement by an interchange of personnel at high policy levels. I would emphasize that I am not speaking of a conspiracy or even a conflict of interests, but rather the dangers of shared common outlook.

For this reason, I would have preferred to see Mr. Packard's great talents used in some other department of the Federal Government. But, I also believe that President Nixon should be permitted to exercise the prerogative of selecting the men he wants to fill the policy posts of his administration.

I shall support the nomination, but at the same time, I am compelled to raise this warning flag and to express my hope that Mr. Packard will recognize the sometimes subtle distinctions that arise between what is good for our defense industry and what is good for the United States. Often these interests coincide. Sometimes they do not.

I am sure Mr. Packard has the intelligence, toughness, and ability to keep a firm eye and hand on our generals and admirals. And, I am confident he will make a conscientious effort to approach defense policies with a broad perspective. But because of his background, it may prove more difficult for him than for someone whose business career had not been so closely related to the growth of the defense industry.

I wish him well.

ORDER OF BUSINESS

The VICE PRESIDENT. Is there further morning business?

Mr. KENNEDY. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that

the order for the quorum call be rescinded.

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

ADDRESS BY FORMER POSTMASTER GENERAL WATSON

Mr. McGEE. Mr. President, last Friday Hon. W. Marvin Watson delivered his farewell speech to personnel of the Post Office Department. It was brief, as was Mr. Watson's tenure as Postmaster General of the United States. But service in such a position cannot always be measured in time. Mr. Watson performed his appointed tasks well and deserves much credit upon leaving his office to his successor, Winton M. Blount, with whom we on the Committee on Post Office and Civil Service look forward to working in the months and years ahead.

Mr. President, I ask unanimous consent that Postmaster General Watson's remarks to the personnel of the Post Office Department headquarters be printed in the RECORD.

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

ADDRESS BY POSTMASTER GENERAL W. MARVIN WATSON, BEFORE POST OFFICE DEPARTMENT HEADQUARTERS PERSONNEL, WASHINGTON, D.C., JANUARY 17, 1969

I appear before you today a little less than three quarters of a year since I raised my right hand and promised to serve the American people as best I could.

As I glance back over the months, I am surprised by the contradictions of time.

On the one hand, it seems like only yesterday.

On the other hand, the depth of my involvement in postal matters stretches that time into a long vista crowded with people and programs.

It is the people who stand out most vividly in my mind.

Thousands and thousands of them.

The deaf clerk laboring calmly in the roar of machines.

The proud employee being recognized for a job well done.

The slim, dark girl, a summer employee, straining to lift a mail sack.

A labor leader, intent and effective, now no longer with us to share his concern for the postal family.

The faces speed by, and I remember the eyes. The indifferent eyes, the hostile eyes, but for the most part the friendly, committed eyes, the eyes that said "The working conditions are pretty bad, but we've got a job to do."

Yes, I remember those eyes and those faces, good faces, American faces, the faces of the army of men and women who are involved with one of the most crucial tasks of our whole society: moving the mail.

And I remember too the programs that were like mountains, each one had to be climbed, each one presented difficulties, each one advanced the postal service in ways large or small.

Equal employment opportunity, safety training, supervisory examinations, air taxis, standard government envelopes, settlement of labor issues, Postal Forum II, Project Transition, craft training, expanded Postal Service Institute, gun shipment regulations, Vietnam mail, the list is long and stretches far beyond these items I have cited.

But perhaps two actions stand out most strongly in my mind.

One was destructive and could have produced serious injury to the postal service.

The other deals with construction, progress, opportunity.

One action was unrealistic; the other was founded on fact.

The destructive, unrealistic action resulted from an attempt to force the Department to move 8.4 billion additional pieces of mail with 83,000 fewer people.

I suppose this was a kind of backhand compliment to the ability of our workforce to produce miracles. But prudent management does not involve miracles; and the provision of law, if allowed to stand, would have crippled operations. And so we fought that provision, and we won.

So much for the negative end of the spectrum.

The positive end was revealed two days ago, when I unveiled a plan that involves changing the structure of the postal service, the structure of postal rates, and the way we process the mail.

These plans will require first class leadership and business know how.

I have said before—and I repeat now—"I am convinced that the seeds have been planted to make this the most memorable period for a Postmaster General since Ben Franklin or Jim Farley. Hence, my successor, Mr. Winton M. Blount, will be in the position of being able to make the greatest contribution to the postal service in modern history."

I wish him well. And I know that you will give as freely to him of your talent and time as you have to me.

An incoming Postmaster General always faces many problems, and I hope that each and every person in this room will do what he can to diminish those problems, to smooth the transition, and to help Mr. Blount speed the mail.

As I move toward those last hours as your Postmaster General, I want to thank you for all you have given me.

Though my time in office has not been long, I can recall so many instances of personal sacrifice and personal loyalty and dedication, that I know these months will always have a special claim on my sentiment and a special place in my memory.

I hope I have deserved all your past support and loyalty.

And now, as tradition directs, I will present to you and to the Department this portrait, painted by Deane Keller, whose sister Caroline is here with us today.

I hope this small token of my esteem for you will help to keep alive the memory of one who tried to give you no less than his very best.

AN ELOQUENT TRIBUTE TO A GREAT PRESIDENT

Mr. BAYH. Mr. President, yesterday's papers contained a column by Roscoe and Geoffrey Drummond that represents one of the finest, most eloquent, and most deserved tributes to President Johnson I have ever read.

The Drummonds are not stingy in their estimate of this great President. They do not say he succeeded domestically but failed in the area of foreign policy—or the other way around. They are unhesitating in their praise of both areas.

During his 5 years in office—

The Drummonds assert—

Johnson has confronted more difficult crises than most of his predecessors and most of the time he has made the right decision at the right time for the right reasons.

The columnists believe that history will vindicate Lyndon Johnson and reserve an honored place for him.

I think so, too. And I ask unanimous consent to have this fine tribute to President Johnson inserted in the RECORD.

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

GRANT, HARDING, AND L. B. J.

(By Roscoe and Geoffrey Drummond)

WASHINGTON.—There is no need to wait for history's verdict on the Presidency of Lyndon B. Johnson.

During his five years in office Johnson has confronted more difficult crises than most of his predecessors and most of the time he has made the right decision at the right time for the right reasons.

A weaker, less determined President might have faltered. Lyndon Johnson faltered hardly at all and the result today is that in the cause of peace, in the cause of racial justice, in the cause of ending poverty the Nation has at most points been lifted up to a forward road.

This isn't just opinion without proof. And it is a judgment which we believe is shared by the next President of the United States. Richard Nixon is showing he intends to build on the innovative measures of the Johnson years and carry them forward, not undo them at any major point.

At the moment LBJ himself is tending to put a low-key estimate on his record. "We tried," he is saying. The record is far better than that. Johnson not only "tried", he succeeded.

He has done more than any previous President to make better education available to more students from elementary schools to college.

He has done more than any previous President to make racial justice a reality in America and to enable black citizens to lay hold of their civil rights and voting rights.

The anti-poverty program fumbled and faltered in some of its execution but Lyndon Johnson is the first President to focus national attention on the problem of so much poverty in the midst of so much affluence and to galvanize the conscience of the Nation into beginning to do something about it.

The Kennedy-Johnson years have been marked by a longer period of sustained prosperity and high economic growth than ever before. LBJ brought about a tax reduction when it was needed to stimulate the economy and, however tardily, persuaded Congress to increase taxes when it was critically needed to restrain the economy.

In all of these areas and in others Johnson succeeded in persuading Congress to enact the necessary legislation. It was a remarkable achievement, but not LBJ's alone. He was helped by two decades of advocacy and national debate which crystallized public support. Johnson inherited this public support and used it brilliantly.

In foreign policy the achievement to which history may pay the greatest attention is that the Johnson Presidency avoided nuclear war and helped to negotiate the nuclear nonproliferation treaty.

It is too soon to attempt a verdict on the Vietnam War because the wisdom of our defense of South Vietnam will be judged by the kind of peace which emerges from the Paris talks.

Johnson made these talks possible by stopping the bombing of North Vietnam and he did so not because of the pressures from his critics at home but because Hanoi finally accepted the conditions which he said would make ending the bombing possible.

And he gave up running for re-election at a time when there was every probability he would be re-nominated and when most political reporters thought his chances of re-election were better than even. He did so in the cause of peace.

Today Lyndon Johnson is leaving office

under a cloud of animus and hostility, primarily because of the democratic liberals who didn't like his style and his Southern accent and because of the anti-Vietnam war critics who felt that the U.S. did not have enough at stake in Southeast Asia to defend a small country so far away.

But the two greatest Presidential failures of the last hundred years—Ulysses S. Grant and Warren G. Harding—left office in the sunshine of popular praise.

The verdict of history corrected these two misjudgments and will likely correct the other.

A PLEA FOR EQUAL PROTECTION OF FARMERS AND CONSUMERS

Mr. MONTOYA. Mr. President, we shall soon be asked to act upon the nominations of a new Secretary of Agriculture, an Under Secretary, and respective Assistant Secretaries. These gentlemen, I am confident, are loyal, able citizens who comprehend the magnitude and implications of the high offices for which they have been or will be designated, and who conscientiously believe in their ability to discharge these responsibilities with consistency and dedication.

I am certain they share with all of us a sympathetic understanding and a driving determination to meet the problems of agriculture—America's first and most basic industry—and to bring the farmer and the rural American into a just and sound relationship with their fellow citizens.

Much has been said recently about whom the Secretary of Agriculture and his deputies should represent in the hallways of Government and at the crossroads of America. I submit that in actuality there is not, and should not be any basic conflict between our Nation's farmers and their city brethren.

Abundant yet stable supplies of quality food and fiber are as important to our farmers as they are to our consumers. Fair prices for agricultural products are as fundamental to the viability of our urban economy as they are to the economic livelihood of rural America.

Thus, it is upon these premises that I implore these new spokesmen for agriculture not to turn their backs upon urban America—as has been suggested—to become mere one-sided advocates with short-sighted vision. Their new responsibilities include obligations to protect with vigor the interests of American consumers—and by so doing, they will be protecting the best interests of American farmers.

I have followed with deep interest the evolving cause of consumers, and their formation of local, State, and national organizations to more forcefully represent their basic rights in the halls of Government. I am convinced that these emerging voices are here to stay—their goals are not devious, nor are their interests negotiable in any way.

Much has been accomplished in the past 5 years to rid the marketplace of those evils perpetrated by a small minority who seek to take advantage of the shopper's vulnerability. Our food supply—which on the whole is the best and safest in the world today, bar none—unfortunately has not been totally immune to those few who would seek its pollution. Consumers, however, have spoken with distinct clarity that they will no longer tolerate conniving practices and tainted products wherever these occur. This is as it should be

It is my fervent hope, therefore, that the new administration in the Department of Agriculture will insure that existing consumer protection measures will receive equally vigorous attention as do the economic problems of our farmers. Further, I would hope that those consumer protection responsibilities within the new Secretary's purview are fully and fairly implemented—not only for the life and health of all Americans, but for the economic well-being of the Nation as a whole.

I wish the incoming Secretary and his deputies the very best of good fortune. I trust that they will guard the consumer interest as persistently as they do the farmer's. As the author of the Wholesome Meat Act of 1967 and the Wholesome Poultry Products Act of 1968, I can assure them that I shall watch the policies of the Department of Agriculture as they affect consumers with the same deep, abiding interest with which I follow the programs for our farmers and rural America.

THE MISSING PERSONS SECTION OF THE PITTSBURGH POLICE BUREAU

Mr. SCOTT. Mr. President, our law-enforcement personnel perform one of society's most challenging and necessary roles. Sadly, it is often a most unappreciated role.

The January 1969 edition of the FBI Law Enforcement Bulletin contains an excellent article entitled "Service With Compassion" which discusses some of the experiences of the Missing Persons Section of the Bureau of Police of Pittsburgh, Pa. In Pittsburgh, policewomen are primarily responsible for investigating missing person cases and render a unique contribution in this area.

I commend this article to Senators and ask unanimous consent that it be printed in the RECORD.

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

SERVICE WITH COMPASSION

(By Capt. Therese L. Rocco)

Although there is widespread recognition of the importance of women in law enforcement, little is known of the various aspects of the specific duties they perform.

In some cities the policewomen are directly under the command of a male chief, and they are assigned to a juvenile bureau or crime prevention division, charged with preventing delinquency among young people and working with women.

In Pittsburgh the policewoman is primarily responsible for investigating approximately 2,800 missing persons cases reported annually. She also participates in other areas of police work relating to crime prevention and apprehending criminals.

Although the old saying, "Never underestimate the power of a woman," might be applied to a policewoman, there is no evidence that ladies of the law are about to take over; but when it comes to handling missing persons problems, there is no substitute for a compassionate and intelligent policewoman who knows something of human nature.

The missing persons section is a division of the city's detective branch, which comes under the direct supervision of Assistant Superintendent Eugene L. Coon. The staff comprises 20 policewomen who are empowered with the same authority as the 1,600 police officers assigned to the Pittsburgh Police Bureau. They are on call 24 hours a day, 7 days a week, and work with the police wherever and whenever a policewoman is needed.

DUTIES EXPLAINED

As captain of the policewomen, I have the responsibility of supervising the missing persons section, in addition to supervising the matrons quarters of the department where seven policewomen are detailed. These seven women handle missing persons and other investigative work whenever they are not involved in their normal duties.

The hundreds of cases which are filed in the missing persons section are broken down into many categories: missing and runaway children; unhappy adults, married or single, who deliberately leave home; senile, mentally disturbed, or retarded people; and those who disappear without any apparent reason.

Many methods and techniques are employed for locating missing people. An evaluation and information form is filled out for each case and teletypes dispatched to all points necessary. Some policewomen are detailed to answer the phones daily, while others conduct the casework. The policewomen check out the various transportation depots, talk to school authorities, check hospitals, and interview members of the family and all other contacts the missing persons might have had.

Missing children naturally receive the most attention. Every case involving a missing child is received with the ever-present possibility of accident, kidnaping, or murder. Many times the missing child may just be visiting in the neighborhood, sleeping in the family automobile, or sulking in the bedroom closet. Sometimes the termination of the case is not a happy one, as in the case of Henry, a 6-year-old boy who left his home on February 27, 1967, never to be seen alive again. His body was recovered from the Allegheny River several days later. It was quite evident that the youngster, who was very much in the habit of playing by the river bank, had met with a fatal accident.

SOME TRAGIC CASES

A horrible tragedy involving another child, 4-year-old Maryann, started with a missing persons report and ended with the police discovering her brutally beaten body under the stairwell in the hall of a neighbor's home. Maryann was reported missing after her mother told the district police that her daughter went to the next door roominghouse to play with two children but did not return home. The mother of the two children emphatically denied having any knowledge of Maryann's whereabouts but admitted to police that the child had been there and had gone.

Police scoured the entire neighborhood, with the assistance of a special service squad and auxiliary police. Our policewomen questioned nearly all the small children in the neighborhood. The search lasted for 6 hours, when the police finally found the body in the roominghouse stairwell. The woman at the roominghouse was asked to come to headquarters for questioning, and she gave three different versions of what happened to the little girl, yet fully maintained her innocence of any involvement. She finally admitted that she was responsible for the child's death, had beaten her in a fit of rage, and accidentally scalded her body. She was convicted of manslaughter.

In 1962 the disappearance of a 10-year-old girl stirred up one of the most intensive manhunts ever conducted in Pittsburgh.

Boy Scouts, auxiliary crews, the canine corps, and others joined with hundreds of police officers in the search. Numerous calls from sincerely interested people were checked out by policewomen, who spent many hours in playing games with friends of the missing child, hoping to pick up clues, no matter how slight. These efforts were fruitless.

This case remains a classic in the missing persons files and is still under active investigation. The tangled circumstances surrounding the disappearance of this child leaves us no alternatives but to believe that she did meet with foul play. The facts that she came from a broken home and was an overfriendly, sensitive, and lonely child channeled the investigation in all directions. This led the missing persons section to try many theories, none of which were successful. The child has not been located.

RUNAWAYS

The work of the policewoman directly involves runaways. An investigation of the youngster's background is generally completed on every case. In situations involving missing children, it is important to obtain recent photographs, names of their playmates and associates, and locations of their hangouts, theaters, and other places of amusement.

In most cases involving females, the policewomen may run into complicated situations which require a tremendous amount of investigative and referral work, as in the case of Carol "X".

In March 1964, Carol—a chunky, brown-eyed girl of 14—disappeared, leaving a note that she was unhappy with her home environment. Her stepfather was known to abuse her from time to time and her mother was on the verge of becoming an alcoholic. Three months later we finally traced her to a plush apartment in Pittsburgh where she had been prostituting for three known criminals. These men had been arrested numerous times on morals charges, all involving young girls. Carol was taken into custody and voluntarily submitted a statement which led to the arrest of seven male adults. All seven were tried, found guilty, and sentenced in Allegheny County criminal courts.

WHY DO THEY RUN AWAY?

When runaways from other cities are picked up, they are always questioned by policewomen before they are turned over to juvenile authorities. The stories they tell often sound reasonable. They say they are of age to be on their own, or they have parental consent, etc. Generally, the policewoman learns that they are away from home or an institution without permission. The policewoman must be careful not to arouse suspicion until their stories can be checked.

On June 16, 1967, Mary Elizabeth "X", while in the company of a known criminal, was taken into police custody. Anyone might have believed her when she said she was 22, but not the trained policewoman. After being questioned, she admitted her actual age, 12, and that she was a runaway from a State institution in Michigan.

The main reason so many youngsters run away stems from the inability of the parents to provide the attention, love, and discipline children require. In Mary Elizabeth's case, she was lonely—her parents placed her in an institution and never even bothered to visit her. This 12-year-old was later turned over to the Juvenile Court in Allegheny County and subsequently returned to Michigan.

Very few parents are able to cope with the anxieties and frustrations they must endure for that period of time when their children are away from home. In a state of panic they call the missing persons section several times a day. Other parents insist that information is being withheld from them or that more can be done on the case. On the other hand, so-called irresponsible mothers and fathers, afraid of what the neighbors might think, wait days or weeks before they file a missing persons report. Others demand that their child's photograph be shown on television, but they fail to realize that the schoolday photograph of the youngster may no longer resemble the scruffy girl or the long-haired, bearded boy of the present.

Surprising as it may seem, parents usually are the ones who know the least about their children. They will make such remarks as: "I can't understand why my Jane does not want to live at home." "This is not at all like Mary!" or "I know my child better than that!" Children generally have very little to say about their parents, but what they do say is most likely to be said in a derogatory manner.

ALSO UNITE FAMILIES

Subjects over 18 years of age are considered adults and, of course, pose an entirely different problem. Many times we find 19- and 20-year-olds living 3,000 miles away from Pittsburgh. These people are working and happy—they just want to be lost.

We will admit that one of the biggest dividends of our section is to unite people. Sometimes both sides need a third party to bring about a reconciliation.

Husbands and wives leave home for a variety of reasons, and we make every effort to locate them, particularly if there are small children involved. When we do locate these people, we must be very confidential and remember at all times that we are dealing with people's lives. We cannot force a woman to return to an abusive husband, nor can we tell him where she is.

In July 1963 a young man whose wife walked out on him came in to file a missing persons report. He demanded that we tell him where she was living. In the interim she contacted us and asked that we not reveal her whereabouts, as she had a dreadful fear of him. She maintained he was unusually cruel to her and had threatened her life on numerous occasions. The woman remained with relatives out of the State while the husband persistently demanded that we locate her. Six months later the young woman returned to Pittsburgh and took up residence with her father. The irate husband subsequently learned of this and shot and killed them both before committing suicide.

MISSING HUSBANDS

Most husbands leave under unusual circumstances, as in the case of Carl "X", who headed his car toward the river Sasilaw in the State of Oregon on December 5, 1965. The car careened down the slope into the river, where it hung on the edge, to be found a day of so later with the doors open. The occupant was presumed to have drowned, and his wife and children accepted the findings of the authorities. A widespread search for him over 13 months did not disclose a trace, until January 1967, when the supposedly "drowned" man was picked up by the Pittsburgh Police and charged with vagrancy. He was turned over to the missing persons section, where positive identification was made. The policewomen then checked with Oregon authorities, and at this point Carl told the policewomen he was happy to stop running and wanted very much to end the mystery surrounding his "death." Ironical as it may seem, he did not only play dead, but he also took another wife under an alias. He was charged with desertion, abandonment, and nonsupport, as well as with bigamy. He was extradited to Oregon to answer to these charges.

Married persons who skip home can be found almost anywhere, yet some are never located. This, of course, depends on how well they conceal their identity and whereabouts. Seven years after a person is reported missing and all efforts to locate him have been unsuccessful, the case can be brought to court and he may be declared legally dead. Policewomen who conduct these investigations are, as a matter of record, subpoenaed to appear in court with their files.

The senile wanderers, amnesia victims, and mentally disturbed are the responsibility of the policewomen, and when handling these cases, they must use as much tact as possible. These people are generally returned to institutions or to their families.

Margaret "X" was unable to remember her identity as a result of amnesia. She came to the attention of policewomen in August 1962. She was a well-dressed, elderly woman who walked up to the Travelers Aid desk at the downtown Pittsburgh bus terminal and asked the clerk on duty, "Who am I?"

PUZZLING AMNESIA CASE

This turned out to be one of the most complicated amnesia cases. Frequently these cases are cleared up in a matter of hours, but this one took almost a month. The missing persons section began an intensive investigation, check of files, hotels, airlines, abandoned luggage, etc. She was detained at a psychiatric hospital while her case was being handled. Though the woman could not remember anything about herself, the missing persons section established that she was possibly a nurse from Chicago.

Publicity and clippings were sent to Chicago. Her landlady recognized her photograph and contacted us. The amnesia victim was a traveling nurse who often took extended trips with her patients; therefore, she was not reported missing in Chicago. Margaret was transferred to a State hospital in Illinois. She has since recovered and resumed her occupation.

Life in the missing persons section can sometimes be hectic, but it is not all grim. The policewomen sometimes may receive a call from a frantic person reporting a dog missing, or a young man who would like us to locate an attractive young blonde he met several years ago at a ballpark.

We work very closely with the Travelers Aid Society, Domestic Relations Court, social workers in hospitals, and many other agencies throughout Allegheny County. The largest part of our work involves juveniles, and we spend most of our time receiving and processing reports of runaways and conducting investigations to locate them.

Perhaps the policewoman's lot would be an easier one if parents would give their children the love and care they deserve. It is my earnest opinion that there would be far fewer incidents of delinquency and maladjustment among our young people if parents would devote more time and attention to their offspring.

ENCOURAGING LOCAL SPENDING

Mr. CANNON. Mr. President, when a small rural community finds that its biggest economic boom of the century is actually reinforcing its economic dependence on another town, what can it do to encourage local spending and keep the money home?

The town of Carlin, Nev., has taken a major step toward solving this problem by successfully attracting a new—and the community's only—bank. Spearheading this venture were the efforts of the 30 members of the Carlin Lions Club, whose project leaders, A. B. "Boomer" Simpkins, Vernon Scott, and John Napoles, worked tirelessly to drum up local support.

Mr. President, the December 1968 publication, the Lion, tells the story of their determination and success. I ask unanimous consent that this article be printed in the RECORD.

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

CARLIN GETS ITS BANK
(By David Toll)

You'd think that Carlin Lions would know when to quit. For 98 years their small community tucked away in northeastern Nevada had got along without a bank. And when club members set out to attract one, Carlin was at its lowest ebb.

Even during the early years, when Carlin was the bustling end-point for the Central Pacific Railroad Humboldt Division, with most of her population employed in the roundhouses, machine and repair shops, and as operating crews, Carlin got along without a bank.

And when the rich gold and silver strikes were made at Tuscarosa, Cornucopia and Aura to the north, Carlin became the railhead for the ore shipments; she got along without a bank.

If she ever really did need one, local reasoning went, why, a banker would come to town and open one up. In 1880, Carlin's residents could look back happily over the town's first 12 years of life: from home for a solitary settler, Carlin had grown to contain over a thousand people, 17 places of business, "one telegraph office, one express office, one physician and one jail."

But by the turn of the century, the mines to the north had faltered and failed; Carlin's population staggered and fell in sympathy.

There was still the railroad, and for 50 years Carlin survived as a railroad town pure and simple.

Then, when diesel engines replaced steam locomotives, the local economy took a second, deeper plunge. With diesel power, 100-car freight trains made better time than the old 15-car highballing passenger trains. Carlin's roundhouses were dismantled, and her icing plant was torn down soon after. Operating crews were transferred wholesale.

Other advances in technology contributed further to Carlin's decline: with telephones, teletype and radio at his disposal, a single communications specialist can handle more traffic than a dozen telegraphers in the old days. From a 1950 high of 1,800, Carlin's population tumbled to barely a thousand by 1960.

The town was back where it had been in 1880—but instead of a rosy future of growth and prosperity, local residents saw further decline ahead.

Then in 1963, mining took a dramatic upsurge in the area. The Nevada Barth Mine was shipping iron ore to Japanese and domestic mills, and the giant Newmont Mining Corporation opened a mammoth gold mine in the Tuscarora Mountains.

Excitement hung in Carlin's air like ozone! With three large payrolls, Carlin promised to be the most affluent community in the county.

Residents were quickly disillusioned. With no doctor, no dentist, no lawyer—not even a full-time insurance agent—Carlin offered few attractions to the families who came to work the mines. Most of them chose to live in Elko, the county seat 25 miles to the east, even though it meant traveling 50 miles every day to work and back.

And since those who did live in Carlin had to bank in Elko anyway, they did most of their shopping there, too.

Says Lion A. B. "Boomer" Simpkins, "When we realized that our biggest economic boom in half a century was actually hurting the town—by reinforcing our dependence on Elko—we realized we had to get busy and do something about it."

"We" in this case were the 30 members of the Carlin Lions club, the small community's only service organization. The membership decided to give priority to the project of attracting a bank to Carlin.

"We decided that having a local bank would accomplish two major objectives," says Lion Simpkins. "First, it would keep local money right in town, which would in turn encourage local spending and strengthen our economy instead of Elko's.

"Second, it would give us our own source of credit and a banker who would know our situation first-hand. We felt if we could have these things going for us, the other community projects we anticipate would be far simpler to accomplish."

Simpkins was appointed to a project committee with Lions Vern Scott and John Napoles to get the job done. The men went to Elko to talk to the officers of the two major Nevada banks that maintain branches there. Overtures to one of them resulted in an economic survey by the bank and a mid-winter meeting at which the request for services was regretfully declined.

"We couldn't really blame them," says Lion Scott. "They already had about half the business in town, and they just didn't see much benefit from investing in a local branch to get the other half."

The committee then turned to the state's smaller banks. Maybe they would relish the opportunity to open a branch in new territory. They wouldn't. For some it was too far from their Reno or Las Vegas headquarters for easy administration. For others the prospect simply wasn't promising enough.

With no immediate expression of interest from the state's bankers, the committee began to explore the possibility of establishing a local bank with the support of the town's business community.

"Starting our own bank was really a last-gap idea," Lion Scott recalls. "We had met or corresponded with every banker in the state, and with government officials on every level. And the more we talked with them, the more we realized how absolutely necessary a bank was to Carlin's future."

Community support for the project alternately glimmered and waned as the months passed without result. Then, eighteen months after the project began, John Napoles received a phone call from Charley Ballew, Elko-headquartered regional vice-president of the Nevada Bank of Commerce.

"John, there's a fellow in town today I'd like you to meet. Could we see you in Carlin this afternoon and have a look at the economic figures you've been gathering?"

They could and did. Ballew's guest was Stuart Webb, a spruce young former Philadelphian who had recently assumed the presidency of his bank. Webb was to the point: "You fellows have an interesting situation here, and I'm inclined to go along with your request for a branch bank. But there are a few things I need to know."

Webb outlined the bank's requirements for establishing a branch, asking the Lions to furnish information about the community, says Napoles. "The bank was pretty well-up-to-date on our situation here and was just beginning their period of growth. The most important element in the decision, I think, was Mr. Webb's feeling that his bank's state charter carried with it the responsibility to provide services once we had shown a legitimate need."

Banker Webb cited two more reasons for his decision to open a Carlin branch: "Any group of men willing to invest the time, energy and patience the way the men in Carlin did can count on a hearing from me. And don't forget, they showed us facts to substantiate a profitable operation, too."

Once Webb's decision was made, the Lions received unlimited support from the town's governing board—to the extent of donating a parcel of municipal land to the bank. The offer proved unnecessary. The bank was willing to purchase the land for the branch.

Immediately, property owners pushed prices up through the roof. And once again the Carlin Lions lent their services to the project, this time by conducting preliminary negotiations which eventually resulted in an equitable purchase.

In September, 1966, just short of two years after formation of the project committee, Carlin had its own branch of Nevada's largest state bank.

Progress to date has more than met the expectations of the bankers. It has eased the worries of town fathers, too. "We were facing a situation as serious as a forest fire here," says a member of the town board. "It just wasn't as dramatic. The Carlin Lions club saved us ten years of fire-fighting—it's as simple as that."

Now, too, there's a safe place to keep money in town. Lions club director Vernon Scott, used to bring in large sums of money from Elko to cash paychecks for his customers. He's lost over $7,000 to robbers in cash and damage to his grocery store.

Thanks to the Lions club, Carlin has a bank but still has no doctor, no lawyer, no dentist—not even a full-time insurance agent.

For most residents of this small rural community, the bank's arrival signals more than the end to an economic slump, it means the beginning of a new era of growth.

"Now we'll see what we can do about an overnight trailer parking area," says Napoles. "And maybe we'll be able to tackle the clinic project again."

If they begin the clinic project right now—a project many call hopeless—you'll probably be reading about the Carlin Clinic by 1970.

BUCKS BY BOAT

Mr. MUNDT. Mr. President, a recent issue of Field and Stream contains an excellent article entitled "Bucks by Boat," written by Hank Bradshaw. The article outlines the wonderful deer hunting in South Dakota. South Dakota for years has been known as the pheasant hunting capital of the world, and this article indicates that it is rapidly becoming one of the finest deer hunting areas in the world.

Mr. President, I ask unanimous consent that this article be printed in the RECORD.

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

BUCKS BY BOAT
(By Hank Bradshaw)

In the slow sunrise of autumn, the outboard motor puttered our boat along a steep shale slide bordering South Dakota's 200-mile-long Lake Oahe, a huge impoundment on the Missouri River, as we glassed the amber grass ridges and shaded brushy draws of the broken shoreline for mule deer. For a moment, I lowered my binoculars to study the overall picture of this wild, unpopulated prairie which, although the river had all but disappeared in the reservoir, is still known as the "Missouri River breaks."

Not a tree cut the monotony of the rolling skyline; only brush and an occasional stunted juniper dotted the velvety appearance of the knobs. The deep, eroded gashes separating them looked as if they had been made with a gigantic ax which laid the flesh of the land back to burn in South Dakota's warping sun. I felt a sense of wonder at this vacant land, so remote and secretive.

Hunting deer by boat, as we were, was a new experience for me—and was part of the reason I had come to this area since I'm a sucker for new ways to hunt and fish. The other reason was the buildup my hunting companion, Fred Priewert, Chief of Game for South Dakota, had given me. "We will see so many deer in one day," Fred had written, "you'll think it isn't real. We'll have a good chance of getting a trophy buck."

The rest of the dope was that does were legal but so plentiful they wouldn't offer a

challenge, so we wouldn't be shooting any of them. The procedure would be to spot the bucks with binoculars from the boat, then go ashore (shooting from a boat is illegal) and stalk them. Hunting would begin thirty minutes before sunrise and end thirty minutes after sundown. The season opened October 28 and continued to November 5, then reopened for three days on November 24. My number had been drawn for one of the nonresident permits in Stanley County, which borders Lake Oahe on the west.

With so much glowing opportunity, there usually is a handicap. This time it was weather. On opening day, a severe cold wave accompanied by high winds hit South Dakota. But early on this miserable morning, we had trailered Fred's 16-foot outboard and 20 h.p. motor (with a 3 h.p. spare) to a bay on the eastern shore twenty-five miles north of his home town of Pierre. With us was Mark, Fred's 15-year-old son, already a veteran deer hunter with a record that could be envied by many adults: he had killed a good buck every season since he was 12, the minimum age for a license.

The Stanley County section Fred had chosen for our hunt lay two miles across the channel of Oahe, on up to Red Woman and Snake Creek bays. Crossing the channel in the dawn light proved to be no lark and I hoped that this would not be the pattern for the ensuing days. The prairie wind bit cold out of the northwest and chilling spray from the churning lake splashed over us all the way. But when Fred entered a sheltered bay, it was like driving into a garage. It was here, while glassing for deer, that I became aware of the fascination and beauty of this open land.

Fred made the first find. "There they are," he half-whispered. Quickly I picked up the deer in my binoculars—thirteen white rumps and throat patches. Standing in the deep shadows of the eastern slope of a hill, they were untouched by the rising sun. Eagerly, I searched for antlers.

"There's a buck," Mark blurted. "See him? Third from left, behind that silver sage."

I saw him, too—a three-point yearling. Not what we wanted, but thrilling. His were the only horns we could spot. Fred decided we would go ashore behind a little ridge that ran up to the crest of the main hill. The ridge would shield us from the deer. Mark, whom we had decided would get the first shot, would sneak on up the hill behind the ridge and survey for a bigger buck. Fred and I would crawl to the ridgetop near the boat to guard the sloping valley in case Mark scared up a good one. "Look good," Fred cautioned Mark. "There should be a big buck with that herd, but he may be lying off to one side."

Fred and I crawled up the ridge and lay down among the small stones and grass and cactus. I was ready with my .30/06. The little buck was about 125 yards away, and if we had been hunting only for the pot, we could have filled our limit from among the deer in this group. But we were after size. I wanted a big buck or nothing; so did Mark. Fred, who has killed many trophies, wasn't that fussy but decided he would try for size for a few days before thinking about a small buck.

The deer must have seen Mark glassing them, for suddenly they all looked toward him, then wheeled and bounded away over the skyline.

Mark came down. "There was nothing worthwhile," he reported. "Only a little forkhorn up there."

In the next bay, I spotted a doe and two fawns sprinting just beneath the crest. "The muleys are moving." Fred told me, "but when the sun gets stronger, they'll be bedding down for the day. The bucks will let us go right by unless we spot them in their beds. Be sure to search the draws and brush clumps for an ear, antler, white throat, or rump. Don't scan, look *through* the brush."

We saw deer in almost every bay and most of them saw us. Some were lying down, some standing, some feeding. One doe with trailing triplets loped away; several had twin fawns. One pack of eight does, big fat creatures, paid no attention to us. With some groups of females ran a forkhorn buck, sometimes two, and occasionally a three-pointer. But no big ones. Even here in the Missouri breaks the big old boys were proving very cagey and difficult to find.

"It may be the big bucks are running alone, not yet with the does," Fred surmised, almost to himself. "Usually the opening comes a bit early for the rut—the bucks are ready but the does aren't. When the does are ready, the big bucks will move in and chase off the little bucks."

It was becoming clear to me that hunting deer by boat is a great way to see a lot of deer. Already we had counted more than forty, almost all within shooting range. I realized, too, that we were covering considerably more ground than we could have on foot or horseback. We had gone about ten miles (west and north) from our starting point and, with the day only beginning, had already worked several bays.

From Fred, I learned that one of the reasons deer are so plentiful along Lake Oahe is that few hunters realize they can be hunted by boat. In the week we hunted, we saw only two other boats, one pickup truck, and one inhabited farmhouse. Access to the breaks by land is a problem; the few roads into them are gumbo. If it rains or snows, even with a 4-wheel-drive vehicle, you are there until the road dries. Of course, there is a catch to boat-hunting Oahe, too. There are no windbreaks and the lake easily whips into a fury. In some places, the almost incessant prairie wind has a 20-mile sweep over water. Waves can be enormous. Fred has spent many nights on protected points waiting for the sea to calm. There is no alternate way out, no havens except the bays. Oahe is not for the inexperienced boatman, nor for a boat any smaller than Fred's. Fred is a master boatman, raised among Wisconsin's lakes.

It was about 11 o'clock when we saw our first good buck. We were motoring close to a cut bank, with a grassy shelf halfway up and a slide above that. Again, Mark spotted the buck first. "See his antlers?" Mark excitedly pointed. "A big one!"

I couldn't pick him out, but Fred did. He whispered that the buck was lying about 20 yards away, in a hole, with only his antlers and part of his head showing.

"Easy, easy," Fred tried to quiet Mark. "Get your rifle ready. When I touch shore, jump out, take your time—then shoot!"

But Mark was already standing in the boat, ready to leap for land. Suddenly, the buck got up, startling me. I wanted to reach out and grab an antler, he seemed so close. Mark jumped to shore, dropped to one knee, and aimed. "I can't find him in the scope!" he yelled. Sweeping through my mind raced the thought that with a buck this close, a scope is a liability. Mark should have my rifle with open sights.

As the buck bounded, I could see he was a big whitetail with four points, maybe five. He was loping, not fast. Mark fired, missed, worked the bolt and his gun jammed. The buck was getting away. Mark never had shot a whitetail—only muleys—and he wanted one badly. Now, with the chance fast disappearing, he desparately clawed out the offending cartridge, aimed again. He shot too quickly. The buck didn't alter his lope. When the deer reached the top of the ridge, Mark fired a third time and missed. The deer disappeared over the ridge.

"Follow him!" shouted Fred. "We'll pick you up in the next bay."

Away we went, motor wide open. Mark, in football condition, ran uphill almost as fast as the deer. But none of us saw the big whitetail again.

What that lone whitetail buck was doing on Oahe will aways be a mystery. Perhaps he was a relic of the time before Oahe Dam was closed several years ago. Then the Missouri River rambled with offspringing chutes and sandbars and all kinds of thickets, and whitetails as well as the muleys called it home.

When the closure came and the countryside flooded, this deer habitat was covered with water. The whitetails disappeared. The muley herd diminished. But now there's a population explosion among the mule deer. In Stanley County, resident deer permits were increased from 150 to 300. An added five percent of this number went to nonresidents. I was one of the fifteen lucky applicants who received a tag.

In all of South Dakota's prairies west of the river, 15,220 resident licenses were authorized and 14,000 sold. A total of 750 nonresident licenses ($35.50) were authorized, but only 400 sold. So you can see that South Dakota's western prairies are not overhunted, despite the fact that mule deer are just as abundant in other areas as along Oahe.

Our next chance at a big buck did not come for three days. This was a calm, warm afternoon when Jim Sprague, of the Game, Fish, and Parks Department, brought the department's big pontoon boat up to hunt with us. With Jim was John Wooley, Associate Press correspondent in Pierre. On the way, Jim had shot a fat three-point buck. We met for lunch and lounged away the deer-siesta hours until 3:30. Then Fred took John with him in the little boat while Mark and I hunted with Jim in the pontoon affair. After the little boat, this was real luxury, and its shallow draft enabled us to work the bays.

The sun was setting when Jim, Mark, and I turned into the last bay we planned to hunt. The bay had several small fingers running off it. As Jim made a turn into the second one, Mark sang out, "There's a whopper!"

I saw the buck, shadowy at the far end, drinking. But at the same time he saw—or heard—us, for he turned and trotted out of sight around the bend of the hill bordering the finger. His rack gave me goose pimples; even in the dimness it looked like a rocking chair.

We had decided that the second chance would be mine, since Mark missed the whitetail. "Grab your rifle!" he called. "Let's go!" He left his gun on the boat and we leaped off the bow as soon as Jim nosed the boat ashore. Uphill we raced to try to spot the big muley from the top. It was a long steep climb and I soon found myself puffing so hard I knew I'd never be able to shoot. So I slowed. Mark raced on, reached the hilltop, peered over, dropped back and practically went crazy. "Hurry! Hurry!" he pleaded, waving an arm wildly for me to come. "He's standing there, big as a barn."

I gave it all I had. Reaching the top, I threw myself to the ground, panting heavily, and leveled the gun across the ridge, looking over the barrel for the buck. The end of the muzzle was wobbling like a feather in a wind. Then I saw him, 200 yards away, trotting now, sharply silhouetted against the yellow sunset sky. His rack—well, hunters dream about racks like that.

"Shoot! Shoot!" begged Mark.

I sucked in my breath and tried to hold it, aimed . . . just as the buck sank beneath the horizon. The last I saw of him were those blank antlers sinking from sight like the stacks of a steamship crossing the ocean.

Mark and I hurried to the spot where the buck had disappeared. Apparently, he had gone down a wide draw, which met the sheer face of a cliff. Had he turned right or left? Mark dashed over the hill to the left, I to the right, coming out at the finger of water where we first had seen the buck. But it was gone for good. We boated home in the dark.

Obviously, we had planned our chances backward. If I had been taking the whitetail with my open sights, chances are I would have got him. If Mark had been taking this buck, he had reached the hilltop in plenty of time to have busted him. But, we decided, this is the luck of hunting—it is never sure.

John Wooley, hunting with Fred, shot a nice three-point buck from 300 yards that afternoon, so Jim told Fred, Mark, and me that we could use the pontoon boat from then on if we wanted. He docked it in the bay Fred used. We took Jim and John home in Fred's car.

But the next day was also calm, so we used Fred's little boat, easier to maneuver in the bays. About 1 p.m., we grew restless at not seeing deer during midday, so decided to move upriver out of the territory we had been hunting and call some coyotes. We had come across a couple, and Fred is an expert caller.

We had scarcely rounded the point into Snake Creek Bay when we saw two bucks loping along the skyline. "Pretty good heads," Fred said. "Shall we go after them?"

We were studying the deer, trying to determine whether they had three or four points, when Mark happened to look down at the lake. Right in front of us, about 100 yards off, heads down and drinking from shore, stood a doe, a fawn, a three-point buck, and a tremendous fourpointer. "There!" Mark whispered hoarsely, pointing.

Fred looked, then spoke easily, "Take your time now (it was Mark's turn again). I'm going to run ashore. They aren't startled. Be sure you plug the big one."

Mark was as excited as a 15-year-old boy can get, but this time he controlled it. He didn't stand in the boat until the nose touched the bank—then he went over the deck beside me like a shot, dropped to one knee on the ground, and took dead aim. But something warned the big 4-pointer. He jumped as Mark shot, and the bullet hit far back. The buck staggered, then ran along shore, leaping as if unhit.

"Lead him!" shouted Fred. Then he whistled, loudly.

The buck stopped, turned broadside, and looked back, trying to spot the whistler. Mark's second shot shattered his heart. He collapsed.

It was a good thing the buck fell so near the water. When we tried to lift him, we guessed his weight at close to 300 pounds. Now that the show was over, Mark's calm came unhinged. He was fit to be tied. The head lacked the brow tines of his buck of the year before, but it had the widest expanse I've ever seen.

During the week, we saw 230 deer. Next evening, Fred took a three-pointer and I chased another four-pointer, but this one, about 400 yards away, also eluded me before I could get a shot. I was satisfied though. Deer hunting by boat on Oahe was everything Fred had told me it would be and more. Let my number be drawn again and I'll be back.

HUMAN RIGHTS CONVENTIONS—WIDE SUPPORT FOR RATIFICATION OF GENOCIDE TREATY—VIII

Mr. PROXMIRE. Mr. President, a tremendously wide and diverse support was accorded the United Nations Convention on Genocide when the Committee on Foreign Relations held their only hearings on this treaty almost 20 years ago. Just a few of the groups whose representatives testified or presented statements in support of Senate ratification at that time were: The American Legion, the American Federation of Labor, the General Federation of Women's Clubs, the National Association for the Advancement of Colored People, the Salvation Army, the Young Women's Christian Association, the Women's Christian Temperance Union, the General Federation of Women's Clubs, and the Congress of Industrial Organization.

This partial sampling represents groups of diverse and frequently conflicting interests. However, each recognized the fundamental precept that the barbaric crime of genocide cannot be countenanced by civilized man.

It is almost unbelievable that for 20 years we have failed to remove the Genocide Treaty from the deep freeze where it was stored many years ago by the Committee on Foreign Relations. Commenting on that committee's position, Chairman FULBRIGHT:

> There appears to be no reason why these treaties should not receive further study. As you know, any treaty tabled can be taken off the table at a later date.

We should ratify this convention now.

UNCALLED FOR LAND GRAB BY INTERIOR DEPARTMENT

Mr. BENNETT. Mr. President, over the past weekend there occurred a series of rather strange, inexplicable events that have caused deep concern in my State of Utah and I think that the Senate should be made aware of what is going on so as to take appropriate action later.

I refer to the last minute land grab by former President Johnson and his lame-duck Interior Secretary Stewart L. Udall who made one last gasp attempt to embalm a lot more land in the West, by placing it into the national park system.

In Utah the Interior Secretary, with no notice whatsoever, without hearing any interested group, without prior consultation with Congress, without consultation or discussion with the State officials arbitrarily and unilaterally decided to add 49,000 acres to the present Arches National Monument and add a total 215,000 acres to Capitol Reef National Monument.

It was with considerable surprise that I learned about these proposals. Only Friday, for the fourth time or so, I introduced legislation making the existing areas of Capitol Reef and Arches into national parks. In the past these bills have been pigeonholed because of opposition from the Interior Department and the Senate Interior Committee.

However, though my bills would create national parks out of the monuments, the boundaries would remain the same. I would like to stress that point, Mr. President, under my bills, there would be no expansion of boundaries, taking in the vast new areas of land.

Frankly, I find this action by the President—and the final signing occurred just 90 minutes before he left office—as a parting slap at my State of Utah. We are a small State. More than 70 percent of our land is owned by the Federal Government. We must rely on our mineral resources, on our cattle and sheep industries for our very survival. To see the Interior Department, in one final gesture, sweep into Utah and withdraw some 264,000 acres of land without any concern for anybody except a few sightseers, to me is the most blatant type of greed that I can imagine.

Throughout the State today Utahans are violently expressing their concern. The executive director of the State Natural Resources Department, Gordon E. Harmstron, has called the action "precipitous."

Dr. William Hewitt, the noted director of the Utah Geological and Mineralogical Survey, has reported the Capitol Reef area contains rich hydrocarbon deposits and possible oil traps. Other areas at Arches have not been tested for minerals.

Paul S. Rattle, the manager of the Utah Mining Association, has cited a large number of mineral claims including uranium, oil, gas, and tar sands in the affected areas.

Mr. Marcellus Palmer, the executive secretary of the Utah Woolgrowers Association, said:

> This action is going to cause further economic reductions (for sheepmen) and further depletions of towns.

Mr. Daniel G. Freed, first vice president of the Utah Cattlemen's Association said:

> I don't know whether this action is vindictive or not, but Utah certainly has a role other than being a playground for Easterners.

I add to Mr. Freed's statement, Amen.

Mr. President, as one who has advocated national park status for these areas for a number of years, I cannot quarrel with the idea of upgrading them. I do find fault and I object to this withdrawal with no prior hearing. My bills before the Interior Committee should be used as the vehicle for hearings on the action the President has taken. Congress has the right to reset these boundaries and I call on the Senate Interior Committee to exercise this right and to go to the field as soon as possible to conduct hearings on these proposals.

Even a common criminal is entitled to a notice and a hearing. Utah has 1 million persons. Are not they entitled to due process?

COMPLETE DISCLOSURE OF FINANCIAL STATUS OF SENATOR YOUNG OF OHIO

Mr. YOUNG of Ohio. Mr. President, early in 1959 directly after my election to the Senate, I reported in writing to the Secretary of the Senate a complete statement of my financial status and holdings so that citizens of Ohio would be able to judge for themselves whether there is ever the slightest conflict of interest in the performance of my duties. I have followed that policy annually since 1959.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD a letter I wrote to the Secretary of the Senate on January 6, 1969, containing a complete statement of my financial status and holdings.

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

U.S. SENATE,
COMMITTEE ON PUBLIC WORKS,
January 6, 1969.

Hon. FRANCIS R. VALEO,
Secretary of the Senate,
Washington, D.C.

DEAR MR. SECRETARY: Early in 1959 directly following taking the oath of office as U.S. Senator and to keep a campaign pledge made in denouncing Senator Bricker for conflict of interest in remaining as head of his law firm representing the Pennsylvania Railroad Company and other railroad corporations and then voting as Senator against the St. Lawrence Seaway, I fulfilled my pledge to completely withdraw from the practice of law and to disclose my financial holdings and status.

In filing with your office a complete statement of my financial holdings I became the very first member of either branch of the United States Congress to make full and complete disclosure of my financial status.

The purpose of this letter is to fully disclose my income for the entire year of 1968 and my present financial status including all of my assets and all of my indebtedness. Therefore, citizens are in position to judge accurately whether or not at any time there was, and whether there is, any conflict of interest and whether for selfish personal aggrandizement I yielded to some improper demands and voted or conducted myself as a Senator of the United States at any time other than for the best interests of citizens I represent and of our Nation.

Mr. Secretary, I make the following complete financial disclosure. This is true and correct, and directly after the joint income tax return I shall file with the Internal Revenue Service for the year 1968 has been prepared and filed I shall mail you a copy to be attached to this letter.

During the year 1968 my income was as follows:

Salary as U.S. Senator	$30,000.00
Amount received from interest on government and other bonds and dividends on stock holdings in excess of interest paid out on loans with stocks and bonds as collateral	12,016.12
Total income from long and short term capital gains on stocks and bonds sold in excess of long and short term capital losses incurred on sale of stocks and bonds	45,860.68
Net amount received as honoraria for speeches outside Ohio	1,500.00
Total net income for 1968 before making required deductions for Federal and State taxes	89,376.80

You will note not one cent was received by me for legal fees. For many years I engaged in the practice of law in Ohio and tried law suits also in some other states. My law practice was very lucrative and satisfying as my financial records and income tax returns over the years disclose.

I withdrew from my law firm December 15, 1958.

In addition to the net income received in 1968 I report financial holdings as follows:

Real estate: Residence in Washington, D.C. and equity in dwelling in Florida, real estate in Ohio and Mississippi. Total valuation $90,000.

Life insurance: Substantial amount paid up life insurance including $10,000 GI World War policy. Total value in excess of $50,000.

Personal property: Including paintings, jewelry, furniture and 1969 Oldsmobile Cutlass. Estimated value $25,000.

Bonds: As of January 1, 1969, I own U.S. Government bonds and bonds of W. R. Grace & Co., Gulf & Western Industries, Lerner Stores, Radio Corporation of America, Tenneco, Inc., Lucky Stores, Inc. and Offshore Co. with a total value of approximately $120,000.

Preferred and common stocks as follows: 100 Ashland Oil & Refining Co.: 200 Atlantic Richfield; 100 Boston Edison; 200 British Petroleum; 200 Continental Airlines; 400 Continental Oil; 400 Delta Airlines; 100 Federal Pacific Electric Co.; 314 ITT Consumer Services; 300 Lamb Communications; 4429 Lucky Stores; 17 Murphy Oil Corp.; 751 Monsanto Chemical; 300 Northern Pacific Rwy.; 202 Occidental Petroleum; 100 Offshore Co.; 1200 Ohio Radio Inc.; 500 Pacific Petroleums Ltd.; 1300 Phillips Petroleum; 100 Radio Corporation of America; 1550 Robbins & Myers; 300 Safeway Stores; 200 G.D. Searle; 156 Seilon, Inc.; 100 Sinclair Oil; 600 Stauffer Chemical; 600 Steel Co. of Canada; 2100 Tenneco, Inc.; 100 Trans World Airlines; 200 Winn-Dixie Stores.

Regarding stocks and bonds I own in oil producing corporations I report that frequently in letters or statements accompanying dividends, officials of oil producing companies suggest "write your Congressman and urge that he vote to retain the present 27½% depletion allowance for oil and gas producing corporations." I am not about to do that. As a member of the Committee on Ways and Means of the House of Representatives in the 81st Congress, I voted to abolish this depletion allowance. I have not changed my views. As Senator I have repeatedly voted and spoken against this depletion allowance and hope to have an opportunity again this year to vote to reduce this to 15% or to eliminate it entirely. As my views on this subject are a matter of record, there is no reason I should sell oil stock I own.

Indebtedness: I owe no man or any corporation any unsecured loan. I do owe current bills to Ohio and Washington stores in a substantial amount, some representing recent purchases. Also, to Samuel Ready Boarding School, Baltimore, approximately $1100 for balance tuition for adopted daughter.

I am indebted to the Union Commerce Bank of Cleveland approximately $348,000. This indebtednes is secured by deposit of collateral.

The foregoing statement is just, true and correct and includes representing all the assets and liabilities and the entire financial status of Mrs. Young and me.

Mr. Secretary you, of course, have my permission to make this statement public if you wish. It is my intention to follow my custom of reporting it in the Congressional Record.

Sincerely,

STEPHEN M. YOUNG.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Is there further morning business? If not, morning business is closed.

AMENDMENT OF RULE XXII

The PRESIDING OFFICER. The Chair lays before the Senate the pending business, which will be stated.

The LEGISLATIVE CLERK. A motion to proceed to consider Senate Resolution 11, to amend rule XXII of the Standing Rules of the Senate.

The PRESIDING OFFICER. Without objection, the Senate will resume the consideration of the resolution.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

Mr. STENNIS obtained the floor.

Mr. MANSFIELD. Mr. President, will the Senator from Mississippi yield without losing his right to the floor?

Mr. STENNIS. I am glad to yield.

ORDER FOR RECESS UNTIL NOON TOMORROW

Mr. MANSFIELD. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in recess until 12 o'clock noon tomorrow.

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

Mr. MANSFIELD. I thank the distinguished Senator from Mississippi.

Mr. STENNIS. Mr. President, without losing my right to the floor, I yield to the distinguished Senator from West Virginia.

SUBCOMMITTEE MEETING DURING SENATE SESSION

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that the Subcommittee on Constitutional Rights of the Committee on the Judiciary be authorized to meet during the session of the Senate today.

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

AMENDMENT OF RULE XXII

The Senate resumed the consideration of the motion of the Senator from Michigan (Mr. HART) to proceed to consider the resolution (S. Res. 11) to amend rule XXII of the Standing Rules of the Senate.

Mr. STENNIS. Mr. President, what is the pending business before the Senate?

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Michigan (Mr. HART) to proceed to the consideration of the resolution (S. Res. 11) to amend rule XXII of the Standing Rules of the Senate.

Mr. STENNIS. I thank the Chair.

Mr. President, I welcome the chance to speak on the pending business; but before doing so, I wish to make a brief reference to another subject.

NOMINATION OF DAVID R. PACKARD TO BE DEPUTY SECRETARY OF DEFENSE

Mr. STENNIS. Mr. President, I entered the Chamber in time to hear some of the remarks of the Senator from Rhode Island regarding the nomination of Mr. David R. Packard to be Deputy Secretary of Defense. That nomination, I understand, has not yet been sent to the Senate. The Committee on Armed Services has held extensive hearings in this matter and has unanimously recommended to the Senate that the nomination, if it is sent to the Senate, be confirmed.

I spoke about this matter on the floor of the Senate last Friday. My remarks also included reference to then-Representative Melvin Laird, who already has been nominated and confirmed as Secretary of Defense. The remarks to which I refer, which go into this matter on the merits and state much of the facts, are found in the RECORD of January 17, 1969. They begin on page 1261, near the end of the session on Friday. I mention this so that Senators may easily find where the remarks appear.

As I understood the Senator from Rhode Island, he said that even though he had some reservations, he expected to support the nomination. Just to keep the matter in balance and in perspective, I certainly think he is justified, under the circumstances, in supporting the nomination. Each member of the Committee on Armed Services fully understood and had before him all the facts when this matter was passed upon. Those who could not attend the hearing—only two did not attend the hearing—arrived for our executive session. A complete discussion of all the facts took place, around the table, for an hour and a half. Every member of the committee expressed himself, and the committee arrived at a unanimous vote.

Any Senator who is not in favor of it certainly should let it be known at the proper time and should oppose it as he sees fit. I certainly welcome that. That is his right.

I mention this for the reasons I have already given at this time.

AMENDMENT OF RULE XXII

The Senate resumed the consideration of the motion of the Senator from Michigan (Mr. HART) to proceed to consider the resolution (S. Res. 11) to amend rule XXII of the Standing Rules of the Senate.

Mr. STENNIS. Mr. President, I welcome the chance—this is the first chance I have had—to discuss the pending matter.

I note that Vice President AGNEW, who is President of the Senate, in assuming his duties this morning, said that he appreciated the fact that he was coming in to preside over what I believe he said was the most deliberative legislative body in the world, and one of the most august, or words to that effect.

We feel flattered to have such a compliment from him. If he is correct in that conclusion, it is due more to the provisions of rule XXII than to any other circumstance connected with this body, in my humble opinion.

Those who would change or greatly modify rule XXII would make the Senate an appendage of the House of Representatives. I say that with the greatest deference to the House which I respect highly. The House of Representatives would be the only primarily legislative body in our federal system if it were not for the distinctive characteristic that the Senate has.

The pending proposal revolves around the idea that a bare majority, a temporary majority, or a majority that is produced for the time being—because a Senator is ill or is absent, or even because some member of his family is ill—a transient majority, could force through a measure or a change of rules, or take any action they might see fit. This could be done merely on a previous question being ordered quickly and the matter passed on, without deliberation, without the chance to be heard, without the chance for the people to know what was involved and what was about to happen.

It would tear the very spirit and special life out of the Senate. I once said that it would blow out the light that illuminates this body, which is a powerful instrument in connection with the Federal Government. If there is any good quality about the Senate it is not due to the men who are Members of it. Certainly, Senators are no better than any other group of comparable men. But the opportunity that is here, in the workings of these rules, makes the distinction and makes this body more effective and gives it a power not only in passing laws but also in connection with executive appointments, treaties, and a great many other things on which we must pass.

I say this from years of experience. Perhaps the most valued part of this rule is that it gives the country the time and the chance to find out and to judge what is involved, and the meaning of various measures that are proposed. I love the Senate because of what it has meant to the country and what I see of it in the future.

Mr. President, I wish to comment on this point, also: the so-called filibuster and the proposed changes in rule XXII have been so inseparably bound up with the civil rights bills for the last 12 years that, unfortunately, they have almost become synonymous terms. This matter, under the current status of things, does not have anything in the world to do with so-called civil rights bills. I believe it is rather generally agreed that as many of those bills have been passed as can be absorbed for a good long while—as many as can be adjusted to and followed up by action on the part of those they were designed to benefit. The sentiment that prompted the passage of those bills would prompt the passage of others if they were needed.

So I think it is a great disservice to ourselves and to the people if we do not say now that this is not a civil rights question and that it is not tied to the civil rights issues. Those issues have been decided, and the pending matter has no more bearing on the so-called civil rights matters than it does on any other matter before this body.

I hope that the people of the country will understand and stop thinking in terms of this being just another civil rights fight.

I know that those of us who have defended this provision for a long time might take a prominent part in the debate. But those who love the Senate and have served in it a long time perhaps understand a little better, because of experience, the operations of the Senate, and the need for this great principle.

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

Mr. STENNIS. I yield to the Senator from Louisiana.

Mr. LONG. Mr. President, the Senator is aware, is he not, that this is a matter which in previous years has been the subject of study in committee, and a committee report, as well as a minority report, so that Senators, and particularly new Senators, could apprise themselves of the arguments for both sides? I would ask the Senator if it would not be appropriate in this case that an appropriate committee should look at the matter so that they could not only review the arguments made down through the years, but also so they could seek to benefit from the experience we have gained in debate.

I do know that in many years we have debated certain measures to the extent that we have been able to come up with suggestions of ways in which a measure could be improved.

As I recall, there was one suggestion made by the distinguished Senator from Mississippi 20 years ago, when I first came to the Senate. It had to do with the so-called minibuster. I believe the Senator suggested several times that we should have a rule which would cover a situation in which 90 percent of the membership wanted to proceed to a vote, as contrasted with a situation where 10 percent were in opposition to a bill. For example, we might have a rule which would provide that where a matter has been debated for more than 3 days, and 90 percent of the Senate wanted to vote on the matter, we could proceed to a vote if 90 percent of the Senators wanted a vote. However, in a situation where 15, 20, or more Senators felt a matter should be debated at great length, there should be a different rule such as the rule we have now.

Mr. President, that type procedure is best developed and explored by a committee where the procedure of give and take would apply more freely than it would in the Senate, where the positions of the two sides are pretty well frozen, and rather than what we sometimes see here of someone trying to run roughshod over the Senate and trying to bring something before the Senate before the Senate has an opportunity to consider it.

Can the Senator tell me how new Members of the Senate are to inform themselves when someone comes in and attempts to bypass the rules to bring a matter of this sort before us without any hearings or alternative suggestions?

Mr. STENNIS. I thank the Senator. I believe I can answer that with an illustration with respect to new Members serving their first term. I thought it was an abuse and a downright lack of consideration toward them that they would have to make a far-reaching decision of this kind on such short notice without any chance to hear witnesses, to read a report from a committee and get the full counsel of men that they knew personally and who had been in contact with this very problem. I thought it was highly unfair to them. That illustrates what the Senator has said.

The soundness of rules and bills that pass certainly should be tempered and tested by hearings, by informed opinion, and in recommendations by experienced Members of the Senate.

Mr. LONG. Mr. President, will the Senator yield further?

Mr. STENNIS. I yield.

Mr. LONG. Since the days when I had the honor of serving on the Committee on Rules and Administration along side of the distinguished Senator from Mississippi, whose views I shared on that committee 20 years ago, a lot of things have happened that should be reviewed by someone. We have had many filibusters. Some of them have served useful purposes, and I have reference to areas other than civil rights, although, there also, those filibusters served the purpose of bringing some compromise and improvement to legislation before us. The Senator knows that we have had filibusters in a number of areas where those opposing legislation have succeeded in extracting concessions or compromises from the majority. I believe it is fair to suggest that those compromises reached in those instances have proved to be wise changes for the better, and more so than the legislation before us.

Mr. STENNIS. I agree with the Senator. Both of us know, because of our years of experience here, that even though legislation that eventually passed was held up for a while by rule XXII, we certainly arrived at much sounder and acceptable legislation in the end and the country was far better prepared to accept it and make it work. The Senator has many wonderful illustrations of what happened during his experience and my experience.

Mr. LONG. The Senator is aware of the fact that a filibuster was conducted against some suggested amendments to the basic atomic energy laws during the Eisenhower administration; and compromises were reached in ending that filibuster on that occasion, which changes and suggestions remain the law to this day. That was a liberal filibuster, one might say, on economic issues. However, the compromises that were forced on the majority by the minority remain the law to this day and they remain the law because they were sound and because they made good sense.

Mr. STENNIS. I thank the Senator for his contribution.

Mr. President, before I leave this subject, I now have the exact words which the President of the Senate used as he occupied the chair the first time this morning. He referred to the Senate as "this select and august deliberative body." We accept that compliment, but I wish to point out to him and others who might have thought about it, that the thing that makes us a real deliberative body is rule XXII, which requires more than a majority just to cut off debate on any pending matter.

Mr. President, may I allude once more to the fact that the vote came so soon after many Senators came here for the first time, and they had to take such a far-reaching vote without the benefit of hearings or a committee report and without the benefit of any of the usual safeguards in legislative channels and legislative work which time has proved over many decades to be an asset and helps the membership to form sound conclusions and to cast a more informed vote.

I trust that the membership which has just joined us—and it is an unusual group of men of great promise, I have been much impressed with them—will not feel irrevocably bound by the vote which they took, but will continue to follow this subject and continue to apply their reasoning and thinking to it from their experiences here as students of government, and also consider whether they reached the soundest conclusion on such short and immature notice, and with so little debate.

I want to point out, too, Mr. President, that I believe changing rule XXII, especially to provide that just a majority vote, could order the previous question, or cut off debate, which would tend to liquidate a nationwide political party. We have an indication of it right here and now where the President of the United States is the nominee of one party and a majority of the Senate are members of the other major party.

Having this majority here—and it is more than a one- or two- or three-vote margin—if the membership should become willful enough to do it, it could stop every major phase of President Nixon's program and recommendations right here. The membership could also bottle up minority Senators and cut them off from debate, cut them off from legislative maneuver, and really stifle or stop the wheels of Government so far as the incumbent at the White House is concerned in most every other major particular, and could let the bare essentials of Government go along and get by with it a long time.

We do not have the English system. President Nixon's term is for 4 years. There is nothing anyone can do about that. It is a fixed term. He has the responsibility to serve for that fixed term. Thus, with a different party here, if we had just the majority rule here, there would be no refuge for more deliberation, more consideration, or more thought. The President's political affiliations on the Hill could be more or less made ineffective, but they do have a position of strength here, under rule XXII as now written, where they cannot be run over or reduced to a cipher.

Thus, I believe that the minority party, whichever one it may be, could well take second and third thoughts about becoming a hand that would cut off its own strength and its own lifeblood.

Mr. President, it has been true for over a hundred years that the two major political parties have largely headed the Government and run the Nation. I expect it will be that way, largely, for another 100 years. Under our system of government, the party system, even though it has faults, has proved to be workable. It has proved to be an effective instrument of government. Thus, I am satisfied in my mind—and I hope others will examine it from that angle—that a great part of that success is due to the terms of rule XXII of the Senate as now written.

Mr. President, I think one fortunate matter has come out of this debate already. The recent vote last week has put to rest the Senate's Presiding Officer being able, in effect, to set aside or ignore a part of the rules of the Senate that he may not favor, and operate under a part of the rules of the Senate that he does favor.

In other words, the vote last week—and I speak with great deference to Mr. Humphrey who was then Vice President and Presiding Officer here—the Senate unmistakably voted with a majority vote of all those elected to the Senate, that the Presiding Officer's ruling, whereby he declared unconstitutional the provision requiring a two-thirds vote to cut off debate, was in error and reversed it, and in effect held that it was a valid provision of the rules and also held emphatically that it could not be changed except by the rules themselves and the Senate as it operates them.

That has been debated back and forth for years. Several Presiding Officers have made remarks about it. But here comes a ruling now with all the force and vigor of that Presiding Officer's personality behind it—without debate, because it was not permitted to have debate. Without debate, the Senate immediately repudiated and totally repudiated that ruling. Of course it did. I am very proud that it did.

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

Mr. STENNIS. Yes; in a moment. But while repudiating that rule, it confirmed, in the strongest possible way, the validity of the Senate's own rules as written by it.

Now I am glad to yield to the Senator from Florida, who is so well versed in this matter and who has contributed over the years the finest reasoning and logic I have heard on the floor on the nature of the Senate and the rules of the Senate. He has been outstanding again in this debate.

Mr. HOLLAND. I thank the Senator for yielding. I thank him even more warmly for those kind remarks.

I want to ask the distinguished Senator if he does not believe that, besides upholding rule XXII by its exceedingly meaningful vote, the Senate the other day, in reversing the ruling of the former Vice President, also upheld clearly the fact that the Senate is a continuing body, as intended by the Founding Fathers, going on from Congress to Congress, without any cessation or hiatus whatever, so that it always exists, is always able to function, and there is always two-thirds, or more than two-thirds, of the Senate membership in being, there is always a Vice President who presides over it, or a President pro tempore who has been named. Does not the Senator think that that is one of the great meanings that came from the action the other day to which the Senator has so feelingly alluded?

Mr. STENNIS. The Senator is certainly correct. That vote directly sustained, as the Senate rules had stated, the fact that there is a continuing body; that the rules are continued; that we do have a continuing body, we do have continuing rules, and the Senate itself will get around, when it sees fit, to changing any of these rules without an outside ruling.

Mr. HOLLAND. Mr. President, will the Senator yield further?

Mr. STENNIS. I am glad to yield.

Mr. HOLLAND. Does not the Senator recognize that one of the great mean-

ings of the vote the other day, to which the Senator has referred, is that specifically the Senate voted to uphold section 2 of rule XXXII, which the Vice President had said was to be overridden, if his opinion was followed, which section specifically holds that the rules of the Senate continue from Congress to Congress, from Senate to Senate, unless they are changed, under the rules of the Senate themselves?

Mr. STENNIS. Yes. The Senator has pointed out the complete picture now. The Senate rules, very wisely, state that, and the Senate knew what it was doing when that clause was put in the rules. The Senator from Florida and I were both here. It was done after several days of debate. I think perhaps 2 weeks of debate had gone on. There is nothing simpler in the English language than the wording of that short, simple rule. That was what was attempted to be stricken down by the ruling of the then Vice President. There is no question about the totality of the issue and the decisiveness of the vote of the majority of all the elected Senators, and without debate. I think it was a historical day and a turning point in the modern history of our great Nation.

Mr. HOLLAND. I thank the Senator. If the Senator will yield further, I have another question I would like to ask him.

Mr. STENNIS. Yes.

Mr. HOLLAND. Does not the Senator recall that section 2 of rule XXXII and the present wording of rule XXII were both offered by the most outstanding group of Senators then in the Senate, including the then Senator from Texas, Lyndon Johnson, as the majority leader, the Senator from Illinois (Mr. DIRKSEN), as the minority leader, the President pro tempore, the senior Senator from Arizona, Mr. Hayden, the chairman of the Senate Republican policy committee, the Senator from Massachusetts, Mr. Saltonstall, and, in fact, every other leader, both leaders, whips, policy leaders, and conference presidents, on both sides of the Senate? Does not the Senator recall that that was the case at that time?

Mr. STENNIS. I do recall it, and I am very glad the Senator from Florida has brought it out. To add to that picture, as I recall, the Senator from Colorado, Mr. Millikin, was here at that time.

Mr. HOLLAND. That was an earlier one, I think.

Mr. STENNIS. Anyway, the adoption of that rule has worked out in the past. It had no geography tied to it. It had no political party tied to it. It had no subject of legislation tied to it. That was a nationwide movement, based upon the solidarity in the thinking and experience of the men who were then the Senate's outstanding leaders. The Senator from Florida was in on that, too. He did not name himself, but I do. He was very active here, as was the Senator from Georgia (Mr. RUSSELL).

Mr. HOLLAND. I thank the Senator.

If the Senator will yield for one more question, does not the Senator recognize the fact that all of the leadership converged together to offer that solution of the problem in order to stabilize the Senate, in accordance with the objectives of those who founded the Senate when they adopted the Constitution? Does not the Senator remember—and this is particularly humorous, as far as the Senator from Florida is concerned—that the then Senator from Minnesota, Mr. Humphrey, was one of the 72 Senators who voted for the adoption of rule XXII as it stands now and for section 2 of rule XXXII as it stands now?

Mr. STENNIS. I recall that he was here. I could not state that he voted for it without looking at the RECORD, but the Senator from Florida states he did, and I am glad he calls that fact to our attention. It was then found to be a complete consensus of agreement on the issue, and it was stated in simple language that a second-grade student could understand.

Mr. HOLLAND. I thank the Senator.

If he will yield for one further question, does not the Senator feel, as does the Senator from Florida, that it would have been the most unstabilizing thing that could have been done, the thing that would have most rendered the Senate a body not continuing, but controllable by a majority of one at the beginning of every Congress in rewriting not just rule XXII, not just section 2 of rule XXXII, but any and all rules of the Senate? Does not the Senator think it would have been about the most unstabilizing thing that we could have done if we had ever adopted such a policy as that, leading to a Donnybrook at the beginning of each Congress if there was a majority of as much as one that wanted to change the rules?

Mr. STENNIS. The Senator is right. It would have broken down the main structure of this body, and that in turn would have changed the entire structure of our system of government. I do not know where we would have turned to find something else to stabilize the situation. We would have found some way, but that necessity has been avoided by the vote to which we have referred. I think the question was in such sharp issue, that, voted as it was, I think it is the beginning of a settling down in the Senate, and I think it will be a long time before the rules are successfully challenged again.

In all deference to our friends, I think we should just keep the debate going on this motion for a little while, to prevent it from being terminated abruptly.

Mr. HOLLAND. Mr. President, I thank the Senator for his sturdily standing by what I regard as the sturdy, sound, bedrock upon which the Senate is founded. As far as I am concerned, I know of no other stable body—and I am using now the words of Mr. Madison and Mr. Hamilton, when they said there needed to be a stable body in our Government.

Mr. STENNIS. Yes.

Mr. HOLLAND. And that to meet that need they were setting up the Senate. The Senate has insisted upon maintaining that quality of stability.

I think it would have reflected upon the credit of every Senator now in this body throughout the life of this Nation, had we surrendered that stable quality which the Senate has been created to subserve, and which the Senate has preserved through all the years of its existence.

Again I thank the Senator, and I congratulate him upon his able remarks.

Mr. STENNIS. I thank the Senator from Florida very much for his contribution to the debate, and for the points he has made in his remarks.

Mr. President, I have a philosophy—not a philosophy of government, but a philosophy of life—that I sum up in this way: I believe the second thought of the American people is sound, and that it is upon the second thought of the people that our system of self-government is founded—not on their first thought, which may be charged with emotionalism, effervescence, anger, or a great many other things.

I believe it is the second thought that brings forth the commonsense of the American people. I believe that is the main basis of the structure of our life, and the main mudsill of our system of government.

Power rests with the people, but there must be some way to get their second thought. I repeat, I call that commonsense. I am talking about the commonsense, now, of the ordinary people, the regular people, sometimes called the common people.

I do not like the term "the common people." There is nothing common or ordinary about the regular people. But it is their thinking of which I speak. They may not be so articulate, but their thinking revolves around their homes and their family responsibilities, and the spiritual values and the nonmaterialistic things we live by, the things that money cannot buy. That is the type of commonsense I am thinking about.

There must be a lot of it, with a chance for it to express itself, or our system of government will topple over. I hope we shall never let the rules be such that a transient majority that happens to be here on a certain day a few days after the convening of this body can sweep aside all the rules and change things up.

Mr. President, continuing with the more formal part of my remarks, I refer again to the motion to invoke cloture, the vote upon which was taken last Thursday.

The vote taken Thursday was 51 to 47 to invoke cloture. However, under the Senate rules, a two-thirds vote of those present is required to close debate. We were faced with the situation that in spite of the clear provisions of this rule, and the portion of rule XXXII to which I have referred, which have been followed by the Senate without exception since its adoption, the Presiding Officer ruled that after a majority had voted to cut off debate, debate was closed.

As I have stated, it was to the everlasting credit of the Senate that the Senate itself, upon appeal from the ruling of the Chair, voted 53 to 45 to reverse the ruling of the Presiding Officer. That vote was taken, unhappily, without debate; but thus the Senate itself has reaffirmed the fact that the Senate is a continuing body and that it operates under its rules from Congress to Congress until the rules are changed as provided in those rules.

It has become customary in recent years for advocates of a new cloture rule

to attempt to amend the Standing Rules of the Senate on the first day of a new Congress. The twofold purpose of this move is to bypass the Rules Committee and to circumvent the present rule which requires a two-thirds vote to limit debate on amendments to the rules.

Similar moves were attempted in 1953, 1957, 1959, 1961, 1963, 1965, and 1967. The same arguments were advanced, examined, and rejected. Identical proposals have been introduced, considered, and defeated. Failure, however, has not dampened the spirits of those opposed to the traditional rules of the Senate. Repeated rejection of their arguments has not convinced them yet of their unsoundness. Thus the Senate, as we begin the 91st Congress, is confronted at the outset with one of the most important issues it is likely to face in its relatively brief existence.

The issue has been dangerously oversimplified by those seeking to change the rules. The question has been put in the appealing but misleading form of a choice between majority rule or minority obstructionism. This inaccurate presentation of the issue obscures other basic values at stake and ignores recent experience under the present rules.

In proposing stronger cloture rules, the proponents always contend that unlimited debate frustrates the will of the majority and prevents and obstructs the passage of popular legislation. It is surprising that this tired, old charge should be trotted out again on the heels of a 4-year period during which perhaps more legislation was enacted than during any similar period in our history. The charge has never been very convincing and now it is absolutely unbelievable.

On the other hand cloture has been successfully invoked four times on major legislation since 1962. I served on the Committee on Aeronautics and Space Sciences when the communications satellite bill was before the Senate in 1962. I attended the hearings and participated in the activity of the committee under the able leadership of the late Senator Robert Kerr, of Oklahoma. The committee reported the bill favorably and I expected that after a reasonable amount of debate the bill would be passed by the Senate. Although the debate continued day after day, and even though a small number of Senators participated in it, I never for a moment questioned their motives or grew impatient with their efforts. I knew they were honest and sincere, and I admired them for their steadfast devotion to the principle for which they were contending.

I was proud to see them, as fellow Senators, carry on their fight, in which they believe. They fought courageously in the face of tremendous odds. I was, for the most part, on the sidelines instead of being very much a part of the fight, and I had an opportunity to observe that debate. My appreciation and admiration of the Senate rules increased throughout that discussion, for I knew they were dealing with important fundamentals. That debate involved the right of those Senators to make their fight, to present their case and be heard, and exhaust all of the remedies available to them. Without rule XXII, they would not have had that opportunity and could not have obtained the full hearing to which every Senator is entitled. A right of inestimable value was preserved at a very small expense, for after some delay cloture was invoked under the present rules, and that important legislation was finally passed.

In 1964, one of the most dedicated stands ever made against passage of legislation was made in the Senate in opposition to one of the civil rights bills. Never in the history of the Senate has there been a stronger effort to prevent the passage of legislation which opposing Senators sincerely believed should not be passed. After full and complete discussion, however, cloture was invoked under the present rules, and in their present form, the bill was passed. In the course of the extended debate, there were a great many aspects of the bill discussed and explained that would not have been explored had debate been unduly limited. Despite determined opposition from many Senators who felt that passage of the civil rights bill would be contrary to the Nation's best interest, the bill was brought to a vote and enacted.

The Voting Rights Act of 1965 is another recent instance where cloture was successfully invoked. After days of debate, discussion was terminated under existing rule XXII, and the bill was passed. Again, late in 1967, on the open housing bill, cloture was invoked.

It is true, of course, that a motion to cut off debate on the civil rights bill of 1966 was defeated, and it is to the everlasting credit of the Senate that it was. Debate on the bill began on Tuesday, September 6, and on Monday, September 12, a motion was made to end debate. It is a tribute to the wisdom and fairmindedness of the men who make up the Senate that the motion was soundly defeated. A bill so vague, covering such a wide variety of subjects, and affecting the basic rights of so many people throughout the country, could not even be understood in so brief a time.

There is no more complete example of the far-reaching complications and implications of a bill that was not even clearly drawn than the bill I speak of in this instance. But due to the existence of rule XXII, the country was saved from legislation which would have brought about the utmost confusion. Only a year later, a bill was introduced which was more precise and definite in form, and groups did have a chance to be heard. That bill was fully debated and was passed. But the 1966 bill could not be weighed and considered on its merits or with the fullest discussion.

Those Senators who undertook the burden of examining that bill publicly on the floor of the Senate performed a great service to the Senate and the people.

An equally important service was rendered by those Senators who, although generally favorable to the bill, recognized the necessity for full discussion of such a far-reaching measure and refused to vote for cloture before it was really known what was actually in the bill. Perhaps if debate had been allowed to continue until all sides had been presented and each Senator was confident of his grasp of the bill, the meaning of the various paragraphs of the bill would have been cleared up, and cloture might perhaps have been voted under the present rules. But the leadership, for good, and sufficient reasons, determined that more important matters demanded the attention of the Senate, so other business was taken up.

It is clear from immediate past experience, therefore, that there is no great need for a stronger cloture rule. I do not think there is any need for it. A veritable flood of legislation has been passed over the past several years. Four times in recent years cloture has been invoked successfully under the present rule XXII as it is now written.

For no good reason then, proponents of the proposed changes in rule XXII would sacrifice the unique identity of the Senate and really undermine its historic place in our system of government. Their claim to amend the rules of the Senate by a bare majority at the beginning of each new session of Congress is based on the theory that the Senate is a discontinuous body, that its rules expire at the end of each session, and must be readopted, and may be amended by a simple majority at each new session of Congress without regard to the amending procedure prescribed by the Standing Rules themselves.

This theory ignores the origin and history of the Senate and denies the Senate's unique place in our scheme of government. I continue to be impressed by the fact that during the Constitutional Convention it was the compromise concerning the Senate which really led to the final approval of the Constitution. During that Convention, Delegate Benjamin Franklin, then a man 81 years of age, rose one morning and addressed the Chair. George Washington was the presiding officer. Franklin pointed out that many weeks had passed in an attempt to agree on the Constitution and that no agreement on essential matters had been reached. He then moved that they open the remaining sessions with a prayer. The motion carried and was thereafter followed.

Out of that new earnestness, with that new start, and with that greater emphasis on spiritual values there came the great compromise which led to the establishment of the Senate, in which each State would be represented by two Senators, regardless of the population of the State. It was provided that only one-third of the Senate would be elected every 2 years, thus leaving two-thirds of the membership always in office to give continuity and stability to the Government.

I might point out that another provision of the Constitution made representation in the Senate unamendable; it provided that such representation should never be changed without the consent of the State involved.

The Senate therefore became a distinct body in the legislative process, different in nature and purpose from any other. It is here in this great continuing, deliberative body of our legislative system that the people of any State, regardless of its geographical size or its population, may

be heard with the same strength and clarity as any other State. I fear that this will not long remain true if the Senate imposes a stronger cloture rule, thus making this body subject to what can become the devastating effects of a hastily mounted, fast-moving, temporary public opinion.

It was clearly intended by the Founding Fathers, and it has been reaffirmed many times since, that the Senate should constitute a continuing body, and historically the Senate has acted as such. Officers of the Senate serve no stated term of office but serve until their successors are selected. Senate committees continue to function without regard to the conclusion of a session of Congress.

I am reminded that President Woodrow Wilson, who, I think, came to the office of the Presidency with as fine an understanding of the political philosophy, historical background, meaning, and intent of our system of government, as anyone certainly equal to that of any other occupant of the White House, personally, based on what I have read and studied, was best prepared in that way. I recall that, on a major issue, he called the Senate back into session on the basis of its being a continuing body. Then occurred one of the great debates, just preceding, as I recall, our entry into World War I.

In the performance of its executive duties, such as approving Presidential nominations and ratifying treaties, the Senate acts as a continuing body. Although executive nominations now lapse with the close of the session, before the abolition of so-called lameduck sessions and the advancement of the beginning of the presidential term from March 4 to January 20, many special sessions of the Senate were called for executive purposes. Proceedings regarding treaties sent to the Senate terminate with the end of the session, but the treaties themselves do not die. Under the rules, proceedings are resumed on treaties at the commencement of the new session as if no proceedings had previously been had thereon. If the Senate were not a continuing body, these important duties could not be carried out.

In the adoption of a stronger cloture rule, we would run the grave risk of sweeping away one of the most salutary and essential features of the democratic process. Rule XXII, as it stands, recognizes and protects the right of a substantial minority to a full hearing on matters affecting it.

It is strange, indeed, that at a time when the courts, the executive, and Congress itself are giving increased attention to the rights of various minorities, an effort should be made to deny a minority of States of the Union and the millions of people they represent the basic right even to be heard in the major legislative halls of the Nation. The genius of our Government is that it provides for due regard of the rights of the minority without sacrificing the right of the majority to rule. In our system there are many checks and balances to the will of the majority, but ultimately the majority will prevail unless persuaded by fact and the force of argument, logic, and sentiment to alter its view. In the final analysis, the only defense the minority has to hasty or ill-considered action on the part of the majority is the power to persuade. If the minority is denied the opportunity even to present its case, then truly the minority has no rights in our system but only such privileges as the majority may permit them to enjoy for the moment.

In a system where the right of the minority to be heard is not secured and respected, the majority may suffer as grievously as the minority. If the majority refuses to hear opposing arguments or receive rebuttal testimony, it deprives itself of the right to be informed and denies itself the opportunity to enact the wisest laws for its own benefit. As my experience in the Senate grows, as I learn the lessons that history teaches, I become more concerned about undue haste in the consideration of legislation. I recognize and appreciate the need and the absolute necessity for full and exhaustive debate and study of the many important and far-reaching proposals that come to Congress, and particularly to the Senate, which will affect the very lives and welfare of the Nation and the world.

The fact that for many years we have required more than a simple majority to close off debate in the Senate springs from the long recognition that in a democracy, minorities are endowed with rights which no majority should trample upon. One of these rights is the right fully to explain and to plead one's position. This has been recognized in many ways in the organization and functioning of our constitutional system. One of the reasons which brought the Senate to the conclusion that debate should not be curtailed except by margins substantially larger than a majority, is the fact that although a course of action proposed by the majority may appear to be necessary and proper at that particular time and under the particular circumstances existing at the time, such a course may, in fact, be found unacceptable after the most careful and detailed consideration.

Mr. President, the modern appropriations bill that comes to the floor of the Senate provides for billions of dollars. I am not referring now to the immense sums in the Defense appropriation bill, but to almost any of these bills that provide for $3, $4, $5, $6, $7, $8, $9, or $10 billion. It is true that they have been gone over carefully by the House of Representatives, whose committees do splendid work. But they are passed by the House of Representatives in 1 or 2 days' debate under their rules. The bills come to the Senate near the end of the session. They come in droves. The Senate committee is overloaded with them. A number of subcommittees are operating at the same time, splitting up the membership. They must do the best they can. The members of the committee have to omit a great deal. The bills come to the floor then, with a recommendation made by the committee, but it is impossible to give the matter the fullest consideration.

There can be no opportunity to go into those matters on the floor unless there is a provision in the rules—whether it is used frequently or not—that permits a more minute examination of some particular phase of it—not all of it, because there is not time for that. But if it is a matter of take it or leave it within 1 or 2 days, the total amount of the appropriations could quickly become staggering and really opppressive to the people.

That is true as to the money bills. The policy bills are even more important, because they enunciate a policy and lay down certain fundamentals of rules of conduct for industry, for institutions, for travel. Every phase of our modern life is controlled by Federal legislation now.

The only way in the world to get a full examination of a matter is by virtue of the fact that we have a rule in the Senate which prevents its being railroaded through by a bare majority.

Frequently, it has been our experience that as we go home or as we travel the country, or as time passes, we discover that the opinions held by a majority of the Members of Congress were not necessarily those held by the people back home. We have been compelled to retrace our steps and to find a solution in new legislation. We have learned that one small voice, or several small voices, were more truly representative of the will and the needs of the people than the mood of the Senate, as expressed by the majority of the votes at the particular time the proposal was considered and passed.

All of us have lived long enough to witness the emergence of a minority rule as the one eventually accepted. This has been true in the Halls of Congress as well as in the bright and illustrious history of the law where many a brave dissent has later blossomed into acceptance by a majority of the Court. I do not intend by this to impute any necessary virtue to the majority simply because of its larger acceptance. Perhaps in time it may again become the minority. What I do point out is that this minority is always entitled to be fully heard. It may be the doctrine we eventually accept. Let the pendulum not swing too far in a given direction. If it does, it might also swing too far in the other direction. History teaches us that a sober middle course is not so susceptible of revolutionary change.

Free, full, and untrammeled debate is the very essence of our form of government that has survived so well and against so many attacks. Pondering the question of our strength and our continued solidarity, historians agree that our system of checks and balances within a tripartite form of government has been the very cornerstone upon which our ability to survive has depended. In other countries, one or another of the branches of Government has become all powerful so that either political or military dictatorships have emerged. On the other hand, we have governed as the wise Founding Fathers planned it, so that no particular branch of government would get so strong as not to be subject to the counterforce and the ameliorating influence of the other branches.

An attack upon the rules of the U.S. Senate is, indeed, a frontal assault upon the orderly procedure, the custom and the tradition of our legislative branch of Government. It is a real and present danger to our form of government. While tradition is not sacred, longstanding custom and traditions do not become so without sufficient reason. Tradition is not established by edict or proclamation. It evolves from constant practice and acceptance by those whom it affects. It is not born. It is not created. It results from continued use, dependence, and reliance, and it becomes a foundation and cornerstone. Rule XXII is more than a rule, written and adopted. It is a fundamental part of the basic structure of the Senate. It was placed there because of the good judgment and wisdom of our predecessors. It has remained there because it has, through the years, become a necessary part of our procedure. I have already pointed out that the rule, as now written, is practicable, workable, and does get results.

Under the checks-and-balance system which was so admirably set up in the Constitution and which has been followed during most of the history of our Government, this Nation has prospered and has become the greatest country in the world. Under the systems of checks and balances one branch of the Government acts as a leveling force upon the other, to insure that logic, reason, and sound judgment will control the course of our Government. The idea is to make certain that one philosophy, whether espoused by a majority, a minority, or a single individual, is not overlooked or overrun by those who oppose it. That is the purpose of rule XXII. It is a vital part of the checks-and-balance system of the U.S. Government.

It is my sincere hope that the Senate never reaches the point nor sees the time when legislation can be whisked through this body without full debate, or that rules could be so changed here. God forbid. If this should happen, it could be a step toward a disastrous end of the greatest system of government we have ever known.

The Senate, like the framers of the Constitution, has decided and long followed the proposition, that certain measures call for broad unanimity upon the part of its Members, and has provided rule XXII as assurance that this will be done.

On many occasions, the rights of free men have been preserved because they have been protected under the rule of free debate in the Senate. The continuity of our Government and the perpetuation of our liberty depends in great measure upon the retention of rule XXII. There is no right or liberty more essential and vital than the protection and representation of the minority.

Mr. President, with all deference to every Senator, I think that after all this clamor, this demand for emasculation of the rules to provide for only a majority vote comes more from certain organized groups. I am not referring to civil rights groups any more than any other group, but I refer to certain organized groups that feel they can combine and get control of everything connected with our system of government.

I was never more earnest in warning the country, as well as my colleagues, against the increasing encroachments of these organized and powerful groups. They go across our entire economy and the entire geography of our great land. I think the pressure is undoubtedly increasing year after year. It is a threat to our continued form of government. I believe we will meet that threat. We see the warning. We feel the pressure. We see the implications of these drives, and I believe they will be stopped. I think they had a monumental setback last week. I believe that is the closest they have gotten or that they will get for decades in their efforts to force arbitrary changes to these rules.

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

Mr. STENNIS. I yield.

Mr. HOLLAND. Mr. President, I simply wish to express my deep appreciation and extend my sincere compliments to the Senator from Mississippi for the fine statement he has made. Throughout all the years he has stood up for a stable, continuing Senate that intends to continue to be the stable branch, the stable arm of our Government. I congratulate him for having done that again.

In the hope that I shall not annoy him by comparing him with inanimate objects, I think he is as stable as the Rock of Gibraltar and as sound of heart as the sturdy live oak that stands for 300 years and looks as if it is in better health now than it was ever before.

Mr. STENNIS. I thank the Senator very much. His generous words are a comfort and an inspiration. A great many of my ideas in government came from him.

I yield the floor.

Mr. HOLLAND. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. CRANSTON in the chair). The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

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

NOMINATION OF DAVID PACKARD TO BE DEPUTY SECRETARY OF DEFENSE

Mr. GORE. Mr. President, only a firm disagreement, reached after careful examination of the issues and the pertinent facts and available information relative thereto, could impel the senior Senator from Tennessee to rejection of a conclusion or action unanimously taken by the great Committee on Armed Services of the U.S. Senate. The members of this committee are truly outstanding patriots, truly distinguished Senators. The respect and admiration for them held by the Senator from Tennessee but compounds his puzzlement as to how so great a committee, composed of such able Senators, could unanimously reach what he considers a totally erroneous conclusion, entirely unsupported by either logic or fact.

Nevertheless, Mr. President, this is the firm opinion of the senior Senator from Tennessee who now proposes briefly and respectfully to recite the facts and reasons that bring him reluctantly to this conclusion.

The question is the conflict of interest that may exist or that may appear to exist between the official actions of Mr. David Packard, if confirmed as Deputy Secretary of Defense, on the one hand, and his personal interest, on the other, in the fortune and fate of the Hewlett-Packard Co., a corporation in which Mr. Packard holds a substantial financial interest and which corporation has extensive contracts, with and customarily engages in contracting with, the Department of Defense.

This is not to say, and the Senator from Tennessee neither believes nor wishes to imply, that Mr. Packard, if confirmed, would act in preference to his personal interest or in any other manner contrary to the public interest as he would interpret the public interest.

The honor and honesty of Mr. Packard is neither the question, nor is here questioned. This is not the issue.

The issue is rather a prima facie conflict of interest, both immediately real and promising to obtain throughout the term of office for which Mr. Packard is nominated, the effect on public confidence of such a conflict of interest and the inadvisability for the Senate to establish or permit such a precedent.

The distinguished junior Senator from Mississippi, the able chairman of the Armed Services Committee, presumably speaking for the committee, reported to the Senate, as will be found on page 1261 of the RECORD of January 17, that—

> The Committee in favoring the confirmation of Mr. Laird and Mr. Packard is satisfied that the actions to be taken by the nominees remove any possible conflict of interest problem.

Now, Mr. President, a careful examination of the facts and the record now before the Senate relating to Mr. Packard and to his proposed actions leads the Senator from Tennessee to a respectful but diametrically opposite conclusion that said proposed actions have not and would not "remove," or in principle even significantly modify, the clear conflict of interest that would be created by confirmation of Mr. Packard under the prevailing circumstances. Indeed, the conflict of interest is prima facie.

The record shows that the Hewlett-Packard Co., in which the nominee holds an estimated $300 million personal financial interest, has myriad contracts, amounting to many millions of dollars annually, with the Department of Defense, and said corporation customarily engages in extensive and direct contractual relations with the Department of Defense, the very agency for which Mr. Packard is nominated to be Deputy Secretary, with the consequent duties of administration and policy planning. The Hewlett-Packard Co., moreover, has extensive contracts with and customarily engages in contracting with other con-

tractors that, in turn, contract with the Department of Defense.

Mr. President, the existence of the conflict of interest in this stark set of circumstances is unarguable. It is not only inherent in the situation but clear on its face.

Furthermore, it is the conclusion of the Senator from Tennessee that the actions, or rather the proposed actions, of the nominee neither remove this important conflict of interest nor constitute a mitigating circumstance that justify the Senate in virtually abandoning the conflict of interest safeguards with which the Senate has traditionally protected both the Department of Defense and the officials of the vast Department of Defense.

What are these "actions to be taken" that, according to the statement of the distinguished chairman of the Armed Services Committee, "remove any possible conflict of interest problem"? Mr. Packard, according to the record of the committee hearings, proposes to create a trust to which he and Mrs. Packard would temporarily convey their entire stockholdings in the Hewlett-Packard Co. The proposed trust is a singularly simple one, not a so-called blind trust, such as other recent nominees have used, nor one complicated with any other attributes of divestiture, disposition, diversification, or even discretion. Indeed, the extent of the power and permitted action of the trustee of the said trust, as printed in the committee hearings, is so limited that one can fairly term it as only a bookkeeping trust. The trust instrument, for instance, contains no injunction against current and full information being supplied the nominee. Such a "blind" attribute would, in fact, appear entirely useless, since the trustee is by terms of the trust forbidden either to make any sale or to make any purchase, and the value of the stock is, and doubtless will continue to be, a matter of daily New York Stock Exchange quotations and transactions. So, the corpus of the trust will be unchanged during the term of the trust and its value constantly within the knowledge of the Deputy Secretary.

The term of the trust would be for not less than 2 years or for the duration of the nominee's service as Deputy Secretary of Defense.

The nominee proposes that he and his wife retain full reversionary rights to all corporate stock disposed to the trust except that the trustee be instructed to transfer to yet unnamed, or perhaps yet uncreated, organizations or foundations that qualify under section 170(c)(2) of the Internal Revenue Code an amount of stock that equals the appreciation in value, if any, of the corpus of the trust during the term of the trust.

It should be noted that it is under provisions of this section of the code that we have experienced such widespread abuses and proliferation of trusts including family foundations for purpose of maintaining a firm grip on corporate control.

So, the proposed action of the nominee would fully protect against any disposition of his Hewlett-Packard stock contrary to his will, despite a possible appreciation in value, as he specifically reserves the right both to create and to designate the organization or organizations under such section 170(c)(2) of the Internal Revenue Code. This is not said in criticism but only because it bears upon the question of conflict of interest.

Several tax provisions, among them the 2-year provision, unlimited charitable contributions provisions, should be considered in this light. Of course, Mr. Packard would be as entitled to and as subject to the Nation's tax laws as any other citizen and should not be criticized for it.

The nominee, it should be noted, proposes no action to offset a depreciation in value of Hewlett-Packard stock during the term of the trust, if any, but any such loss of value at time of reversion, he says, would be suffered by the nominee.

Does this possibility of loss remove the conflict of interest? Indeed, no.

On the contrary, it exemplifies the conflict of interest, for the maintenance of the value of stock in a corporation that specializes in electronic equipment, and which has huge and long-term contracts with the Department of Defense, will surely be affected by policies, programs, and contracts of the Department of Defense. It follows, then, that the value of Hewlett-Packard stock, up or down, will be affected by actions and decisions, if any, of the Deputy Secretary of Defense, or by his part in such actions or decisions, if any, with respect to programs of procurement and deployment, policies of armament or disarmament, as well as by the terms and the timing of contracts.

Moreover, contracts, programs, and policies of the Department of Defense, vastly as they loom in our national economy, have long-term economic effects.

Even in a narrower sense, a program inaugurated, a policy decision taken, a contract let, during the term of office of the nominee just might have more effect on the value of Hewlett-Packard stock after the term of the proposed trust rather than during the term. And what industry or business is more closely atuned to the missilery and technology of modern sophisicated defense systems than the electronic industry?

So, Mr. President, the conclusion of the distinguished Committee on Armed Services, as stated to the Senate by the able and eminent chairman, does not appear to be supported by fact or justified by reason.

It is the suggestion of the Senator from Tennessee, therefore, respectfully submitted that the nomination of Mr. Packard be reconsidered by the committee or, if pressed under present circumstances before the Senate, be rejected.

Confirmation of Mr. Packard on this record and under these conditions would establish a most unfortunate precedent. It avails nothing to say that it will not be a precedent or that the committee will not regard it as a precedent, this being tantamount to saying that the sum of two and two will not be recognized as four. It would be a precedent, a most unfortunate precedent, of abandonment of conflict of interest safeguards with respect to confirmation of a nominee for Deputy Secretary of Defense with a prima facie conflict of interest.

Perhaps it is not for the senior Senator from Tennessee to suggest means of removing the conflict of interest that would be created by confirmation. That responsibility would rightly rest upon the nominee. Even so, it may be permissible to suggest that a genuine "blind" trust with attributes of both discretion in and instructions to the trustee for diversification or divestiture, and a much longer term trust be considered. The difficulties of divestiture seem to have been maximized. The utilization of an underwriter agency might be considered. But these references are only made to indicate a desire to see the conflict of interest removed.

Information that Mr. Packard is an exceptionally able, honorable, and dedicated man comes from many sources, including a very courteous and pleasant visit from the able and estimable Secretary of Defense, Mr. Laird, who needs and deserves able colleagues.

Yet, Mr. President, public officials must shun even the appearance of evil, public confidence being so essential to the efficacy of our system of popular government.

Mr. HOLLAND. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

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

ACCOUNTING PRACTICES OF YOUTH PRIDE, INC.

Mr. BYRD of West Virginia. Mr. President, on Thursday last, the General Accounting Office completed and furnished to the Senate Committee on Appropriations a report of its audit of Youth Pride, Inc. This investigation was initiated by the General Accounting Office on June 5, 1968, at the request of the committee and an interim report was supplied by the General Accounting Office on September 4, 1968. This interim report was reprinted in the CONGRESSIONAL RECORD, volume 114, part 20, pages 25967–25976.

In view of rather widespread interest in the General Accounting Office's findings, copies of the final report have been forwarded directly to those having responsibility for the administration of PRIDE contracts and the protection of the Government's interests in the matter, and will be released to the press later today.

The report speaks for itself. However, I would like to point out the following:

The General Accounting Office did not undertake to evaluate the overall effectiveness of PRIDE in accomplishing the objectives of the legislative acts under which it was funded.

Although the General Accounting Office requested unrestricted access to the books and records of PRIDE's affiliate organization known as Youth PRIDE Economic Enterprises, Inc.—PEE—access was limited only to those transac-

tions between PRIDE and PEE and certain PEE training programs.

Neither did the General Accounting Office undertake to investigate allegations or other evidence indicating a possible violation of criminal statutes.

The General Accounting Office and agencies having responsibility for investigations of a criminal nature have operating agreements that any such information uncovered in the course of GAO investigations will be turned over to the responsible agency for further development and appropriate action. In the course of this investigation, initial information of this type was turned over to the Federal Bureau of Investigation on July 11, 1968. Other information was made available to the Department of Justice by the Department of Labor on August 22, 1968, and to the Department of Justice by the General Accounting Office on October 21, 1968.

As requested by the committee, the General Accounting Office did endeavor to determine whether Government funds utilized under the contract were properly expended and accounted for, and arrived at the following conclusion as contained in the report:

In view of the significant weaknesses in PRIDE's system of accounting and related internal controls during the period covered by our review, the allegations of irregularities disclosed during our interviews with PRIDE enrollees, and the Department's disclosures regarding internal control weaknesses and questionable check endorsements, we cannot conclude that all funds advanced to PRIDE under its first two contracts with the Department of Labor were properly expended and accounted for.

I repeat:

We cannot conclude that all funds advanced to PRIDE under its first two contracts with the Department of Labor were properly expended and accounted for.

We believe that the serious weaknesses in PRIDE's system of accounting and internal controls allowed for conditions under which many of the irregularities and improprieties that have been alleged could have occurred. We do not believe that it is feasible to determine now with any degree of certainty the full extent to which funds may have been misused. We believe that the passage of time and other circumstances—

I repeat: "and other circumstances"; the report does not define those so-called other circumstances or make any other explanation whatsoever of what was intended—

We believe that the passage of time and other circumstances relating to PRIDE's operations would make any attempts at such determinations inordinately costly and the results would probably be inconclusive.

We believe that the improvements that have recently been made by PRIDE to its accounting system and related internal controls should aid materially in providing assurance that contracts funds are properly expended and accounted for in the future. However, in our opinion, no system of accounting and no internal controls, regardless of how well devised, can be expected to provide complete protection against all types of fiscal irregularities, such as kickbacks of pay and collusion to divert funds for unauthorized uses.

We believe that the Department of Labor should have satisfied itself in conjunction with awarding contracts to PRIDE that the accounting procedures and internal controls of that organization provided reasonable safeguards over Federal funds. We believe that, if the Department had required PRIDE to adhere to conventional and accepted standards of accounting and internal control, many of the unresolved questions and doubts concerning the use of funds under the first two contracts could have been avoided.

The Department of Labor's attitude toward its responsibilities in administering the contract is evidenced by the following response to a General Accounting Office question as to the policy to be followed in paying PRIDE enrollees during inclement weather:

* * * In some instances we know that indoor activities may be inappropriate or unavailable. Where such cases arise we anticipate that enrollees might be dismissed for the day with full pay. In view of the project's effort to provide financial and job security to disadvantaged youths and considering that constructive indoor activities may simply not be scheduled in certain cases, it is felt that the project ought to have the authority in cases of bad weather to judge whether worthwhile indoor activities can be arranged and whether enrollees should or should not be penalized financially for bad weather. This flexibility in operation is consistent with our approach of granting PRIDE wide discretion in formulating and administering their program and consequently, we do not plan to modify our current agreement with Youth Pride, Inc. to include an understanding on inclement weather.

Note that the Department of Labor took the firm position:

We do not plan to modify our current agreement with Youth Pride, Inc., to include an understanding on inclement weather.

The General Accounting Office report focuses in some detail on time and attendance records and payroll practices as they existed both prior to and following the institution of certain General Accounting Office reforms recommended in a letter by the Comptroller General to the Secretary of Labor, dated September 13, 1968. With all of the effort that has gone into improving recordkeeping and accountability in connection with Government funds expended by PRIDE, it is disappointing to learn of such charges of new irregularities as were reported by Congressman BROYHILL on the floor of the House of Representatives last week—CONGRESSIONAL RECORD, January 16, 1969, page 1087.

Mention is also made regarding contract compliance and accounting for such items as consultant fees, travel allowances, rental of buildings and equipment, purchase of equipment and fixtures, and legal and accounting fees. Also discussed is the confused and often nonexistent payroll and employee data that PRIDE was required to maintain both under its contracts and regulations of the Bureau of Internal Revenue.

It goes without saying that final responsibility for accounting for Federal funds utilized under Government contracts rests with the contractor. It is clearly apparent, however, that at best the Department of Labor was indifferent to its responsibilities to supervise and administer these contracts. There is no better evidence of this fact than the report's statement that as of November 30, 1968, the Department had not completed its evaluation of a draft report of its own auditors, which was submitted over 6 months previous, May 21, 1968. With reference to the second contract ending August 4, 1968, the Department's auditors informed the General Accounting Office that "they intended to complete their review of the contract—No. P2-8901-09—but because of manpower limitations they were not certain when the review would be made."

According to the GAO report, PRIDE repeatedly failed to comply with certain requirements of its contracts with the Labor Department and with certain Government regulations. Such lackadaisical administration, surveillance, and oversight by an established Government agency or department like the Department of Labor is clearly not conducive to tight administration and strict compliance of contract provisions by a new and admittedly inexperienced organization such as PRIDE.

Moreover, it is regrettable that the General Accounting Office did not determine whether the individual, who was paid for working 72 hours for the District of Columbia and 80 hours for PRIDE in the 2-week pay period ending July 31, 1968, was in fact being paid twice for the same hours by both PRIDE and the District of Columbia government. It is also unfortunate that neither the General Accounting Office nor PRIDE's independent auditors have been able to reconcile significant differences in PRIDE's general ledger and payroll summaries supplied pursuant to the committee's request.

PRIDE's certified public accountants, Smulkin, Barsky, Hoffman, and Denton, were retained by PRIDE on October 31, 1967, to "install an acceptable accounting system for PRIDE and train PRIDE employees in implementation of the system." Through September 30, 1968, fees and expenses billed to PRIDE for services rendered by the public accountants totaled $53,991. Note is taken of the following statement in this firm's report, dated October 7, 1969, and covering the period of August 2, 1967, to June 30, 1968:

As to contributions received and enrollee wages paid, it was not practicable to extend the examination beyond accounting for the receipts as recorded and comparing the wages paid to the underlying supporting documents.

The GAO report states that it was principally on the basis of the additional information that it developed as a result of extending the scope of its review beyond an examination of PRIDE's books and records, that it could not conclude that funds advanced to PRIDE under its first two contracts were properly expended and accounted for.

Mr. President, I hope that the information contained in this report is not indicative of the manner in which Government funds committed to similar projects in other cities have been handled. In an effort to see that this is not the case and that the Government's interests both past and future are fully protected, this report has been forwarded to the chairman of the Senate Permanent Committee on Investigations.

I ask unanimous consent to insert in the RECORD at this point a copy of the letter of transmittal to the chairman of the Permanent Subcommittee on Investigations (Mr. MCCLELLAN).

Mr. President, I ask unanimous consent to have printed at this point in the RECORD the text of the letter of transmittal to the Permanent Subcommittee on Investigations, to be followed by the text of the General Accounting Office report, to which I have alluded in my brief remarks.

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

U.S. SENATE,
COMMITTEE ON APPROPRIATIONS,
January 18, 1969.

HON. JOHN L. MCCLELLAN,
Chairman, Senate Permanent Subcommittee on Investigations, New Senate Office Building, Washington, D.C.

DEAR MR. CHAIRMAN: Enclosed herewith for the information of your Committee is the final report of the General Accounting Office, covering its audit of the first two Government contracts with Pride, Inc.

This report has been furnished directly to the Appropriations Committee, and the information which it contains has not been made available either to Pride, Inc., the Department of Labor, or other interested parties.

You will recall that certain information and allegations relating to this matter were furnished to the Senate Permanent Subcommittee on Investigations on July 24th and September 6th, 1968. The subject was also discussed on the Senate Floor on September 6th (CONGRESSIONAL RECORD, vol. 114, pt. 20, pp. 25967–25976). Your Committee's strong hand in protecting the Government's interest and seeing that the highest standards are maintained in administering programs of this nature are well known. I, therefore, again urge a most careful investigation and analysis of all of the facts and allegations now available.

It is my understanding that matters relating to the subject of these contracts and certain apparent irregularities growing out of them are presently being evaluated by the United States Attorney for the District of Columbia.

With every good wish, I am,
Sincerely yours,

ROBERT C. BYRD,
U.S. Senator.

REPORT TO THE COMMITTEE ON APPROPRIATIONS, U.S. SENATE—AUDIT OF DEPARTMENT OF LABOR CONTRACTS WITH YOUTH PRIDE, INC., WASHINGTON, D.C.

(By the Comptroller General of the United States, January 16, 1969)

COMPTROLLER GENERAL OF THE UNITED STATES,
Washington, D.C.

B–164537.

DEAR MR. CHAIRMAN: In accordance with your request of June 5, 1968, as supplemented by subsequent instructions, we submit herewith our report on the audit of Department of Labor contracts with Youth Pride, Inc., Washington, D.C.

Pursuant to your instructions, we have not followed our customary practice of obtaining advance comments on the draft of this report by those parties which might be adversely affected by the report. Also, we plan to make no further distribution of this report unless your agreement has been obtained or public announcement has been made by you concerning the contents of the report.

By agreement with you and the Chairman, Senate Permanent Subcommittee on Investigations, Committee on Government Operations, certain indications of criminal violations received by us during the audit have been referred to the Department of Justice.

The report contains several recommendations to the Secretary of Labor which you may wish to refer to him for appropriate action.

Sincerely yours,

ELMER B. STAATS,
Comptroller General of the United States.

(Enclosure: The Honorable Richard B. Russell, Chairman, Committee on Appropriations, United States Senate.)

INTRODUCTION

At the request of the Senate Committee on Appropriations, dated June 5, 1968 (see app. II), the General Accounting Office has made an audit of Government funds utilized under the first two of three Department of Labor contracts with Youth Pride, Inc. The Committee requested us:

"To determine * * * That *all* Government funds utilized under * * * [these contracts] have been properly expended and accounted for [see app. II],

"To determine * * * The full name, home address, social security number, and if possible, the period of employment and total amount paid to each employee since the inception of this program." (see app. II) (additional data was subsequently requested),

"To evaluate PRIDE's record keeping and accounting procedures [see app. III], and

"To conduct personal interviews of a selected number of PRIDE enrollees for the primary purpose of seeking information relative to possible misuse of Government funds." (See app. III.)

We also examined into certain facets of the operations of Youth Pride Economic Enterprises, Inc. (PEE), an affiliate organized to provide businesses for dispensing goods and services, because of its relationship with PRIDE.

Our review was begun in June 1968, and fieldwork was substantially completed by November 30, 1968. Our review, which was conducted at the offices of PRIDE, PEE, and the Department of Labor, Washington, D.C., included reviews of pertinent legislation, operating policies and procedures prescribed by the Department and by PRIDE, contract provisions, and financial operations. Income and expenditures from inception of the first contract (August 2, 1967) through termination of the second contract (August 4, 1968) were examined and the system of accounting and related internal controls was reviewed and evaluated. Our review included visits to PRIDE work areas and to selected enrollees'[1] homes for the primary purpose of seeking information relating to possible misuse of Government funds. In addition, we reviewed, and utilized to the extent deemed appropriate, audit work performed by PRIDE's public accountants and the Department's auditors.

We requested unrestricted access to the books and records of PEE but, in accordance with the terms of the Department's contracts with PEE, access was granted only to the directly pertinent books and records involving PRIDE's transactions with PEE. Our examination of PEE was therefore limited to the review of transactions between PRIDE and PEE concerning the training of PRIDE enrollees.

Our examination did not include an evaluation of the overall effectiveness of PRIDE in accomplishing the objectives of the legislative acts under which funds have been provided.

The following reports were previously submitted to the Senate Committee on Appropriations in connection with this assignment.

NATURE OF REPORT

September 4, 1968—Evaluation of PRIDE's recordkeeping and accounting procedures. (Requested by Committee on August 19, 1968.)

September 6, 1968—Interim report on audit of PRIDE and PEE. (Requested by Committee on August 19, 1968.)

Also, in accordance with Senate Committee Report 1484, dated July 30, 1968, we certified to the Secretary of Labor on September 13, 1968, as to the propriety of Pride's then current recordkeeping and accounting procedures.

The information contained in the foregoing documents is summarized in this report.

BACKGROUND

PRIDE was incorporated in the District of Columbia on August 4, 1967, for the basic purposes of (1) giving employment and job training to hard-core, multiproblem, Washington, D.C., youth while at the same time providing neighborhood services, such as street and alley cleaning and rodent control, (2) engaging in activities designed to create and expand employment and job training opportunities, and (3) engaging in educational activities.

The corporation is not organized for profit and has no capital stock, and no part of any net earnings it may realize may accrue to the benefit of any private individual.

PRIDE is headed by an Executive Director—Carroll B. Harvey—who is responsible for directing its overall affairs. Its functions are carried out through three departments. The current director and the principal functions of each department are as follows:

Department	Director	Principal functions
Operations	Marion S. Barry	Neighborhood services program.
Program development	Mary M. Treadwell	Services to enrollees, including education, training, health benefits, legal aid, and recreation; selection and development of skill training opportunities to provide permanent employment.
Administration	Fred Tarpley, Sr.	Procurement, personnel, payroll, and accounting.

Carroll B. Harvey is an employee of the District of Columbia Government which regards his annual salary ($18,076) as an in-kind contribution to PRIDE. The annual salaries of the three directors of departments as of November 30, 1968, were as follows:

Marion S. Berry	$15,600
Mary M. Treadwell	15,600
Fred Tarpley, Sr	12,605

We were informed that, as of November 14, 1968, PRIDE's Board of Directors consisted of 41 enrollees and staff employees, including the Executive Director, the Director of Operations, and the Director of Program Development. The Acting Chairman of the Board is Winston Staton and the Secretary-Treasurer of PRIDE is Mary M. Treadwell. The first Chairman of the Board, Rufus Mayfield, was replaced by Winston Staton, as Acting Chairman, in November 1967.

The number of PRIDE enrollees and staff employees on the rolls as of October 5, 1968, according to PRIDE's records, is summarized as follows:

Administrative	110
Painting	17
Neighborhood services	699
Total employees	826

From inception through June 30, 1968, PRIDE employed approximately 2,900 individuals.

Basic information on contracts with Department of Labor and United Planning Organization

In pursuance of its objectives, PRIDE has obtained the following contracts from the Manpower Administration of the Department of Labor, and from the United Planning Organization (UPO).

[1] Enrollees are youths participating in PRIDE's employment and job training programs.

Contract No.	Amount	Period From	Period To	Statutory authority and program
Department of Labor:				
82-09-68-01	$291,525	Aug. 2, 1967	Sept. 30, 1967	Sec. 105, Manpower Development and Training Act of 1962, as amended (42 U.S.C. 2572c, supp. III). (Summer youth demonstration project.)
P2-8901-09	2,037,090	Oct. 1, 1967	Aug. 4, 1968[1]	Title ID, Economic Opportunity Act of 1964, as amended (42 U.S.C. 2763, supp. III). (Special impact program.)
F9-9002-99	2,600,000	Aug. 5, 1968	Aug. 5, 1969	Title IB, Economic Opportunity Act of 1964, as amended (42 U.S.C. 2737, supp. III). (Work and training program.)
United Planning Organization:				
180267	464,368	Sept. 2, 1967	Aug. 31, 1968[2]	Title IB, Economic Opportunity Act of 1964, as amended (42 U.S.C. 2737, supp. III). (Neighborhood Youth Corps.)
Total funds	5,392,983			

[1] Expiration date of June 15, 1968, extended to Aug. 4, 1968.
[2] Expiration date of Oct. 28, 1967, extended to Aug. 31, 1968. Negotiations for a new subcontract had been substantially completed by Nov. 30, 1968.

Contract No. 82-09-68-01 ($291,525)

The initial contract with PRIDE, for the period August 2 through September 30, 1967, was made under section 105 of the Manpower Development and Training Act of 1962, as amended, which authorized the Secretary of Labor to "develop and carry out experimental and demonstration projects to assist in the placement of persons seeking employment through a public employment office * * *."

The specific objective of the demonstration project authorized by the contract was "to explore the feasibility and value of having youth themselves take a major role in organizing and operating a large-scale program to provide disadvantaged unemployed youth with positive motivation and work-experience in needed community-service activities."

The contract provided that PRIDE would:

1. Recruit and select approximately 900 unemployed youths, primarily ages 14 to 18, to be supervised by about 129 team foremen, age 18 and over, three division chiefs, and other authorized staff.

2. Employ youths in neighborhood cleanup, rodent control, and beautification work activities at a rate of $11.20 a day ($1.40 an hour). Team foremen and drivers were to be paid $16 a day ($2 an hour) and area supervisors and division chiefs $20 a day ($2.50 an hour) and $22 a day ($2.75 an hour), respectively.

Contract No. P2-8901-09 ($2,037,090)

The second contract with PRIDE which as amended, ran from October 1, 1967, to August 4, 1968, was authorized under title ID (Special Impact Programs) of the Economic Opportunity Act of 1964, as amended (42 U.S.C. 2763). The purpose of this part of the act is:

"To establish special programs which (1) are directed to the solution of the critical problems existing in particular communities or neighborhoods * * * within those urban areas having especially large concentrations of low-income persons * * * and (2) are of sufficient size and scope to have an appreciable impact in such communities and neighborhoods in arresting tendencies toward dependency, chronic unemployment, and rising community tensions."

The contract authorized PRIDE to provide work training experience to enrollees in neighborhood services and various commercial-type programs. Neighborhood services consisted of neighborhood cleanup, beautification, recreation, and rodent control and were to be carried out by PRIDE.

The commercial-type activities organized by PRIDE included a landscaping and gardening company and an art company. These companies were placed under PEE in March and May 1968, respectively. Wages of enrollees who were assigned to PEE for training were paid by PRIDE.

The original contract was due to expire on June 15, 1968. It was subsequently extended to July 15, 1968, further extended to July 31, 1968, and extended again to August 4, 1968. None of these extensions authorized any increase in the amount of the contract.

PRIDE was authorized to employ the following enrollees through June 15, 1968, at the wage rates indicated.

	Number	Wage rates
Financed from departmental funds:		
Part time:		
Workers, in school	320	$1.40
Team captains, in school	100	1.75
Full time:		
Workers, out of school	600	1.75
Team captains	85	$2.00-2.25
Driver/mechanics	36	2.00-2.25
Area supervisors	21	2.50-2.75
Total	1,162	
Financed from UPO funds: Part-time time workers, in school	380	1.40
Total enrollees authorized	1,542	

After June 15, 1968, full-time summer jobs for 1,392 enrollees were authorized. The types of enrollees and applicable wage rates were as follows:

	Number	Wage rates
Financed from departmental funds:		
Workers	768	Up to $1.75.
Team captains	167	Up to $2.25.
Drivers/mechanics	36	$2 to $2.25.
Area supervisors	21	$2.50 to $2.75.
Total	992	
Financed from UPO funds[1]:		
Workers, age 14 and 15		$1.40.
Workers, age 16 through 21	400	$1.60.
Total enrollees authorized	1,392	

[1] Under PRIDE's subcontract with UPO the change in number of enrollees and wage rates was made effective on June 9.

Contract No. F9-9002-99 ($2,600,000)

The third contract with PRIDE runs from August 5, 1968, through August 5, 1969, and was authorized under title IB of the Economic Opportunity Act of 1964, as amended. The purpose of this part of the act is:

"To provide useful work and training opportunities, together with related services and assistance, that will assist low-income youths to continue or resume their education, and to help unemployed or low-income persons, both young and adult, to obtain and hold regular competitive employment * * *."

Under this contract, PRIDE was expected to continue and build upon the program it had operated under the previous contract. It was authorized to employ the following types of youths.

	Number
Youths 16 years of age and above from low-income families:	
Not attending school and unemployed or underemployed	[1] 200
Attending school (to be financed by UPO)	[2] 400
Youths over 16 years of age—until school reopens	250
Total enrollees authorized	850

[1] As of October 5, 1968, PRIDE had 716 enrollees on its payroll although only 600 were authorized by the contract, as noted above. The Department advised us that the excess represented 14- and 15-year-old enrollees who are to be phased out of the program and that the ceiling of 600 had been waived by the Department until the phasing out process was completed.

[2] Contract F9-9002-99 made reference to the employment of 400 enrollees, age 16 and above, who were to be paid from UPO funds whereas the UPO subcontract permitted 380 14- through 21-year-old enrollees to be hired. The Department explained that the provision in contract F9-9002-99 referring to UPO-financed enrollees was for reference purposes only and that the provision in the UPO contract was controlling.

Subcontract No. 180267 ($464,368)

UPO, a nonprofit corporation organized under the laws of the District of Columbia, is the official local agency for implementing various programs under the Economic Opportunity Act of 1964, as amended (78 Stat. 508). UPO operates some programs directly and contracts with certain independent community organizations for the operation of other programs.

In September 1967 PRIDE obtained subcontract No. 180267 from UPO for the period September 2, 1967, to October 28, 1967, under title IB of the Economic Opportunity Act of 1964. Several times the period of the subcontract was extended and the amount was increased. The latest amendment (June 9, 1968) extended the period to August 31, 1968, and increased the amount to $464,368. The subcontract, as amended, authorized PRIDE to provide employment for 13 hours weekly to 380 unemployed and poor enrollees between the ages of 14 through 21 years, who would be able to resume or maintain school attendance as a result of enrollment in the project. UPO was to reimburse PRIDE for the cost of the enrollees' wages at $1.40 an hour from Neighborhood Youth Corps (NYC) funds obtained by UPO under its prime contract No. UPO-NYC-7177-09 with the Department of Labor.

The June 9, 1968, amendment provided funds for full-time summer employment, 40 hours weekly, to 400 in-school enrollees from June 9, 1968, to August 31, 1968. The wage rate for enrollees aged 14 and 15 continued at the rate of $1.40 an hour and the wage rate for enrollees aged 16 through 21 was increased to $1.60 an hour.

PRIDE continued to operate the NYC in-school program after August 31, 1968, without a formal contract, but the negotiations for a new contract had been substantially completed by November 30, 1968. During the interim period PRIDE used departmental funds to pay wages for NYC enrollees.

PRIDE Economic Enterprises, Inc. (PEE)

PEE was incorporated in the District of Columbia on March 29, 1968, as a profit-making corporation, to give employment and job training to hard-core, multiproblem Washington, D.C., youth and other persons and to provide businesses for dispensing goods and services. As of November 30, 1968, PEE had no capital stock outstanding.

PEE is affiliated with PRIDE to the extent that PRIDE's principal officials (see p. 6) serve on PEE's Board of Directors. Also, they are officers of PEE, as follows:

PRIDE Official and PEE Position

Carroll B. Harvey, President.
Marion S. Barry, Vice-President.
Mary M. Treadwell, Secretary-Treasurer.

The Administrator of PEE as of October 31, 1968, was Mr. Nathaniel R. Landry, Sr.

On August 5, 1968, PEE obtained four contracts from the Department of Labor which

made funds available for training PRIDE enrollees in the various businesses, as follows:

PRIDE Landscaping and Gardening Co.	$130,000
PRIDE ARTCO (art company)	60,000
PRIDE Painting and Maintenance Co.	255,600
PRIDE Automotive Service Center	726,410
Total funds	1,172,010

These contracts were made pursuant to title IB of the Economic Opportunity Act of 1964. On August 27, 1968, the four PEE contracts were merged into one contract (No. 09-9-5003).

The first business enterprise undertaken by PEE was a landscaping and gardening business which was purchased from Mr. T. P. Brockman, Sr. of McLean, Virginia in March 1968. The business provided on-the-job training experience for 51 PRIDE enrollees through August 4, 1968. This purchase was financed with the proceeds of a $25,000 loan, obtained from the Small Business Administration on April 24, 1968. The loan is repayable in monthly installments, with interest at 5½ percent, over a 10-year period.

PEE also organized ARTCO, a business to commission artists to do original art work and have manufacturers reproduce it in large quantities for a mass market. PEE informed us that it had borrowed $5,000 from a local bank to establish ARTCO as a profit-making business. Sixteen PRIDE enrollees were transferred from PRIDE to ARTCO for training. ARTCO was shut down in September 1968, and eight enrollees were transferred back to PRIDE, six were terminated, and two remained with PEE.

The painting and maintenance company had not been activated as of October 31, 1968. PRIDE employees assigned to painting were being carried on PRIDE's payroll.

In September 1968 the Pride American Service Center went into operation at 14th and Euclid Streets, NW., Washington, D.C.

FINDINGS, CONCLUSIONS, AND RECOMMENDATIONS

Review of Pride's financial operations

Our review showed that a number of weaknesses and deficiencies existed in PRIDE's system of accounting and related internal controls, relating primarily to enrollee payrolls. We found significant weaknesses in procedures, involving the distribution of payroll checks to enrollees; preparation, submission, and verification of enrollees' time and attendance reports which form the basis for making payroll payments to enrollees; and verification of payroll calculations.

Also, during interviews with a selected number of PRIDE enrollees, we received numerous allegations of improprieties and irregularities involving expenditures for wages and other matters. Further, we noted that Department of Labor auditors had reported significant weaknesses in PRIDE's internal controls in April 1968 and that Department investigators had thereafter noted a number of questionable endorsements on enrollees' payroll checks.

Under these circumstances and in light of the fact that enrollee wages accounted for about 77 percent of PRIDE's expenditures, we cannot conclude that all funds advanced to PRIDE under its first two contracts with the Department were properly expended and accounted for. We believe that the serious weaknesses in PRIDE's system of accounting and internal controls allowed for conditions under which many of the irregularities and improprieties that have been alleged could have occurred. We do not believe that it is feasible to determine now with any degree of certainty the full extent to which funds may have been misused. We believe that the passage of time and other circumstances relating to PRIDE's operations would make any attempts at such determinations inordinately costly and the results would probably be inconclusive.

Since our examination disclosed information which leads us to believe that Federal criminal laws may have been violated, we have, by agreement with the Senate Committee on Appropriations and the Senate Permanent Subcommittee on Investigations, Committee on Government Operations (see apps. IV and VI), apprised the Department of Justice of pertinent aspects of our examination. Certain documented information was turned over to the Department of Justice on December 4, 1968. Also, with the permission of the Senate Committee on Appropriations, we previously, on July 11, 1968, referred certain allegations of irregularities to the Federal Bureau of Investigation. The Department of Labor has also referred its findings involving questionable payroll check endorsements to the Department of Justice.

We believe that the improvements that have recently been made by PRIDE in its accounting system and related internal controls should aid materially in ensuring that contract funds are properly expended and accounted for in the future. However, in our opinion, no system of accounting and internal controls, regardless of how well devised, can be expected to provide complete protection against all types of fiscal irregularities, such as kickbacks of pay and collusion to divert funds for unauthorized uses.

We believe that the Department of Labor should have satisfied itself in conjunction with awarding contracts to PRIDE that the accounting procedures and internal controls of that organization provided reasonable safeguards over Federal funds. We believe that, if the Department had required PRIDE to adhere to conventional and accepted standards of accounting and internal control, many of the now unresolved questions and doubts concerning the use of funds under the first two contracts could have been avoided. We believe that in the future the Department should monitor PRIDE's accounting and internal control procedures and perform periodic tests of transactions and procedures to ensure satisfactory performance by PRIDE.

The following summary of grants and expenditures was prepared by us from PRIDE's books and records and from the working papers of PRIDE's public accountants. It shows for the period August 2, 1967, through August 4, 1968, (1) total grants authorized under PRIDE's first two contracts with the Department of Labor and the subcontract with UPO, (2) expenditures incurred under the three contracts, and (3) unexpended balances of grants authorized.

	Total	Department of Labor contracts: No. [1] 82-09-68-01	Department of Labor contracts: No. P2-8901-09	United Planning Organization subcontract No. 180267
Grants authorized	$2,792,983	$291,525	$2,037,090	$464,368
Expenditures incurred:				
Enrollee and administrative wages	2,066,252	232,536	1,479,414	354,302
Payroll taxes	90,831	10,148	65,094	15,589
Consultants' fees	93,696		93,696	
Rental of buildings and equipment	89,965	13,871	76,094	
Purchase of equipment and fixtures	77,372	7,800	69,572	
Legal and accounting fees	57,478	900	56,578	
Insurance premiums	38,390	11,997	26,393	
Renovation expense	31,568		31,568	
Consumable supplies	18,318		18,318	
Publications and advertising	15,405	585	14,820	
Payroll service	12,941	3,069	9,872	
Medical and dental services	12,482		12,482	
Office supplies	11,151	255	10,896	
Telephone and utilities	10,280		10,280	
Other expenditures	47,131	2,373	44,758	
Total expenditures incurred	2,673,260	283,534	2,019,835	369,891
Unexpended balances of grants authorized	119,723	7,991	17,255	94,477

[1] Amounts differ from those shown in the public accountants' report (app. I) because of reclassifications made by us. However, total expenditures incurred—$283,534—agree with the amount in the public accountants' report.

Presented below are more-detailed comments on the results of our review of PRIDE's system of accounting and internal controls and on selected categories of expenditures.

Evaluation of system of accounting and related internal controls

Early in our review we advised the Committee that the Department's auditors had found weaknesses in PRIDE's system of accounting and internal controls and had noted several instances of suspicious endorsements on payroll checks. Also, we informed the Committee of allegations of fiscal irregularities, which we had received from various sources. With the Committee's permission, we referred these allegations to the Federal Bureau of Investigation on July 11, 1968, for evaluation and disposition.

After the receipt of this information, the Committee, in its report on the 1969 appropriation bill (enacted as P.L. 90-557, 82 Stat. 969) for the Departments of Labor and Health, Education, and Welfare and related agencies (S. Rept. 1484, July 30, 1968), expressed concern "at the seeming lack of application of proper accounting and recordkeeping procedures in the operation of Youth Pride, Inc." It stated further that:

"The Secretary of Labor shall report not later than September 15, 1968, to the Congress as to whether the recordkeeping and accounting procedures of Youth Pride, Inc., are in proper order, and that the Comptroller General has so certified to him by letter, and the committee directs that no action be taken on the renewal of the contract beyond September 15, 1968, unless such an affirmative report has by that date been submitted by the Secretary."

On August 19, 1968 (see app. III), the Committee requested us to undertake the following additional work.

1. Submit a report to the Committee not later than September 7, 1968, containing an evaluation of PRIDE's recordkeeping and accounting procedures. (This report was submitted on September 4.)

2. Submit an interim report to the Committee on our audit of PRIDE by September 7, 1968. (This report was submitted on September 6.)

3. Conduct personal interviews of a selected number of PRIDE enrollees for the primary purpose of seeking information relative to possible misuse of Government funds. (The preliminary results of these interviews were included in our interim report of September 6.)

In our report of September 4, 1968, we informed the Committee that, in our opinion based on our review of PRIDE's and PEE's accounting systems and related internal controls prior to September 4, 1968, certain weaknesses would have to be corrected before we could certify that PRIDE's recordkeeping and accounting procedures were in proper order. These weaknesses pertained to (1) distribution of payroll checks to enrollees, (2) preparation, submission, and verification of enrollees' time and attendance reports which form the basis for making payroll payments to enrollees, and (3) verification of payroll calculations. Other weaknesses of less significance had also been noted.

For example, our review had disclosed that time and attendance reports were maintained and approved by the same supervisory personnel who controlled the distribution of paychecks to enrollees and that such a procedure did not provide for adequate internal controls and safeguards to avoid check payments based on time and attendance records approved for nonexistent persons. In our observations of paycheck distributions, we had noted that numerous recipients of payroll checks could not adequately identify themselves. We had concluded that paymasters should be designated to distribute payroll checks independently of the supervisory personnel who maintained and approved time and attendance reports and that payroll checks should not be distributed unless enrollees provided paymasters with appropriate identification.

Also, we had concluded that the payroll office at PRIDE was not performing a sufficient amount of verification work in connection with enrollee payroll preparation, such as comparing information on time and attendance reports with Operations Department morning reports, and testing the accuracy of payroll calculations made by the contractor engaged to prepare enrollee payroll checks. We believed that these procedures needed to be strengthened to ensure reasonable accuracy and propriety in payroll operations.

We apprised the Department of our findings and recommendations, and the Department conveyed them to PRIDE. Prompt corrective actions were taken. These included (1) hiring a Director of Administration, (2) hiring a paymaster, (3) furnishing PRIDE identification cards to all employees, (4) distributing paychecks through only the paymaster and his staff, (5) requiring each employee to present his identification card before giving him his paycheck, (6) testing information on time and attendance reports prepared by supervisors with daily morning reports showing attendance prepared by headquarters personnel, and (7) testing payroll calculations. Other management control techniques, such as daily visits to work areas by supervisory personnel to verify attendance, were also instituted.

Subsequent to the issuance of the September 4 report to the Committee, we ascertained that the recommended corrective actions had been taken and substantially implemented by PRIDE. We concluded that the accounting system and related internal controls were adequate. Accordingly, we certified to the Secretary of Labor on September 13, 1968, that the recordkeeping and accounting procedures of PRIDE and PEE were then in proper order. In our letter to the Secretary, we pointed out that our evaluation was limited to the accounting systems and related internal controls and did not include management controls not related to the accounting system such as those involving performance of operating programs. We made reference to the allegations of irregularities in pay and to other matters that had been disclosed in our interim report to the Committee of September 6 and pointed out that no system of accounting and internal control, regardless of how well devised, could be expected to provide complete protection against all types of fiscal irregularities, such as kickbacks of pay and collusion to divert funds for unauthorized uses.

Enrollee and Administrative Wages ($2,066,252)

Enrollee and administrative wages, which accounted for about 77 percent of PRIDE's total expenditures for the period covered by our review, were as follows:

	Total	Contract No. 82-09-68-01	Contract No. P2-8901-09	UPO subcontract No. 180267
Enrollee wages	$1,930,601	$231,146	$1,345,153	$354,302
Administrative wages	135,651	1,390	134,261	
Total	2,066,252	232,536	1,479,414	354,302

In connection with our review of this major item of expense, and in accordance with the Committee's expressed wishes, we interviewed a selected number of PRIDE enrollees for the primary purpose of seeking information relative to the possible misuse of Government funds. We interviewed the enrollees at their homes and at other places as necessary.

In this connection we prepared a list of PRIDE enrollees removed from the payroll after June 15, 1968, or on the June 15 payroll but not paid during the 2-week period ended July 27, 1968. We selected the June 15 payroll because we had received an allegation that this particular payroll included names of individuals who had not worked for PRIDE. We also considered enrollees who, for the most part, might have been involved in irregularities, such as enrollees who could not adequately identify themselves when they received their paychecks. From the aforestated data and other sources, we selected a group of 133 enrollees for interview. All PRIDE work areas were represented in this group.

Since the enrollees selected for interview were those for whom we had some indication of involvement in possible irregularities, the results of our interviews, which are summarized below, may not be representative of results that might have been obtained from interviews of other PRIDE enrollees.

The results of our interview work through September 30, 1968, are summarized below.

	Enrollees	
	Number	Percent
Enrollees interviewed:[1]		
Enrollees alleging irregularities	86	65
Enrollees not alleging irregularities	18	13
Total enrollees interviewed	104	78
Enrollees not interviewed:		
Enrollees not located:		
No address recorded in PRIDE records	1	
Address recorded in PRIDE records:		
Informed that enrollees had moved	11	
Informed that enrollees had never lived at address	7	
No living quarters at address	1	
Address nonexistent	1	
Total enrollees not located	21	16
Enrollees located:		
Enrollees in institutions	6	
Enrollee refused to be interviewed	1	
Enrollee not available for interview	1	
Total enrollees located	8	6
Total enrollees not interviewed	29	22
Total interviews attempted	133	100

[1] In 3 instances parents were interviewed instead of the enrollees. Of the 104 interviews made, 28 concerned enrollees employed by PRIDE at the time of the interview and 76 concerned enrollees who had left PRIDE prior to the interviews. 83 percent of the interviews produced allegations.

Our interviews produced 269 allegations as shown in the following tabulation.

Allegations by general categories:	*Number of allegations*[1]
Payroll padding	30
Kickbacks	30
Other allegations involving wage payments	123
Allegations not involving wage payments	86
Total allegations	269

[1] In certain instances this tabulation includes more than one allegation concerning the same irregularity.

Where feasible we attempted to verify the more serious allegations through examination of PRIDE's records and other investigative techniques.

The allegations of irregularities, as determined by us through September 3, 1968, were conveyed to the Committee in an interim report dated September 6, 1968, and on September 9 the Committee requested us to cooperate with the Senate Permanent Subcommittee on Investigations, Committee on Government Operations, with reference to any investigation which it might make of the matters disclosed by our audit.

Following our discussions with the Subcommittee staff, the Subcommittee informed us that it had no objection to our releasing the results of our investigation to the Department of Justice. On October 21, 1968, we notified the Department of Justice that we had been authorized to release the material to it and suggested that its representatives make the necessary arrangements to obtain it. Some of our material was turned over to representatives of the Department of Justice on December 4, 1968.

Payroll Padding

The specific types and number of allegations received involving payroll padding were as follows:

Paychecks issued in names of enrollees after they had discontinued working for PRIDE	13
Paychecks issued to enrollees who never reported for work	6
Paychecks issued to enrollees who worked elsewhere	5
Other allegations involving payroll padding	6
Total	30

The findings of the Department's investigators, discussed herein under the caption "Personal interviews of PRIDE enrollees by the Department of Labor," also suggested the existence of payroll padding. (See p. 29.)

As noted on the tabulation on page 23, we could not locate 21 enrollees, or 16 percent of the 133 enrollees selected for interview. Although we cannot conclude that these 21 enrollees did not exist, in seven instances we were informed that the enrollees had never lived at the addresses shown on PRIDE's records. In another instance the address shown on PRIDE's records was a playground, and in another instance the address was nonexistent. These findings were suggestive of possible further payroll padding in addition to that specified in the allegations noted above.

Included above in the item "Other allegations involving payroll padding" is an al-

legation that PRIDE enrollees were attending summer school while being paid full time by PRIDE. A cursory review of the records of the Adult Education and Summer Schools for the District of Columbia revealed that at least 13 PRIDE enrollees had attended summer school. According to PRIDE's records all these enrollees were on PRIDE's payroll during the period that they were attending summer school, and the records showed that the hours each enrollee had worked for PRIDE during that period ranged from 24 hours a pay period to the full 80 hours.

Because our examination of the summer school records was made on a test basis, it is possible that there were more than 13 PRIDE enrollees attending summer school. We did not determine whether the enrollees were paid by PRIDE for the same hours that they had been attending school.

In reply to our inquiry as to whether the practice of paying PRIDE enrollees while attending D.C. summer school was authorized by the contracts, the Department advised us as follows:

"With respect to paying enrollees while they attend school, quite obviously, PRIDE is not authorized to pay persons for activities unrelated to the project. Accordingly, if the enrollees you found being paid for attending school were not spending time in activities arranged or approved by the project, they should not have been paid. However, the program flexibility we have accorded PRIDE would permit the project to pay enrollees while they attend classes in remedial education, etc., i.e. activities designed to enhance the job abilities of the enrollees. Of course, such enrollees would also be expected to participate in on the job (as well as classroom) training."

Kickbacks

The specific types and number of allegations received involving kickbacks were as follows:

Area supervisors and team captains reported absent enrollees to be on duty and shared in their wages	23
Individual who had another job was reported as present by area supervisor who shared in proceeds of PRIDE payroll check (this case also classified as payroll padding)	3
Other allegations involving kickbacks	4
Total	30

Other Allegations Involving Wage Payments

The specific types and number of other allegations received involving wage payments were as follows:

Enrollees were paid for full day although they had not reported for work or had reported late	30
Enrollees were paid for a full day although they had been sent home during inclement weather	[1] 27
Enrollees did not receive checks due them	24
Amounts of enrollees' paychecks had been less than amounts due and differences were not adjusted	10
Enrollees had gone home early but were paid for full day	10
Other allegations, such as overpayments and failure to work while on duty	22
Total	123

[1] PRIDE's contracts did not prescribe the policy to be followed by PRIDE during inclement weather when regularly scheduled work plans could not be carried out. PRIDE informed us that on days when the weather was inclement, area supervisors submitted schedules to PRIDE headquarters of the activities conducted in lieu of the work regularly scheduled, including the cleaning of PRIDE headquarters office and places of assembly in the field, private resident garages, and other jobs. PRIDE advised us that, when the need arose because of persistent inclement weather, classroom activities were scheduled.

The Department advised us as follows in answer to our inquiry concerning the policy to be followed by PRIDE during inclement weather.

"PRIDE's inclement weather policy was not spelled out in the Title I–D, EOA agreement which expired August 5 and is not detailed in the current agreement between the Labor Department and Youth Pride, Inc. * * * we had and do have an understanding with PRIDE that every effort will be made to assign enrollees to productive indoor activities during bad weather. For example, we understand that PRIDE's orientation program was held to a minimal schedule during the summer and would be stepped up during the winter months. In some instances we know that indoor activities may be inappropriate or unavailable. Where such cases arise we anticipate that enrollees might be dismissed for the day with full pay. In view of the project's effort to provide financial and job security to disadvantaged youths and considering that constructive indoor activities may simply not be scheduled in certain cases, it is felt that the project ought to have the authority in cases of bad weather to judge whether worthwhile indoor activities can be arranged and whether enrollees should or should not be penalized financially for bad weather. This flexibility in operation is consistent with our approach of granting PRIDE wide discretion in formulating and administering their program and consequently, we do not plan to modify our current agreement with Youth Pride, Inc. to include an understanding on inclement weather."

Allegations Not Involving Wage Payments

Allegations not involving wage payments include weaknesses in management controls and items not directly related to the misuse of Government funds. The various types and number of allegations received were as follows:

Enrollees never received PRIDE identification cards	31
Discrepancies concerning enrollee data recorded on PRIDE's records and data obtained in interviews with enrollees	32
PRIDE officials and enrollees involved in use and sale of narcotics	13
Other allegations	10
Total	86

In September 1968 PRIDE undertook to issue identification cards to all employees and informed us that signatures on identification cards would be compared with employees' signatures each payday before checks were distributed. Our observations of paycheck distributions confirmed that this procedure had been implemented.

In a letter to us dated November 13, 1968, PRIDE stated that a number of PRIDE enrollees had had drug problems and that action had been taken to lessen the problems. However, it denied that any PRIDE official, as distinguished from an enrollee, had been addicted to narcotics at any time since the program had been initiated, had been arrested on narcotics charges, had sold narcotics to an enrollee, or had been fired for being involved in narcotics.

Personal Interviews of PRIDE Enrollees by the Department of Labor

On the basis of information furnished by departmental auditors, departmental investigators interviewed 21 enrollees and members of the families of seven other enrollees.

These interviews indicated that 12 checks, aggregating $900.66 had not been endorsed by the enrollees and that these enrollees had not received the proceeds of their checks. The Department of Labor referred information relative to this matter to the Department of Justice by letter dated August 22, 1968, with the following conclusion:

"The Labor Department's audits and interviews indicate the probability of criminal activity in the payroll area, specifically, with respect to 12 forged checks in the amount of $900.66, and the evidence appears to focus on a few individuals rather than indicating widespread or systematic fraud. It appears likely that a full-scale investigation would disclose additional forgeries in proportion to the original sampling of 500 checks out of 25,000—that is, in terms of the total funding of $2 million, the total fraud would probably be on a very small scale."

Our review of the work performed by the departmental auditors and investigators with respect to questionable payroll checks disclosed the following information.

1. A sample of 478 checks bearing two or more handwritten endorsements was selected by the departmental auditors from a group of about 11,000 checks, not 25,000 as indicated in the conclusion quoted above. We were informed by the auditors that most of the 11,000 checks bore two or more endorsements; the auditors estimated that about 25 percent of the checks contained handwritten second endorsements (the balance was estimated to contain rubber-stamped second endorsements by stores and other organized businesses).

2. Departmental auditors attempted to compare the first endorsements on the 478 checks with signatures on file in PRIDE's personnel office with the following results.

Checks compared with signatures on file:	
Signatures on checks appeared to match signatures in personnel files	299
Signatures on checks for 33 individuals, totaling $2,078.99, did not appear to match signatures in personnel files	35
Total checks compared	334
Checks not compared with signatures on file:	
Signatures on checks for 128 individuals, totaling $6,540.50, could not be compared because no signatures were available in personnel files or the personnel files could not be located	144
Total comparisons attempted	478

3. Departmental investigators attempted to interview 35 enrollees to verify the authenticity of their endorsements on the 35 checks on which the signatures did not match those on file and on three checks on which the signatures could not be compared. They succeeded in interviewing 21 enrollees and members of families of seven others. The results of the attempted interviews were as follows:

	Enrollees	*Number of checks*
Interviewed	21	--
Endorsements considered forged	--	12
Endorsements considered proper	--	12
Total	21	24
Not interviewed [1]	14	14
Total	35	38

[1] Of the 14 enrollees not interviewed, 7 could not be located; the families of the other 7 were interviewed.

We believe that the results of the Department's interviews were significant considering the allegations of payroll padding received during the interviews.

Visits to PRIDE Work Areas

We made two visits to PRIDE work areas to observe work performance and to test payroll procedures.

On July 18, 1968, we visited work areas 39 and 42. We inspected area 39 and observed two teams at work. Repeated efforts by a PRIDE official on that day to locate for us the third team assigned to the area were

unsuccessful. We were subsequently informed that this team had been working outside its assigned area without the knowledge of the area supervisor. We inspected also area 42. Of the five teams assigned to area 42, only three were present. We were advised by the area supervisor that the other two teams had not reported for duty. The names of the enrollees present in area 42 were recorded.

On August 8, 1968, we visited areas 34 and 42 and recorded the names of enrollees present in both areas. Some enrollees assigned to these areas were absent from work on that day.

The results of our tests in areas 34 and 42 are summarized below:

	July 18, area 42	Aug. 8	
		Area 34	Area 42
Enrollees assigned to area	33	45	35
Enrollees present	20	41	25
Enrollees absent	[1] 13	4	10
Wages of absentees:			
Unpaid	4	3	8
Paid	9	1	2
Total	13	4	10

[1] Includes enrollees of the 2 teams which were not present at the time of our visit.

We informally advised PRIDE of our findings with respect to the absence of enrollees noted during our July 18 visit and several times requested PRIDE to furnish us with an explanation of why the nine absent enrollees had been paid. A formal request for this information was made on October 3, 1968, and on November 14 we received the explanation that three of the enrollees had been paid wrongly. The other six enrollees, PRIDE stated, had been working in another area (43) at the time of our visit.

We determined that one of the three enrollees who had been paid by PRIDE in error had been employed by the D.C. Government from June through August 1968. PRIDE's records and the records of the D.C. Government show that, during the 10-week period ended August 9, 1968, the enrollee was paid by both organizations for the following hours. We did not determine, however, whether the enrollee had been paid for the same hours by both PRIDE and the D.C. Government.

2-week pay period ended—	Hours reportedly worked		
	Total	PRIDE	District of Columbia government
June 29, 1968	133	53	80
July 13, 1968	152	80	72
July 27, 1968	120	40	80
Aug. 9, 1968	144	64	80

With regard to the three enrollees whose absences were noted during our visit of August 8, who were subsequently paid for that day, PRIDE explained that one enrollee had been in summer school when we visited the area and another enrollee had been working in another area (40) on the day of our visit. The third enrollee, it appeared, may have been paid in error. The propriety of PRIDE's paying enrollees while attending summer school is discussed on page 26.

Observations of paycheck distributions

We made observations of certain biweekly paycheck distributions and reviewed reports of observations made by PRIDE's public accountants and Department of Labor auditors. The purpose of these observations was to test the adequacy of PRIDE's controls to prevent the distribution of paychecks to unauthorized recipients.

Prior to September 1968, division chiefs and area supervisors in PRIDE's Operations Department were responsible for distributing paychecks to enrollees in the four divisions comprising 19 work areas. Also, area supervisors prepared and submitted enrollees' time and attendance reports which were used as the basis for computing the enrollees' pay. Ordinarily, sound fiscal controls require that the function of paycheck distribution should be independent of that of preparing time and attendance reports.

During September 1968, as previously described, the system of paycheck distribution was revised to provide that paymasters independent of the Operations Department would distribute all paychecks. Also, checks would be distributed only to enrollees presenting PRIDE identification cards, and enrollees would be required to sign for their checks. The new procedures were effective on September 13, 1968.

We made the following observations of PRIDE's paycheck distributions during the time that our audit was in progress:

Date	Areas covered	Checks distributed by—
July 19, 1968	32, 34, 35	Public accountant.
Aug. 2, 1968	31, 35, 520	Do.
Sept. 13, 1968	All	PRIDE personnel.
Sept. 27–28, 1968	do	Do.
Nov. 22–23, 1968	All except division III and areas 31, 33, 38, 39, 40, and 48.	Do.

Observations were also made at other dates by PRIDE's public accountants and departmental auditors.

The results of our observations are summarized below:

	July 19, 1968		Aug. 2, 1968		Sept. 13		Sept. 27–28, 1968		Nov. 22–23, 1968	
	Number of paychecks	Percent	Number of paychecks	Percent	Number of paychecks	Percent	Number of paychecks	Percent	Number of paychecks	Percent
Checks distributed to:										
Enrollees who could adequately identify themselves	61	71	32	37	791	91	750	92	412	92
Enrollees who could not adequately identify themselves but were identified by their supervisors	22	25	52	60						
Checks not distributed to:										
Enrollees who did not have PRIDE identification cards or who did not claim their checks on payday	4	4	3	3	75	9	68	8	36	8
Total paychecks	87	100	87	100	866	100	818	100	448	100
Disposition of undistributed checks:										
Distributed after pay day	2		3		65		46		33	
Redeposited in PRIDE general account	2				10		22		3	
Total	4		3		75		68		36	

The improvement in internal control over paycheck distributions is illustrated in the preceding tabulation by the fact that, in observations on September 13 and thereafter, the percentage of employees who could identify themselves increased to about 92 percent and no checks including those distributed after payday, were distributed to enrollees who could not adequately identify themselves.

Payroll Taxes ($90,831)

Social security taxes

Payroll taxes of $90,831 represent our estimate of PRIDE's share of social security taxes under the Federal Insurance Contributions Act (26 U.S.C. 3101) through August 4, 1968. The law requires that an equivalent amount representing the employees' share, be deducted from their compensation.

A summary of PRIDE's and its employees' shares of social security taxes under both contracts as of August 4, 1968, follows:

	Total	Contract No. 82-09-68-01	Contract No. P2-8901-09 [1]
PRIDE's share	$90,831	$10,148	$80,683
Employees' share	90,831	10,148	80,683
Total tax	181,662	20,296	161,366
Paid	21,092	20,296	796
Amount payable	160,570		160,570

[1] Includes PRIDE enrollees paid from funds received from UPO under subcontract No. 180267.

The estimated total tax under the second contract ($161,366) represents 8.8 percent of total wages paid under the second contract and the UPO subcontract through August 4, 1968 ($1,833,716).

On January 15, 1968, PRIDE filed an application for exemption from Federal income taxes, as a charitable and educational institution, under section 501(c)(3) of the Internal Revenue Code (26 U.S.C. 501(c)(3)). The application was still under consideration as of November 30, 1968. While this application is under consideration, PRIDE is not required to pay social security taxes.

If PRIDE receives an exemption from Federal income taxes it will not be required to pay social security taxes. However, it has the option of applying for social security cover-

age for its employees. If coverage is approved, the amount due the Government must be paid. Should PRIDE decide not to apply for social security coverage or should an application for coverage not be approved, PRIDE's share of social security taxes that has been charged as a cost to the contracts would be refundable to the Department of Labor and United Planning Organization. The amount that has been deducted from enrollees would be refundable to the enrollees. It appears that the latter action might be difficult to implement in its entirety with respect to terminated employees whose current addresses might not be ascertainable.

We believe that, in order that the availability of funds sufficient to liquidate the full liability for social security taxes be ensured, cash equal to the liability should be set aside in a restricted bank account, for payment of the liability.

Unemployment taxes

Through November 30, 1968, PRIDE had not paid unemployment taxes to the Federal Government or to the D.C. Government. On June 4, 1968, PRIDE requested from the District Unemployment Compensation Board a ruling concerning PRIDE's liability under the District of Columbia Unemployment Compensation Act. This ruling had not been received as of November 30, 1968. PRIDE's contingent liability, as of August 4, 1968, for D.C. and Federal unemployment taxes was estimated by us at about $64,000. If PRIDE is granted an exemption from Federal income taxes, it will be exempt from the taxes imposed by the Federal Unemployment Tax Act (26 U.S.C. 3301).

Consultants' Fees ($98,696)

A summary stating the nature of the consultants' services rendered and the amount of fees incurred under Contract No. P2-8901-09 follows:

Product Planning Associates: Identification and evaluation of business opportunities	$79,349
Elrick and Lavridge, Inc.: Market research	4,903
Morris Gosis and Irene N. Mee.: Market analysis	2,500
Fees under $1,000 each to various consultants, principally for market research and analysis in connection with various business opportunities	6,944
Total	93,696

Product Planning Associates (PPA) was retained by PRIDE to assist in identifying and evaluating business opportunities, such as product manufacturing enterprises and service businesses, which would meet the criteria for a business organized to provide jobs for ghetto youths. Various research reports were prepared and submitted to PRIDE and a decision was made to develop plans for entering a service business. An automotive service and repair business was selected for further study. The firm of Elrick and Lavridge, Inc., was hired to perform a marketing study of selected automotive operations in conjunction with PPA.

Morris Gosis and Irene N. Mee, consultants, were retained to prepare a market survey and analysis of the commercial cleaning business in the District of Columbia and to advise PRIDE on the feasibility of operating such a business.

Rental of Buildings and Equipment ($89,965)

Rental of buildings and equipment comprised the following items:

	Total	Contract No. 82-09-68-01	Contract No. P2-8901-09
Rental of building for PRIDE offices at 1536 U St., NW. Washington, D.C.	$19,780		$19,780
Rental of equipment:			
Automobiles and trucks	52,199	$1,750	50,449
Power sweepers	12,000	12,000	
Typewriters	3,048		3,048
Other	2,938	121	2,817
Total rentals	89,965	13,871	76,094

PRIDE leased the building at 1536 U Street, NW., from Murray W. and Edith Latimer for 1 year, beginning November 16, 1967, at a rental of $26,000. The lease has been extended for another year. Prior to obtaining the lease, PRIDE occupied offices in Washington, D.C., at 941 North Capitol Street, NW. and at the Nash Memorial Methodist Church, Lincoln Road and Rhode Island Avenue, NE. Space at both locations was donated rent-free as in-kind contributions.

With regard to rental of automobiles and trucks, PRIDE informed us that certain rental agency charges in dispute had been referred to PRIDE's attorney for settlement.

Purchase of equipment and fixtures ($77,372)

A summary of equipment and fixtures purchased follows:

	Total	Contract No. 82-09-68-01	Contract No. P2-8901-09
Power sweepers and accessories	$42,210	$7,800	$34,410
Office equipment purchased from General Services Administration (GSA)	14,953		14,953
Office equipment and miscellaneous items purchased from private vendors	20,209		20,209
Total, purchases	77,372	7,800	69,572

Power sweepers and accessories were purchased for use in PRIDE's street cleaning operations. Purchases from GSA included such items as desks, chairs, tables, bookcases and file cabinets. Office equipment and miscellaneous items purchased from private vendors included various items, such as typewriters, furniture, adding machines, a checkwriter, a duplicator, tape recorders, a camera and a projector.

Legal and accounting fee ($57,478)

An analysis of legal and accounting fees incurred under both contracts follows:

	Total	Contract No. 82-09-68-01	Contract No. P2-8901-09
Legal fees	$7,322	$400	$6,922
Accounting fees	50,156	[1] 500	49,656
Total fees	57,478	900	56,578

[1] Does not pertain to accounting fees discussed on p. 64.

The services performed by PRIDE's public accountants are commented on under "Audits performed by PRIDE's public accountants." (See p. 62.)

Legal fees were for various legal services, such as consultations and preparation of papers for incorporation of PEE, and assistance in applying for a Small Business Administration loan for PEE.

The $400 legal fees under the first contract were shown in the June 30, 1968, report of PRIDE's public accountants as being used for consultants.

Insurance premiums ($38,390)

Insurance premiums paid under each contract are shown below:

	Total	Contract No. 82-09-68-01	Contract No. P2-8901-09
Workmen's compensation insurance	$32,977	$9,564	[1] $23,413
Bonding of officers	300	300	
General liability insurance (bodily injury and property damage)	5,133	2,133	2,980
Total premiums	38,390	11,997	26,393

[1] After deducting rebate of $4,019.

Renovation expense ($31,568)

Renovation expense was incurred under contract No. P2-8901-09 in connection with the design and construction of office space at the PRIDE office building, as follows:

Architect's fee	$1,991
General construction	13,758
Electrical wiring	6,150
Painting (labor and materials)	1,082
Various other items	8,587
Total	31,568

Consumable supplies ($18,318)

An analysis of consumable supplies purchased under contract No. P2-8901-09 follows:

Consumable supplies purchased from GSA	$3,480
Janitorial supplies and small tools	2,452
Wall panels	2,257
Gasoline for rental vehicles	1,584
Paint and painting supplies	1,576
Photographic supplies	1,022
Miscellaneous	5,947
Total consumable supplies	18,318

Publications and advertising ($15,405)

Expenses for publications and advertising are summarized below:

	Total	Contract No. 82-09-68-01	Contract No. P2-8901-09
Publications and business forms	$7,058	$585	$6,473
Advertising layouts	5,481		5,481
Newspaper advertisements	2,866		2,866
Total	15,405	585	14,280

Payroll service ($12,941)

On September 15, 1967, PRIDE retained the services of the Service Bureau Corporation, a commercial data-processing firm, to process its payroll from input data furnished by PRIDE. Fees paid to this firm under both contracts aggregated $12,941.

Medical and dental services ($12,482)

Expenditures for medical and dental services for enrollees, under contract No. P2-8901-09, are summarized below:

To Medical Commission for Human Rights—for physical examinations	$8,000
To various doctors, dentists, and optometrists—for medical, dental, and optical services and examinations	4,093
Miscellaneous, such as medical supplies	389
Total	12,482

Other expenditures ($47,131)

Costs classified as other expenditures are listed below:

	Total	Contract No. 82-09-68-01	Contract No. P2-8901-09
Repairs and maintenance	$9,252	$22	$9,230
Travel [1]	8,960	907	8,053
Recreation [2]	6,436		6,436
Educational materials, such as textbooks and audiovisual aids	4,981	346	4,635
Temporary personnel	3,899	213	3,686
Penalties and interest on late payment of District of Columbia withholding tax [3]	3,188		3,188
Miscellaneous costs totaling less than $3,000 per item	10,415	885	9,530
Total, other costs and expenses	47,131	2,373	44,758

[1] Amounts actually paid for per diem exceeded by $234.50 the $16 rate provided in the contract. Most of the travel expense was for local travel.

[2] This item covers payments for rental of halls for dances, entertainment, refreshments, sports equipment, uniforms, etc.

[3] Costs resulting from failure to comply with Federal, State, and local laws and regulations are unallowable charges to the contract (41 CFR 1-15. 399-14).

Conclusions

In view of the significant weaknesses in PRIDE's system of accounting and related internal controls during the period covered by our review, the allegations of irregularities disclosed during our interviews with PRIDE enrollees, and the Department's disclosures regarding internal control weaknesses and questionable check endorsements, we cannot conclude that all funds advanced to PRIDE under its first two contracts with the Department of Labor were properly expended and accounted for.

We believe that the serious weaknesses in PRIDE's system of accounting and internal controls allowed for conditions under which many of the irregularities and improprieties that have been alleged could have occurred. We do not believe that it is feasible to determine now with any degree of certainty the full extent to which funds may have been misused. We believe that the passage of time and other circumstances relating to PRIDE's operations would make any attempts at such determinations inordinately costly and the results would probably be inconclusive.

We believe that the improvements that have recently been made by PRIDE to its accounting system and related internal controls should aid materially in providing assurance that contract funds are properly expended and accounted for in the future. However, in our opinion, no system of accounting and no internal controls, regardless of how well devised, can be expected to provide complete protection against all types of fiscal irregularities, such as kickbacks of pay and collusion to divert funds for unauthorized uses.

We believe that the Department of Labor should have satisfied itself in conjunction with awarding contracts to PRIDE that the accounting procedures and internal controls of that organization provided reasonable safeguards over Federal funds. We believe that, if the Department had required PRIDE to adhere to conventional and accepted standards of accounting and internal control, many of the unresolved questions and doubts concerning the use of funds under the first two contracts could have been avoided.

Recommendations to the Secretary of Labor

We recommend that the Department monitor PRIDE's accounting and internal control procedures and perform periodic tests of transactions and procedures to ensure satisfactory performance by PRIDE.

With respect to PRIDE's liability for social security taxes, we recommend that the Department require PRIDE to set aside sufficient cash in a restricted bank account to liquidate the full liability.

Review of compliance with contractual requirements and Government regulations

We noted that PRIDE had not complied with certain requirements of its contracts with the Department and with certain Government regulations. These requirements related to the following matters:

Recordkeeping;

Submitting survey reports to the Department;

Submitting property management reports;

Handling project funds;

Obtaining approval from the Department for certain contracts, subagreements, and purchase orders;

Determining the eligibility of enrollees; and

Adhering to limitations on travel allowances.

Need to comply with recordkeeping requirements of Department of Labor and Internal Revenue Service

Our review disclosed that PRIDE did not comply with the requirements of the Department of Labor and the Internal Revenue Service (IRS) with respect to maintenance of payroll and personnel records, employment tax records, and records of in-kind contributions. We found during our audit that effective steps had been taken or were being planned to comply with the applicable requirements.

Need to maintain adequate payroll and personnel records

Both the contracts and departmental regulations applicable thereto required that PRIDE maintain payroll records containing for each employee such information as (1) name in full, (2) home address, (3) date of birth, (4) wage paid, and (5) other information pertinent to the employee's compensation. However, because PRIDE did not maintain all this data in its personnel records, it was unable to furnish complete and accurate information with respect to its employees as requested by us on behalf of the Senate Committee on Appropriations.

In his letter of June 5, 1968, as subsequently modified, the Chairman of the Senate Committee on Appropriations requested us to determine the following information with respect to each employee on the PRIDE payroll from the inception of the organization.

Full first and last names and middle initial, if any, home address, social security number, date of birth, employee number, gross earnings, title or job description of administrative and supervisory personnel.

On June 10, 1968, we orally requested PRIDE to prepare and furnish special listings showing this information and a certification as to the accuracy of such listings. PRIDE initially promised to furnish the complete listings by June 20, 1968, and subsequently established several new target dates; but they furnished only partial listings.

Therefore, on July 12, 1968, we made a written request to PRIDE to submit complete listings by July 16. Partial listings were delivered to us on July 17 and on July 24. PRIDE subsequently estimated that it would supply the remainder of the requested information by August 18. Some additional information was finally received by us on September 16. PRIDE advised us on November 12 that the effort involved to assemble the remaining data would be a poor investment of staff resources and that the submission should be considered virtually complete.

Our analysis of the data on the listings furnished for the second contract showed that about 93 percent of the requested items had been furnished. However, the data contained various inaccuracies including 154 duplications of enrollees' names and numbers.

A further indication of the inaccuracy of the special listings is shown by the results of our attempts to reconcile the gross wages for the calendar years 1967 and 1968 (through June 30) on the special listings with the payroll summaries from which the gross wage information was obtained.

A reconciliation between gross wages as shown by the general ledger, the payroll summaries, and the special listings as of June 30, 1968, follows:

	1st contract	2d contract
Gross wages per general ledger:		
Enrollee wages	$231,145	[1] $1,410,536
Administrative wages	1,390	104,553
Total	232,535	1,515,089
Differences:		
Wage adjustments recorded in payroll summaries, not recorded in general ledger		4,502
Wage adjustments recorded in general ledger, not recorded in payroll summaries	−577	−24,970
Voided checks not deducted from payroll summaries		531
Wages paid under 1st contract but applicable to 2d contract	9,793	−9,793
Advances charged in general ledger not included in payroll summary	−2,068	
Unlocated differences		419
Total differences	7,148	−30,149
Gross wages per payroll summaries	239,683	1,484,940
Differences:		
Wages for employees included in listings but not located in payroll summaries [2]	1,644	237,601
Wages for employees included in payroll summaries but not located in listings	−7,670	−214,744
Net differences between individual items in payroll summaries and comparable items in listings	−4,944	−63,892
Unlocated differences	−520	3,217
Total differences	−11,490	−37,818
Gross wages per special listings	228,193	1,447,122

[1] Includes salaries charged to UPO of $277,145.
[2] 4 pages of the payroll summaries for the 2d contract, listing gross wages of $36,048, could not be located and therefore could not be checked against the listings.

It appeared to us that the principal reason for the incompleteness and inaccuracy of the listings was the failure of PRIDE to accurately maintain payroll and personnel records containing all the information required by the contracts and regulations.

PRIDE's failure to adhere to the record-keeping provisions of the contracts was explained by PRIDE in a letter to us dated July 16, 1968, as follows:

"Pride started with its prime focus being placed upon putting a large number of the hardcore unemployables to work as quickly as possible to perform needed services to the community. At this point of inception Pride had just four (4) professional staff members aboard. (Few competent people could be hired to work for just one month.) These four people administered a program of over one thousand (1000) people.

"Moreover there was less than a two day gap between the end of the summer demonstration project and the beginning of the current forty (40) week program which involves both in-school and out-of-school enrollees. At the same time, when the first contract terminated PRIDE was forced to move its headquarters operations from 941 North Capitol to donated space in the basement of a church. Simultaneously our field operations in the various areas of the city had to be shifted to 23 new decentralized field offices in various sections of the city. This shift of operational units and the men within those units forced us to totally rebuild our numeric record system. This combination of actions (i.e. the moving of the headquarters, the switching of field operations areas and the men within those areas, the total reestablishment of a record system and the changing of the program from a one month demonstration to a forty (40) week program with both in-school and out-of-school components) needless to say created some administrative problems for the four so-called professionals who were staffing this operation with more than 1000 enrollees. On top of all this the people who had staffed the programs, which had successfully harnessed the energy of the street gang, did not know until the very end that the project would be refunded. With this as a backdrop, the administrators were forced by the existence of over 1,000 enrollees to move to give top priority to smoothing out the operations and catching up on administration a little later down stream. Administrative problem areas were noted and we moved ahead operationally."

During our review, PRIDE's personnel files and payroll procedures were revised to provide for recording the required information with respect to present employees and new employees.

Need to comply with Internal Revenue Service requirements regarding maintenance of employment tax records

Our review showed that PRIDE had not complied with Internal Revenue Service requirements with respect to maintenance of employment tax records.

Regulations of IRS require that an employer maintain certain employment records. These records include copies of the employer's Federal tax returns and withholding exemption certificates (Forms W–4). Employers are also required to maintain a record of social security numbers and of the periods of employment for all employees.

Our review disclosed that PRIDE did not comply with the above requirements, as follows.

1. No Forms W–4 were on hand for many enrollees.

2. Information regarding periods of employment was incomplete for many enrollees.

3. Social security numbers were not listed for about 40 percent of the enrollees who were employed in 1967.

4. PRIDE was unable to show us copies of the following tax returns, applicable to the calendar year 1967, which had been filed with IRS:

Form 941—Employer's Quarterly Federal Tax Return.

Form W–3—Reconciliation of Income Tax Withheld and Transmittal of Wage and Tax Statements.

(PRIDE furnished us a copy of a letter from its accountants stating that the Forms 941 and W–3 had been filed. PRIDE also stated that it had requested IRS to send copies of the returns filed. As of November 30, 1968, the copies had not been received by PRIDE.)

There were indications that the requirements of IRS concerning the distribution of Form W–2, Wage and Tax Statement, were not fully observed. Employers are required to furnish (1) two copies of Form W–2 to each employee from whom income tax was withheld or would have been withheld if the employee had claimed no more than one withholding exemption and (2) one copy of Form W–2 to IRS. Unless employees receive their copies of Forms W–2, they may have difficulty claiming credit for any income taxes withheld or adequately supporting the gross earnings reported on their annual income tax returns.

We found 75 Forms W–2 (Copy A) in PRIDE's files, which should have been transmitted to IRS. Also, we found 85 Forms W–2 which had been mailed to employees and returned as undeliverable. It appeared that another 83 Forms W–2 had never been mailed to the employees.

We discussed the foregoing deficiencies involving IRS requirements with PRIDE, and they informed us that action would be taken to ensure (1) proper maintenance of employment tax records and personnel records and (2) proper distribution of Forms W–2 to IRS and PRIDE employees for calendar year 1968.

Need to maintain record of in-kind contributions

Although required to do so by the terms of the second contract, PRIDE did not maintain a record of its in-kind contributions (contributions of value other than cash). Such a record is needed to ascertain whether 10 percent of project costs are being provided by PRIDE.

Section 155 of the Economic Opportunity Act of 1964, as amended (42 U.S.C. 2768), provides that Federal grants for Special Impact Programs shall not exceed 90 percent of the cost of the program, including costs of administration, unless assistance in excess of 90 percent is determined to be necessary by the Director of the Office of Economic Opportunity.

Under clause 5 of the second contract, the Government was not obligated to pay any amount in excess of 90 percent of the costs of the project. The estimated total project cost under the second contract was $2,399,160 of which PRIDE was required to contribute 10 percent, or $239,916, in the form of goods, services, or cash.

Clause 9 of the contract specifically stated that the sponsor was to maintain books, records, and documents to reflect properly all costs, including those comprising the sponsor's contribution. For in-kind contributions, departmental directives state:

"The sponsor's in-kind contribution must be supported by a formal set of accounts maintained for each budget line item as contained in the contract. These accounts must be supported by documentation comparable to that required for Federal costs. * * *"

No in-kind contributions were recorded in the formal set of accounts. Pride's public accountant estimated that in-kind contributions, made by the D.C. Government and others, totaled $265,491 through June 30, 1968, as follows:

Rental value of space provided in schools and other buildings	$95,850
Public health personnel	72,000
Trucks and drivers	44,947
Rat poison	17,294
Executive director's services	21,000
Equipment coordinator	14,400
Total	265,491

We brought this matter to the attention of PRIDE and were informed that PRIDE would institute procedures for recording in-kind contributions relating to the third contract. We did not review the reasonableness of the public accountant's estimate.

Need for PRIDE to submit survey reports

PRIDE did not follow the required procedures for self-evaluation of its effectiveness.

Regulations of the Bureau of Work-Training Programs (BWTP) require that:

"At intervals of six months or less, sponsors must conduct surveys of their operations and submit them to the BWP [now BWTP] regional director to ensure that program goals are being achieved. This review should

include an appraisal of the effectiveness of the project in improving the attitudes, educational levels, and employability of enrollees; analysis of the degree to which staff performance and management practices and procedures have contributed to or detracted from the attainment of these objectives; and, the development of a course of action designed to correct deficiencies uncovered as a result of the evaluation."

During the period under review, PRIDE did not submit any self-evaluation reports to the Department. A Department official advised us that in January 1968 he had asked PRIDE to submit monthly narrative reports along with the monthly statistical reports but that no narrative reports had been submitted.

In our opinion, self-evaluation reports can be a useful tool to the Department as well as to PRIDE for providing information as to whether program goals are being achieved. We believe that the Department should reemphasize to PRIDE the need to prepare and submit the required reports.

Need to comply with BWTP regulations on property management

PRIDE was accountable as of August 4, 1968, for Government-owned equipment and fixtures costing about $77,000 acquired under the first and second contracts. Our review showed that PRIDE had not complied with BWTP regulations that the Department be provided with a complete record of its acquisitions and its losses of Government property. Because all property acquired by PRIDE with Government funds or furnished to PRIDE by the Government is returnable to the Government when its contractual relationship with PRIDE ends, it is necessary that BWTP regulations be enforced so that the Government's interest in its property can be protected.

BWTP regulations require that a receipted copy of the invoices for purchased nonexpendable property be forwarded to the Manpower Administration Property Officer. The regulations also provide that the contractor must report in writing all cases of lost, damaged, or destroyed nonexpendable Government property to the contracting officer as soon as the facts become known.

Our review showed that PRIDE had not submitted copies of the receipted invoices for all items purchased to the Manpower Administration Property Officer. We found in addition that PRIDE had not reported its lost or missing property (aggregating about $4,500) to the Department until November 4, 1968. We noted, however, that some stolen items had been reported to the local police and to the Federal Bureau of Investigation.

At the termination of its second contract, PRIDE furnished the Department with a listing of property acquired and a listing of property on hand. In our opinion, submission of these listings is not an adequate substitute for reporting transactions relative to property acquisitions and losses at the time that they occur.

Project funds not handled properly

The contracts between PRIDE and the Department and the subcontract between PRIDE and the United Planning Organization (UPO) provide that the funds shall be used solely for the purpose of making direct payments for allowable costs within the terms of the agreement and that funds advanced for the operation of one project shall not be used to pay the costs of any other project.

Our review disclosed that PRIDE utilized funds advanced by the Department, to pay NYC enrollee costs prior to obtaining reimbursement for NYC costs from UPO. In addition, funds received from UPO, after deposit in PRIDE's bank account for UPO funds, were transferred to PRIDE's bank account for Department funds on the basis of need rather than in amounts which would exactly reimburse the advances for actual NYC costs.

We found that PRIDE enrollees and NYC enrollees were paid biweekly from funds advanced by the Department and transferred to a separate payroll bank account. PRIDE used Department funds to pay NYC enrollee costs for up to 4 months after the costs were incurred. During this period PRIDE did not bill UPO for the amounts due. A PRIDE official informed us that the billings were delayed because PRIDE's accounting department was understaffed. Two of the transfers of UPO funds to bank accounts for Department funds were made to cover overdrafts on those accounts.

We found also that PRIDE used about $200,000 of the funds advanced by the Department to pay the costs of NYC summer enrollees for the period June 9 to August 31, 1968. In October 1968, $142,466 was received from UPO as a partial payment of these costs.

PRIDE's contract with UPO ended on August 31, 1968. Although negotiations for a new contract had been substantially completed, the new contract had not been signed as of November 30, 1968. Therefore, funds advanced by the Department are being used to pay NYC enrollee costs until such time as the contract is approved and funds are received from UPO.

The Department informed us that, although it did not condone PRIDE's use of departmental funds to pay NYC enrollee costs, it did not want to penalize the program by discontinuing the practice, especially in view of the anticipated new agreement between PRIDE and UPO.

We believe that, since the use of funds advanced by the Department for NYC enrollee costs is contrary to the agreement between PRIDE and the Department, there should be some form of agreement between PRIDE and the Department and between PRIDE and UPO authorizing advances between programs until the formal contract is executed. We believe also that PRIDE should make arrangements to bill UPO for NYC enrollee costs as soon as they are incurred and that UPO should reimburse the bank account for Department funds for wages paid NYC enrollees from that account.

Need to obtain prior written approval from Secretary of Labor for subagreements, contracts, and purchase orders

PRIDE did not obtain the Secretary of Labor's prior written approval of certain subagreements, contracts, and purchase orders made under the contracts although such approval was required by the contracts.

The contracts provide that the sponsor shall not enter into the following types of transactions without obtaining the prior written approval of the Secretary:

Subagreements.

Contracts on a cost-plus-fixed-fee, time and material, or labor-hour basis.

Purchases of items of property or equipment from non-Government sources having a unit value exceeding $300.

Purchase orders from non-Government sources exceeding $5,000 or 5 percent of the total estimated cost of the agreement, whichever is less.

Purchases from non-Government sources of any motor vehicle, airplane, typewriter, or similar equipment.

Our examination revealed several transactions, such as procurement of consultants' services and purchases of equipment, meeting the above criteria which were made without prior written approval of the Secretary. These transactions were brought to the attention of the Department and we were informed that some of them had been approved orally.

We believe that the contract provisions requiring prior written approval of the Secretary for transactions of a specified nature should be observed in order that adequate control might be maintained over the sponsor's expenditures of Government funds.

Evidence lacking that enrollees met eligibility requirements

Under the terms of its second contract and BWTP regulations applicable thereto, enrollees were to meet certain requirements as to their age and family income to be eligible for employment by PRIDE. Evidence that the age requirements were met was incomplete and the Department waived the requirement that PRIDE make formal determinations relative to family income.

Age

Enrollees employed under the Special Impact Program (second contract), funded by the Department of Labor, must be 16 years of age or older. In-school enrollees employed under NYC and paid with funds furnished by UPO must be between the ages of 14 and 21.

As disclosed in the section of this report entitled "Need to maintain adequate payroll and personnel records," (see p. 46), PRIDE did not record the date of birth for many enrollees in its personnel records. Therefore, evidence that the enrollees met the criteria for age under the second contract was incomplete.

Also, we received allegations that some PRIDE enrollees were underage and that PRIDE had not determined whether enrollees had obtained work permits as required by District of Columbia law. In connection with the revision of its personnel procedures, we understand that steps are being taken to have enrollees obtain work permits from the D.C. Government, when required.

Family income

Although the level of family income is the primary measure for determining eligibility for enrollee participation in the Special Impact and Neighborhood Youth Corps programs, the Department of Labor did not require PRIDE to formally establish the low-income status of its enrollees.

BWTP regulations prescribe that, for eligibility under its programs, an applicant must be a member of a family with an annual income below the poverty line. The Department has established a poverty index to be used as a guide for determining when a family's income is below the poverty line. In addition, applicants from families receiving cash welfare payments are automatically eligible.

We found that PRIDE in its hiring practices made no formal determination that an applicant came from a family whose annual income was below the poverty line; and we found no formal notification to PRIDE that the requirement had been waived.

In a letter dated October 5, 1968, the Administrator of BWTP, in commenting on eligibility requirements, stated: "* * * Youth Pride Inc., attempts to enroll persons who have not participated in other poverty projects and who presumably have been discouraged from participation by such requirements as formal procedures to establish low-income eligibility. Accordingly, the Labor Department does not require PRIDE to formally establish the low-income status of its enrollees. It is pertinent to note, however, that persons recruiting and hiring enrollees for PRIDE ordinarily come from deprived circumstances and have a personal familiarity with individuals and circumstances in the low-income community which should enable them to make accurate judgments about whether applicants are in fact from sufficiently deprived circumstances to be eligible for enrollment in PRIDE."

Because our review was directed primarily to an examination of PRIDE's receipts and expenditures, we did not undertake to determine whether the Department's waiver of

the requirement that PRIDE formally establish the low-income status of its enrollees had an adverse effect on achieving the objectives of the contracts.

Travel Allowance Exceeded

Contract No. P2-8901-09 between PRIDE and the Department provides that per diem for staff travel will be $16. The contract also provides that travel costs will not exceed United States Government standards. These standards provide that the maximum per diem allowable for travel within the limits of the continental United States will be $16.

Our review of all out-of-town trips by PRIDE personnel showed that in 11 of 15 trips per diem allowances exceeded the $16 rate by a total of $236.00.

Conclusions

Our review showed that PRIDE had not complied with certain requirements of its contracts with the Department and with certain Government regulations including regulations of the IRS.

We noted that PRIDE had agreed to take appropriate corrective measures to conform its operations to the various requirements imposed by the Department and by IRS. We believe that the indicated corrective measures, if properly implemented and continually applied, should achieve the desired results.

We believe that the Department should have monitored PRIDE's operations more carefully during the period of the first and second contracts and should have required PRIDE to adhere fully to the applicable contract provisions.

Recommendation to the Secretary of Labor

We recommend that (1) the Department monitor PRIDE's operations on a continuous basis to ensure that PRIDE is complying with applicable contract requirements and (2) the Department reduce all waivers of contract requirements to writing.

Review of audits performed by other groups

In our audit of PRIDE, we reviewed and utilized, to the extent deemed appropriate, the results of audit work performed by PRIDE's public accountants and by Department of Labor auditors.

Audits performed by PRIDE's public accountants

On October 31, 1967, the firm of Smulkin, Barsky, Hoffman, & Denton, Certified Public Accountants, Washington, D.C., was retained by PRIDE to design and install an acceptable accounting system for PRIDE and to train PRIDE employees in the implementation of the system. The firm also was to prepare quarterly unaudited financial statements and to make an annual audit of the financial statements of PRIDE.

The public accounting firm had substantially completed installation of the PRIDE accounting system, as originally designed, by June 1968. It had also trained PRIDE employees in the implementation of the system.

The firm made its annual audit of PRIDE's financial statements as of June 30, 1968. Its examination of PRIDE's books and records was completed on October 7, 1968, its report was issued to PRIDE on November 1, 1968, and the report was made available to us by PRIDE on November 4, 1968.

We were informed in June 1968 that the public accounting firm planned to issue its audit report on PRIDE by August 15. The firm attributed the delay in completing its audit to the following factors.

1. The audit activities of two other audit groups at PRIDE's offices (GAO and departmental auditors) at the same time that the public accounting firm was making its audit had the effect of slowing down the audit. Some duplication of effort was unavoidable. It was necessary to share the books and records as well as the available time of PRIDE officials and employees.

2. Because of unanticipated errors in the payroll tabulations prepared by the service center considerably more time than expected was spent in attempting to reconcile the payrolls with the general ledger.

3. After the numerous implications of irregularities were reported by GAO in its interim report dated September 6, 1968, the firm was compelled to increase the amount of its audit work beyond that anticipated at the time the reporting date of August 15 was established.

4. In essence, the August 15 reporting date turned out to be overoptimistic in the light of subsequent events.

A copy of the public accountants' report is included as appendix I. The report includes (1) a balance sheet as of June 30, 1968, (2) a statement of revenues and expenditures and unexpended balance of nonrestricted funds for the period August 2, 1967, to June 30, 1968, (3) a statement of contract revenues and expenditures for the period August 2, 1967, to June 30, 1968, and (4) an opinion as to the fairness of the financial statements. The report states that:

"As to contributions received and enrollee wages paid, it was not practicable to extend the examination beyond accounting for the receipts as recorded and comparing the wages paid to the underlying supporting documents."

"An employee of our firm has served as a resident consultant to Youth Pride, Inc. since February 10, 1968. He did not take part in our examination."

We reviewed the work performed by the public accountants and utilized it, where practicable, in accomplishing our audit objectives.

As noted above, however, the public accountants, in expressing their opinion as to the fairness of PRIDE's financial statements, pointed out that it was not practicable to extend their examination beyond accounting for the receipts as recorded and comparing wages paid to the underlying supporting documents. Principally on the basis of the additional information that we developed as a result of extending the scope of our review beyond an examination of PRIDE's books and records, we cannot conclude, as explained on page 43, that funds advanced to PRIDE under its first two contracts with the Department of Labor were properly expended and accounted for.

Through September 30, 1968, fees and expenses billed to PRIDE for services rendered by the public accountants totaled $53,991, as follows:

Second contract	$49,656
Third contract	4,335
Total	53,991

An undetermined portion of the above fee was applicable to the first contract.

The firm's fee is computed on a per diem basis at hourly rates ranging from $6 to $30. There is no limit on the fees that can be charged to the contract. From February 12, 1968, an employee of the firm served as a resident consultant to PRIDE in the capacity of Acting Director of Administration until September 9, 1968, when PRIDE hired a new Director. After this date, the employee continued to work at PRIDE as a consultant until November 4, 1968, when he was hired by PRIDE as Deputy Director for Administration.

Audits by Department of Labor Auditors

Contract No. 82-09-68-01

An audit was made of the first contract and a draft report of the findings and recommendations was submitted to the Manpower Administration, Department of Labor, for review and comment on May 21, 1968. The Department informed us that it had not completed its evaluation of the draft report as of November 30, 1968.

In their draft report the departmental auditors questioned costs of $31,821 out of $293,362 of recorded costs. The total budgeted cost was $291,525.

The record costs of $293,362 differ from the total costs of $283,534 reported by PRIDE's public accountants because the public accountants made an adjustment for wages charged to the first contract which should have been charged to the second contract.

A summary of the costs questioned by the departmental auditors and our comments thereon follow:

	Amount
Wages and fringe benefits paid from first contract funds which should be charged against second contract	$18,012
Purchase of sweepers	7,800
Workmen's compensation insurance refund applicable to second contract	4,020
Travel expense involving use of private automobiles	1,176
Various small items	813
Total costs questioned	31,821

On the basis of our review of the above-questioned costs and discusions with departmental officials, we believe that most of the items are valid charges under the first contract. Wages and fringe benefits ($18,012) and the workmen's compensation insurance refund ($4,020) merely represent adjustments between the first and second contracts. The sweepers ($7,800), although purchased under the first contract, are for use under subsequent contracts, and appear to be bona-fide purchases. Documentary support for travel expense ($1,176) appeared to be adequate.

Contract No. P2-8901-09

In April 1968 the departmental auditors completed a preliminary survey of PRIDE's accounting system and related controls under the second contract. An interim audit report based on this survey was issued to the Administrator, BWTP, on May 6, 1968. This report, as well as the draft report on contract No. 82-09-68-01 was critical of PRIDE's system of accounting and internal controls.

Comments on the interim audit report were furnished to the Administrator of BWTP by PRIDE in a letter dated May 28, 1968, which transmitted its public accountants' comments. The public accountants disagreed with many of the criticisms in the report. Most of the points at issue related to inadequate control over funds expended under the contracts, including inadequate documentation. We did note, however, that PRIDE acknowledged certain of the criticisms of its administrative system, which included:

1. Placement in the same individuals of the dual responsibility for keeping time records and for paying the employees. While recognizing that this procedure violated principles of internal control PRIDE stated that the procedure was necessary because "The area supervisors, by keeping time and paying the men off, gained more respect and a great sense of responsibility."

2. Existence of too small a number of professional employees and lack of experienced administrative and accounting personnel.

3. Loss or misplacement of records when the office was relocated on two occasions.

During June and July 1968, departmental auditors reviewed PRIDE's expenditures for the period September 15, 1967, through May 31, 1968. They noted that PRIDE did not have on hand 192 invoices to support payments totaling $70,876. Our review disclosed that about 98 percent of these payments were subsequently supported by invoices, contracts, receipts, or paid checks. At the conclusion of our review, support had not been found for 15 payments totaling $1,501. PRIDE informed us on December 5, 1968 that it was continuing its efforts to locate support for these payments. During our review

we found two invoices, aggregating $439, which had been paid twice. Payment was stopped on a check issued in payment of one invoice for $381 and credit was received for the other invoice of $58.

Also during their review in June and July 1968, the departmental auditors selected 478 paychecks with two or more endorsements for special investigation. (See section in this report entitled "Personal interviews of PRIDE enrollees by the Department of Labor," p. 29.)

The Department informed us that it considered the first and second contracts as interrelated and that it planned to settle the first contract after the second contract had been audited and was ready for settlement. Both contracts provide for a 3-year period after final payment for audit and settlement.

The departmental auditors informed us in October 1968 that they intended to complete their review of contract No. P2-8901-09 but that, because of manpower limitations, they were not certain when the review would be made.

APPENDIX I

YOUTH PRIDE, INC. FINANCIAL STATEMENTS, JUNE 30, 1968

ACCOUNTANTS' REPORT

SMULKIN, BARSKY, HOFFMAN & DENTON,
October 7, 1968.

THE BOARD OF DIRECTORS,
Youth Pride, Inc.:

We have examined the balance sheet of Youth Pride, Inc. as of June 30, 1968 and the related statement of revenues and expenditures and unexpended balance of nonrestricted funds for the period August 2, 1967 to June 30, 1968. Our examination was made in accordance with generally accepted auditing standards and accordingly included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances. As to contributions received and enrollee wages paid, it was not practicable to extend the examination beyond accounting for the receipts as recorded and comparing the wages paid to the underlying supporting documents.

In our opinion, the accompanying balance sheet and statement of revenues and expenditures and unexpended balance of nonrestricted funds present fairly the financial position of Youth Pride, Inc. as of June 30, 1968, and the results of its operations for the period August 2, 1967, to June 30, 1968, in conformity with generally accepted accounting principles. Also, in our opinion, the accompanying schedule, statement of contract revenues and expenditures, is stated fairly in all material respects when considered in conjunction with the financial statements taken as a whole. An employee of our firm has served as a resident consultant to Youth Pride, Inc. since February 10, 1968. He did not take part in our examination.

YOUTH PRIDE, INC., BALANCE SHEET, JUNE 30, 1968

ASSETS	
Current assets:	
Cash	$59,163.18
Receivables:	
Employee advances	1,702.60
Department of Labor	195,387.06
United Planning Organization	74,746.70
Other	1,085.20
Total	272,921.56
Less allowance for doubtful receivables	1,085.20
Total	271,836.36
Prepaid expenses:	
Deposits	2,350.00
Insurance	497.36
Total	2,847.36
Total assets	333,846.90
LIABILITIES	
Current liabilities:	
Accounts payable	24,475.11
Payroll taxes payable	185,697.41
Accrued payroll and unclaimed wages	112,075.65
Refund due to Department of Labor	7,991.37
Total current liabilities	330,239.54
Contingent liabilities (notes 2 and 3) [1]	----------
Total liabilities	330,239.54
Unexpended balance of non-restricted funds	3,607.36
Total	333,846.90

[1] See notes in text following this balance sheet.

YOUTH PRIDE, INC.—STATEMENT OF REVENUES AND EXPENDITURES AND UNEXPENDED BALANCE OF NONRESTRICTED FUNDS, AUG. 2, 1967, TO JUNE 30, 1968

	Restricted funds	Nonrestricted funds
Revenues:		
Income accrued from Department of Labor	$1,954,785.69	----------
Income accrued from United Planning Organization	290,283.70	----------
Contributions, interest and other income	133.81	$2,065.22
Amount received on Clifton Terrace contract	----------	1,995.00
Total revenues	2,245,203.20	4,060.22
Expenditures:		
Enrollee wages	1,641,681.67	452.86
Administrative wages	105,943.18	----------
Payroll taxes (note 2) [1]	81,467.06	----------
Rental of buildings and equipment	76,152.46	----------
Equipment and furniture purchased (note 4) [1]	73,391.77	----------
Consultants	72,784.85	----------
Insurance	32,825.65	----------
Renovation	29,732.96	----------
Legal and accounting	29,298.79	----------
Supplies	29,050.39	----------
Other costs andexpenses	14,175.64	----------
Publication and advertising	11,941.07	----------
Payroll services	11,570.15	----------
Medical and dental services	10,101.38	----------
Travel	8,026.33	----------
Telephone and utilities	6,348.11	----------
Recreation	5,727.32	----------
Repairs and maintenance	4,984.42	----------
Total	2,245,203.20	$452.86
Fund balance and unexpended balance of nonrestricted funds		3,607.36

[1] See notes in text following this statement.

YOUTH PRIDE, INC.—NOTES TO FINANCIAL STATEMENT

NOTE 1: PURPOSES

Youth Pride, Inc. began operation in the District of Columbia on August 2, 1967 with a $300,000 grant for a five-week intensive neighborhood clean-up, beautification and rodent control program in Washington, D.C.

The prime purpose of Youth Pride, Inc. was to overcome the void other Federal poverty programs had left in reaching any substantial number of inner city black ghetto youngsters—the hard-core unemployed, the school drop-outs, the ex-reformatory inmates and the functionally illiterate.

The corporation has since received additional funding from the Department of Labor and is currently funded until August, 1969 by a $2,600,000 contract.

NOTE 2: CONTINGENT LIABILITIES

Youth Pride, Inc. currently has an application pending with the District Unemployment Compensation Board for exemption from unemployment taxes. Should this application be denied, Youth Pride, Inc. could become liable for taxes totaling $54,176.37. No provision for this possible tax liability has been accrued in the statements as the expense would be offset by a charge to the funding agency.

Costs incurred under the various Federal contracts are subject to audit by Department of Labor, General Accounting Office and United Planning Organization. Since these audits have not been completed, a final determination of any proposed disallowances of expenditures has not been made. Accordingly, the effect, if any, of such final determination upon the financial statements cannot be ascertained at this time.

NOTE 3: FEDERAL INCOME TAX EXEMPTION

Application has been made under section 501(c)(3) of the Internal Revenue Code for exemption from federal income taxes as Youth Pride, Inc. is a non-profit organization formed to provide jobs for hard-core poverty youth lacking in marketable job skills. It is not known when the final decision will be forthcoming. An unfavorable ruling would not have a material effect on the financial statements.

NOTE 4: EQUIPMENT AND FURNITURE

Equipment and furniture purchased with Government funds are titled in the name of the United States Government and are returnable upon completion of the agreement.

NOTE 5: SUPPORTIVE SERVICES CONTRIBUTED BY DISTRICT OF COLUMBIA GOVERNMENT

In accordance with the terms of the Department of Labor contracts, Youth Pride, Inc. obtained equipment and other services from the District of Columbia valued in excess of ten percent of the total contracts, as follows:

Trucks and drivers provided by the Department of Sanitation	$23,347.50
Trucks and drivers provided by the Department of Highways	21,600.00
Total	44,947.50
Rental value of space provided:	
Personnel office, 19th and M, $5.00 per square foot per year	5,250.00
Nash Memorial Church, $0.75 per square foot per year	1,500.00
Sweeper storage space, $2 per square foot per year	8,000.00
School space, $2 per square foot per year	80,100.00
941 North Capitol Street office, $3 per square foot per year	1,000.00
Total	95,850.00
Rat poison mixtures $1,729.40 per month	17,294.00
Public health men and technicians, $7,200 per month	72,000.00
Equipment coordinator, $1,440 per month	14,400.00
Executive director's services, $2,100 per month	21,000.00
Total services furnished by District of Columbia Government	265,491.50

The above valuations have been estimated by means of Independent verification and

confirmation from the donor. Due to the wide public acceptance of Youth Pride, Inc. numerous additional services were contributed by both the D.C. government and District residents. Due to the minor nature and difficulty of evaluating these services, no attempt has been made at valuation other than the major items shown above.

NOTE 6: AMOUNTS DUE ON GOVERNMENT CONTRACTS

Under the terms of a contract with the Manpower Administration of the U.S. Department of Labor, number P2–8901–09, dated September 9, 1968[1] and the modifications thereto, Youth Pride, Inc. was granted the sum of $2,037,090.00 for the period October 1, 1967 to August 4, 1968. As of June 30, 1968, a total of $1,475,865.00 had been received under this contract and additional expenditures had been incurred thereunder in the amount of $195,387.06 making a total of $1,671,252.06 received and receivable under the contract, and leaving a balance of $365,837.94 still to be drawn over the balance of the contract.

Youth Pride, Inc. entered into agreement number 180267 with United Planning Organization which together with the first four amendments thereto, gave Youth Pride, Inc. $319,781.00 for the period September 11, 1967 to June 8, 1968, to cover the employment of 400 fourteen and fifteen year olds. As of June 30, 1968, a total of $215,537.00 had been received under this contract and an additional claim was filed for $37,628.00, making a total of $253,165.00 claimed as of June 30. Also, amendment number 5 to this contract extended it to August 31, 1968, and provided an additional $144,587.00 for this period. As of June 30, claim was made for expenditures of $37,118.70 under this amendment, making the total receivable from United Planning Organization $74,746.70. Additionally, claims made by Youth Pride, Inc. for $31,758.00 for the period ending June 30, 1968 have been disallowed by U.P.O. It is not known at this time what the ultimate disposition of these claims will be.

STATEMENT OF CONTRACT REVENUES AND EXPENDITURES, YOUTH PRIDE, INC., AUG. 2, 1967, TO JUNE 30, 1968

		Manpower Administration of U.S. Department of Labor		United Planning Organization
	Total	Number 82–09–68–01	Number P2–89–01–09, as amended	Number UPO–NYC–R2–7177–09, as amended
Revenues:				
Receipts from Department of Labor	$1,767,390.00	$291,525.00	$1,475,865.00	
Receipts from United Planning Organization	215,537.00			$215,537.00
Interest income	133.81		133.81	
Total revenues	1,983,060.81	291,525.00	1,475,998.81	215,537.00
Expenditures:				
Enrollee wages	1,641,681.67	231,145.35	1,133,390.46	277,145.86
Administrative wages	105,943.18	1,390.00	104,553.18	
Payroll taxes	81,467.06	10,147.79	58,181.43	13,137.84
Rental of buildings and equipment	76,152.46	13,871.28	62,281.18	
Equipment and furniture purchases	73,391.77	7,800.00	65,591.77	
Consultants	72,784.85	400.00	72,384.85	
Insurance	32,825.65	11,996.37	20,829.28	
Renovation	29,732.96		29,732.96	
Legal and accounting	29,298.79	500.00	28,798.79	
Supplies	29,050.39	601.28	28,449.11	
Other costs and expenses	14,175.64	1,098.14	13,077.50	
Publication and advertising	11,941.07		11,941.07	
Payroll services	11,570.15	3,654.27	7,915.88	
Medical and dental services	10,101.38		10,101.38	
Travel	8,026.33	907.15	7,119.18	
[redacted] and utilities	6,348.11		6,348.11	
Recreation	5,727.32		5,727.32	
Repairs and maintenance	4,984.42	22.00	4,962.42	
Total expenditures	2,245,203.20	283,533.63	1,671,385.87	290,283.70
Fund balances:				
Credit balances held (accounts payable)	7,991.37	7,991.37		
Deficit balances (accounts receivable)	(270,133.76)		(195,387.06)	(74,746.70)
Total	(262,142.39)	7,991.37	(195,387.06)	(74,746.70)

Note: The accompanying notes in text are an integral part of this statement.

APPENDIX II

U.S. SENATE,
COMMITTEE ON APPROPRIATIONS,
June 5, 1968.

Hon. ELMER B. STAATS,
Comptroller of the United States,
Washington, D.C.

DEAR MR. STAATS: As you are perhaps aware, the Department of Labor has entered into two Manpower Development Training Act contracts with Pride, Inc. in the total amount of $2,337,090. This Committee has been unsuccessful over a period of weeks in its efforts to obtain minimal information with reference to the expenditure of funds under these contracts. I will therefore thank you to order an investigation to determine the following:

a. That all Government funds utilized under this contract have been properly expended and accounted for.

b. The full name, home address, Social Security number, and if possible, the period of employment and total amount paid to each employee since the inception of this program.

An initial report as to the availability of records from which the above information can be obtained and an estimate of the time involved to complete the project will be required by this Committee no later than the close of business, June 14, 1968.

Yours very sincerely,

CARL HAYDEN,
Chairman.

[1] GAO note: Date of contract shown as September 9, 1968, should be September 9, 1967.

APPENDIX III

U.S. SENATE,
COMMITTEE ON APPROPRIATIONS,
August 19, 1968.

Hon. ELMER B. STAATS,
Comptroller of the United States,
Washington, D.C.

DEAR MR. STAATS: Reference is made to my letter of June 5, 1968, requesting you to make an audit of Government funds utilized under Department of Labor contracts with Youth Pride, Inc. and to secure listings showing the full name and other information relative to each employee since the inception of the program.

Confirming an oral request made by Senator Robert C. Byrd and Mr. William H. Jordan, Jr., of my staff in a meeting with your representatives on August 7, 1968, it is requested that your Office undertake the following additional work.

1. With respect to the statement in the Committee's Report No. 1484, July 30, 1968, concerning a certification by the Comptroller General to the Secretary of Labor with respect to PRIDE's record keeping and accounting procedures, you are requested to submit a report to me no later than September 7, 1968, containing an evaluation of PRIDE's record keeping and accounting procedures.

2. You are requested to submit an interim report on your audit of PRIDE by September 7, 1968.

3. You are requested to conduct personal interviews of a selected number of PRIDE enrollees for the primary purpose of seeking information relative to possible misuse of Government funds. This work should be done independently by your own staff and not in conjunction with other investigative groups.

Yours very sincerely,

CARL HAYDEN,
Chairman.

APPENDIX IV

U.S. SENATE,
COMMITTEE ON APPROPRIATIONS,
September 9, 1968.

Hon. ELMER B. STAATS,
Comptroller General of the United States,
Washington, D.C.

DEAR MR. STAATS: This will acknowledge receipt of your letter of September 4 and the interim report of the General Accounting Office, dated September 6, with reference to Youth Pride, Incorporated.

You are hereby authorized to cooperate to the fullest with the Senate Permanent Subcommittee on Investigations with reference to any investigation it might make of the subject matter relating to your audit and investigation.

No information relating to this investigation, from any source, should be released to any department, agency, committee or individual without written authorization from Senator John L. McClellan, Chairman of the Subcommittee. This is not to preclude or restrict, however, full and free discussion with and assistance to the Department of Labor in improving the accounting and internal controls of Youth Pride, Incorporated, in order that future funds expended by this organization might be safeguarded to the maximum extent possible. This phase of your undertaking expressly relates to the certification mentioned in this Committee's report on the Labor, and Health, Education and Welfare Appropriations Bill.

The Committee, of course, expects you to complete your work relating to the request contained in my letter of June 5, 1968. I will await your final report on or before November 30, 1968.

Yours very sincerely,

CARL HAYDEN,
Chairman.

APPENDIX V

U.S. SENATE,
COMMITTEE ON APPROPRIATIONS,
November 14, 1968.

Mr. ELMER B. STAATS,
Comptroller General of the United States,
General Accounting Office, Washington, D.C.

DEAR MR. STAATS: I have your letter of November 8 with reference to the General Accounting Office's survey of Pride, Inc., which was initiated last June at the request of this Committee.

I regret to learn of the possibility of a delay of several weeks in the submission of

the GAO's final report in this matter. The Committee's expectation, however, is that the report when submitted will be complete and responsive to the Committee's initial request, and that the figures submitted by Pride's auditors shall have been carefully analyzed and tested for accuracy and reliability. I trust also that your report will outline the reasons for the as-yet-unexplained delay of over three months in the submission of the final audit by Pride's accounting firm, Smulkin, Barsky, Hoffman and Denton.

The GAO has correctly interpreted the intent of the Committee in desiring that the report in this matter be submitted directly to the Committee at the earliest possible time after its completion.

Yours very sincerely,

CARL HAYDEN,
Chairman.

APPENDIX VI

U.S. SENATE, COMMITTEE ON GOVERNMENT OPERATIONS, SENATE PERMANENT SUBCOMMITTEE ON INVESTIGATIONS,
Washington, D.C., October 10, 1968.

Hon. ELMER B. STAATS,
Comptroller General of the United States.

MY DEAR MR. STAATS: On September 25, 1968, members of my staff conferred with Messrs. Fred Thompson, Ralph Ramsey, and Henry Eschwege of your office concerning the audit and investigation being conducted into the activities of Youth Pride, Inc. During this conference, reference was made to a letter dated September 5, 1968, from Mr. Fred M. Vinson, Jr., Assistant Attorney General in charge of the Criminal Division, Department of Justice, to you in which he informed you that as a result of a preliminary inquiry conducted by the Department of Labor, it appeared that criminal investigation was warranted because of alleged payroll irregularities.

Mr. Vinson referred to the fact that the General Accounting Office also was investigating Youth Pride, Inc., with respect to other payroll irregularities. Under the circumstances, he said the Department of Justice would be reluctant to undertake any investigation without first informing you of their interest and determining whether the General Accounting Office was in a position to make the results of its investigation available to the Department of Justice.

At this conference, reference was also made to a letter dated September 9, 1968, from Senator Carl Hayden to you in which he requested that no information relating to this investigation, from any source, should be released to any department, agency, committee, or individual without my written authorization. It is my understanding that because of this request, representatives of the General Accounting Office have looked to the Subcommittee for guidance.

I have discussed this matter with my General Counsel and wish to inform you that I have no objection to your releasing to the Department of Justice the results of your investigation in connection with the audit of Youth Pride, Inc., with all documentation that you have in your files to substantiate the alleged criminal violations.

Copies of this letter are being sent to the Department of Justice and to Senators Carl Hayden and Robert Byrd of the Appropriations Committee for their information.

Sincerely yours,

JOHN L. MCCLELLAN,
Chairman.

Mr. BYRD of West Virginia. Mr. President, I yield the floor, and I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

CLARENCE M. MITCHELL, JR.—LOBBYIST FOR THE PEOPLE

Mr. TYDINGS. Mr. President, I was very pleased to see in last Sunday's issue of the Potomac, published by the Washington Post, two excellent articles recognizing Clarence Mitchell's fine record of public service.

I am proud to say that Mr. Mitchell is a Baltimore resident and my constituent. He and his family have long provided responsible and intelligent leadership in Baltimore and in Maryland.

Mr. Mitchell, I am sure, is known to every Senator as the Washington representative of the NAACP. Mrs. Juanita Jackson Mitchell is a former president of the Maryland NAACP, also an attorney, and a vigorous defender of equal opportunity in her own right. The Jackson family also is a leading Baltimore family.

The Potomac magazine articles also describe the leadership activities of State Senator Clarence Mitchell III, and of other members of the family.

The two Potomac magazine articles deserve reading, not only because the Mitchells well deserve this recognition, but also because they are portraits of what Washington representatives—sometimes called lobbyists—can be at their best: intelligent, persistent, humane, dependable, and creative.

Mr. President, I commend the two authors, Harriet Douty and Robert C. Albright, for their perceptive articles, and I ask unanimous consent that the articles be printed in the RECORD.

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

[From the Washington Post Potomac, Jan. 12, 1969]

THE 101ST U.S. SENATOR: CLARENCE MITCHELL, JR.—HE STILL BELIEVES

(By Harriet Douty [1])

(NOTE.—"All Americans are in debt to him," editorialized the Washington Post last spring when H.R. 2516—civil rights legislation containing strong open housing provisions—was signed into law. The Post was writing of Clarence Mitchell, Jr. and of his faith and persistence in pursuing through the legislative process so many of his race's important gains in civil rights during the last decade and a half. "He's been the 101st U.S. Senator for a long time," says one of the nation's leading white liberals. "And he's represented his constituency—all the people of the United States—very, very well.")

A block and a half south from the Capitol, in the small but pleasant headquarters of the Washington Bureau of the NAACP, its chief, Clarence M. Mitchell, Jr., sits in a spacious, overheated office lined with civic awards, photographs (mostly of whites), and letters from Presidents, Vice-Presidents, and Congressional leaders.

Mitchell is a burly man with bushy eyebrows, a mustache (a Mitchell family trademark), a hearty voice, and a laugh that could almost be described as a giggle. He wears his hair short and constantly uses the word "Negro" or "colored," rather than "black," as a matter of personal integrity, refusing to be carried along by every "will 'o the wisp" in the civil rights movement.

He dresses conservatively in dark suits with matching vests, and sports, long after the national election, a Humphrey-Muskie button which he says he will never take off. Loyalty is one of his hallmarks. He is so grateful to Lyndon Johnson for pushing civil rights legislation in Congress that he has been jokingly called "the No. 2 hawk in America." With loyalty, to both persons and ideas, comes a touch of its handmade—inflexibility.

Although his name is rarely familiar to cabbies and construction workers and men in the street, Mitchell has been lobbyist since 1950 for the NAACP and legislative representative for the Leadership Conference on Civil Rights. He is considered by those in the know to be perhaps the most singular figure in getting civil rights legislation through Congress—and in prompting Presidents to issue executive orders, like Harry Truman's 1949 ordinance forbidding racial discrimination in the federal government.

Certainly, his ceaseless efforts (it is reputed that he lived in the Capitol for three months) resulted in the no-compromise provisions of the 1964 civil rights bill. The Congressional Quarterly attributes the miraculous passage of the 1968 open-housing bill to Mitchell's persistent and effective lobbying.

For Clarence Mitchell, like all serious lobbyists, the job begins with helping fix the language of a bill and precedes through five general stages: finding a congressman to introduce it; getting enough votes in the proper committee to have it brought to the floor; stirring up interest back home; getting the votes on the floor—and making sure the votes that have been promised actually show up for roll call.

On a typical day when Congress is in session, Mitchell arrives at his office before nine to organize his own agenda. By 9:30, he's ready to knock on doors. The chances are his day won't end for 12 hours more during a session.

Mitchell says he learned his lobbying technique in the early days from Bob Church, a wealthy Tennessee Negro who became a self-appointed lobbyist for civil rights.

Church's technique was to go to a Congressman's office and wait . . . and wait . . . often for four or five hours. Today Mitchell doesn't have to wait. He knows most of the Congressmen personally and is ushered in usually before 15 minutes is up. He makes appointments only with those Congressmen he doesn't know very well.

Although much of his time is spent on the Hill, hardly a day goes by without meeting one or another civil rights group and maybe talking to the heads of several executive agencies or departments. Justice, Housing and Urban Development, the Civil Service Commission and the Lyndon Johnson White House have been the most frequent.

"I try to deal with someone," he says, "who has the power to act. And this usually means the Secretary or the assistant secretary in charge of whatever I'm interested in."

He finds lunch "irritating" and tries to skip the meal. When he does lunch, he seldom discusses business.

"You have to spend half the time in small talk," he says. "And besides they always want to pick up the tab, even though I'm the one who wants something from them—and I find that embarrassing."

Having seen the results of an almost 40-year fight to secure legal equality for the Negro come to fruition in the past four years, Clarence Mitchell, Jr., should be approach-

[1] Harriet Douty is a freelance writer and a frequent contributor to Potomac. Her subject matters have included restaurant owner Blackie Auger, draft resistance and jury duty.

ing his later years as a Grand Old Man of the civil rights movement, respected and revered by all.

Instead, he and the moderate tactics of the NAACP are bitterly attacked by militants to the left. His most remarkable success—the open housing bill—has been called meaningless. Worse yet, the philosophy by which Mitchell has conducted his life—that there should be a colorfree society with the Negro fully integrated into the mainstream of American life—is not only considered impossible by those militants but is considered undesirable as well.

Instead of being able to rest on his laurels, smiling with satisfaction at a job well done, Clarence Mitchell feels forced to travel around the country on weekends, delivering speeches that counsel against "reverse racism"; against divisiveness in the civil rights movement; against those who "pretend that our problems cannot be solved and counsel violence, destruction, and overthrow of the government"; against, finally, "a small but highly publicized element which has repudiated civil rights and adopted the racist tactics of the Nazi movement and the Ku Klux Klan."

For Clarence Mitchell, the hard fight is by no means over. At 57, still putting in a 12-hour day, plus weekends, Mitchell is faced by a rising chorus of younger voices that considers him passé.

"The sad part about Clarence," says Joseph Rauh, Jr., longtime civil rights associate and friend, "is that he had such a short period of grandeur. The publicity and interest went to the militants so fast."

Some say this has left Mitchell bitter. If it has, he does not show it. Rather, he's outraged—and his rage seems equally directed against the "dangerous ideas" the militants put forth and the mass media which he feels aids and abets them, creating "false leaders and giving an inaccurate view of the Negro community."

As a former newspaperman for the *Baltimore Afro-American* (he covered a lynching on Maryland's Eastern Shore in the early 30's that was instrumental in directing his career toward civil rights), Mitchell is well aware of the press value of dramatic events and of the need to do more and more colorful things to insure coverage—a syndrome he feels SNCC got caught up in, culminating in the expulsion of all white members.

Moreover, he senses a symbiotic relationship between the media and the militants. "For example, at our conference in Atlantic City last summer the TV lights were so hot and disruptive that we asked to have them turned off. Toward the end of the conference, a TV newsman came up and asked if he could turn on an overhead light to film the president as he was reading the results of a vote. I said he could. But when the light went on it wasn't facing the president. It was facing the back of the room, where a group of 'Young Turks,' dressed in African garb, raised their fists and shouted, 'Black power, black power.' Now you know there had to be some collusion.

"There has always been a tiny separatist minority within the Negro community," Mitchell continues, "but it has never been given so much publicity."

Joe Rauh thinks the scare tactics of SNCC helped the passage of the 1964 civil rights bill. Mitchell, a religious man (he's chairman of the board of his Methodist church) with a strong sense of good and evil, believes it solely an example of right triumphant.

Mitchell regards violence—all violence—as evil. He is not opposed to picketing (while integrating Baltimore schools, he carried a sign reading, "I am an American, too!") or direct action (he desegregated the Florence, S.C., railroad station by refusing to enter the "colored" door) to illuminate a problem, "but you've got to know when to stop picketing and sit down at the conference table," where he believes 50 to 70 per cent of all disputes can be settled. Furthermore, he believes that direct action can become a way of life; that "people can become so involved in the act of protesting that they lose sight of the goal."

Mitchell does not stop at condemning the ideas and tactics of the militants. He goes one step further and actually blames Negro frustration as much on black militants as on bigoted whites.

"When we finally do get a bill through Congress as important as the open-housing bill," he says, "these so-called militants say it's nothing and this makes for frustration. When that bill was passed, newsmen called up various prominent Negroes for their reactions and gave large play to those who had unkind things to say."

Charles Evers, Mitchell reports, who said the bill was no good unless enforced, was quoted as saying the bill was no good. Floyd McKissick called the bill insignificant. Mitchell was upset. McKissick had been in on the early stages of the bill.

" 'Floyd,' I asked. 'Did you read the bill?' Floyd told me he hadn't had time . . . Now I can understand that, but what makes me so mad is if these leaders say these bills are nothing, then the poor Negro asks, 'If this is nothing, what is there?' "

For every charge the militants make—"and their demands change as soon as the press value is exhausted"—Mitchell has an answer.

If they say the law is too slow, Mitchell replies that the law is the only true guarantor of equal rights, putting the law above executive orders which can go out of office with the man and are subject to multiple interpretations. The courts are important, but even more important are the law-making bodies. Thus, Mitchell puts at the top of his list voter-registration drives and the seeking of public office. Mitchell's own eldest son, Clarence III, is a Maryland State Senator.

If they call for more direct action, Mitchell points out—somewhat defensively—that every test case brought by the NAACP was the result of a "direct action."

If they insist on black-owned businesses, Mitchell's blood boils. This he considers retrogressive re-segregation.

"We've passed that phase," he says, and cites the prosperous North Carolina Mutual Insurance Co. and the Afro-American newspapers. "We're ready to enter the mainstream of American life. We want Negroes directing the affairs of General Motors, not operating some little store in the ghetto. We see the end of the ghetto."

He does believe that some stop-gap black institutions, such as savings and loan associations that would lend much-needed capital to Negro businessmen, could serve a useful, but temporary, function.

"I think this Black is Beautiful thing is phony," says Mitchell. "I don't see Negroes rushing down to 14th and U Streets for lunch. I don't see Negro leaders staying at colored hotels. Black is Beautiful can be dangerous. If you start evaluating a person's worth by his physical characteristics, you're going to lose. It's a matter of pure arithmetic and the Chinese are going to win."

If, however, they cry for more community participation, Mitchell agrees.

Mitchell agrees, but unlike some militants—Stokely Carmichael, for instance—Mitchell and his wife have remained in the central Baltimore ghetto they were raised in, despite the comfortable income derived from his NAACP job and the law partnership (Mitchell & Mitchell) he and his wife have. He commutes daily to Washington.

In Baltimore, the names Mitchell and Jackson (his wife's family) are synonymous with civil rights and the NAACP. His mother-in-law, Dr. (honorary) Lillie M. Jackson, is the dowager duchess of the Baltimore civil rights movement. With her daughter, Mitchell's wife, she is generally credited with desegregating Baltimore. At 79, she is in her 33rd year as president of the Baltimore branch of the NAACP.

Mitchell's wife, Juanita Jackson Mitchell, a graduate of the University of Pennsylvania at the age of 18, is a former president of the Maryland State NAACP. She was elected to the recent Maryland Constitutional Convention, and, putting in more than 12 hours a day at her law practice, has a reputation in Baltimore for "helping all of us poor people," as one white client in her ghetto office put it.

Mitchell's eldest son, Clarence III, just turned 29, was a founding member of SNCC. He left that organization a year and a half later to "sit-in" in the Maryland legislature. At 22, he was elected to the General Assembly; at 26, to the State Senate, where he helped form a liberal coalition that led to the repeal of the anti-miscegenation law and the enactment of a fair employment practices bill.

Mitchell's youngest brother, Parren, 47, until recently headed up the anti-poverty program in Baltimore and was executive secretary of the Maryland Commission on Interracial Problems and Relations. Licking his wounds after being defeated in a Congressional race by incumbent Representative Samuel Friedel (the Mitchells blame his loss on the rain), he now teaches at Morgan State College while preparing for another challenge.

Despite the fact that the Mitchells and Jacksons have been powers in Baltimore for almost 40 years, a writer for the *Baltimore Sun* reports that the only charges he's ever heard leveled against them was "some grumbling in the ghetto that they used the nickel and dime contributions to the NAACP to finance their political campaigns,"—a charge, he adds, that has never been substantiated.

Younger militants, however, such as Walter Lively, until recently head of the Urban Coalition, feel that "in two or three years their power will wane." An open feud broke out between the Mitchells and the more militant blacks after last April's riots, when the Mitchells were out on the streets trying to calm things down.

More recently, Clarence III attacked a SNCC worker, charging in effect that Black Power was only a coverup for "hate whitey." After this, the factions agreed not to snipe away at each other and an uneasy peace now exists. "Everyone's heard of the Mitchell's," Lively says, "but to young people they're no big deal. They're one of the major black families in Baltimore, but only in terms of the older generation."

There is little doubt that the Mitchells belong to another generation. When Clarence and Juanita were growing up, Negroes were second-class citizens as a matter of law. They went to separate schools and separate restaurants. Negroes in Baltimore could not be policemen, streetcleaners, social workers, or employees at the A&P, to cite a few examples. A Negro arriving at the railroad station was hardpressed to find a taxicab. The Jacksons and the Mitchells helped change all this.

They grew up with the idea that once the Negro secured legal equality, the Great American Dream of upward mobility would be open to him, and to the Mitchells their personal success has borne this out—this is a factor that may account in part for the gulf that exists between the Mitchells and the militants. "God helps those who help themselves," Juanita Jackson Mitchell is fond of saying. But both Mitchells find it difficult to answer Martin Luther King's question—what good is a public accomodation bill if you don't have the price of a hamburger?

Although poor (Mitchell slept on sheets his mother made out of flour sacks) they came

from close-knit, church-going families which instilled in them the old-fashioned virtues of "cleanliness, industry, and hard work" and taught them to respect the church, the home and the family.

Parren Mitchell recalls that his mother and father (she was a cashier, he a musician) devoted their whole lives to their children, giving them a sense of security and self-respect so that they "wouldn't let anybody step on" them.

Aware of the value of education, Mitchell's parents conducted "enforced study hours" every afternoon. And although both parents and children had to work to eke out a collective existence, all seven children went on to college—Clarence to Lincoln College, where he graduated in 1932, two years after his long-time associate, Thurgood Marshall.

These values have been handed down to Mitchell's children, and Clarence III, although 29, is considered by some militants as belonging to another generation. All four sons seem to be doing well. Clarence III, when not in the State Senate, co-partners a real-estate firm, Mitchell & Johnson.

Keiffer, 27, is a medical doctor who integrated the staff of the Greater Baltimore Medical Center, a position that would not have been open to him were it not for Title VI of the 1964 civil rights bill. "When we help others, we help ourselves," Juanita Mitchell says.

Mike, 24, is a law student with an eye on politics. And George, at 16, is a top high school student and football player.

For good or ill, the Mitchells *are* out of joint with the times. In a period of intense nationalism, they have devoted themselves to a colorfree world, where each person is accepted or rejected on his merits. To Clarence Mitchell, the people who threw rocks at white automobile drivers after a white policeman in Washington had killed a Negro were not injured people striking out at "400 years of injustice." They were "hoodlums" who should have been dealt with "fairly but firmly."

Moreover, in an age of stridency, when you have to shout loudest to be heard, Mitchell remains quiet and soft-spoken. He denies the concept of "thinking white" or "thinking black." For him, there's just one way to think—"fairly."

He is a humanist and a liberal who believes that people are basically good and understands human motives and failings. When conservatives in Congress speak out against civil-rights legislation, he says he realizes that they must do this for their constituents back home. He cultivates conservatives and many a time a key conservative has turned around and supplied a needed vote for civil rights legislation.

Clarence Mitchell III, who in some ways lacks the open-hearted ebullience of his father, becomes highly emotional when trying to describe him. "He is a very great man, a humble man who has never tooted his horn and has never received the national recognition he should. He is a fair person, a just person . . . very principled. He puts principle above everything. He's very tough, but at the same time gentle and understanding."

Others note Mitchell for his hard-work, his conscientiousness, his courage, and above all, his optimism—an optimism that took him through the dark days of the 1930's and 1940's when everyone regarded the idea of getting civil-rights legislation through Congress as a joke, at best.

Getting equality on the books was perhaps the easier part. Now he must fight against a trend toward a separatism he feels could lead to resegregation, undoing his life's work. "We have worked too hard and too long to become part of the mainstream. We will not be led down the wrong path."

[From the Washington Post Potomac, Jan. 12, 1969]

THE MITCHELL RECORD: A LIBERAL WHO CAN COUNT

(By Robert C. Albright [1])

Clarence M. Mitchell, chief lobbyist for the National Association for the Advancement of Colored People, is one of those rarities in modern-day politics—a liberal who knows how to count.

Over the last decade, he and his coworkers in the National Leadership Conference on Civil Rights have spent endless hours trudging through Capitol halls in quest of the one thing that counts in Congress. Votes.

During those years, enough House and Senate votes have been buttoned up to help pass six major civil rights statutes and to open a sweeping new horizon of opportunity to the Negro people.

"So much depends on our making use of civil rights remedies now available to us under law, and under the new laws we can write," Mitchell said in an interview. "And so much depends on Negroes voting themselves.

"When you get a law, you have an instrument that will work for you permanently. But when you branch out on a separate line of direct action, you may wind up with nothing."

Mitchell said the Poor People's Campaign "is a good example of what I'm talking about.

"They just say, 'Let's keep marching until we get what we are after,'" he went on. "Of course, there are times you should march. But you should be sure what you are marching about and that there isn't a remedy readily available at law.

"It is clear that many of them did not realize that some of the things they were marching for were already law and some were even then being embodied in the omnibus housing act.

"When you talk about what's wrong, you not only have to get after that sheriff, or this or that legislator, but you have to go to the Negro and tell him to get out and vote.

"That's what the voting rights act was all about. White people can decide to vote or not to vote. But the Negro cannot afford the luxury of staying away from the polls."

Mitchell acknowledges, unabashedly, that he learned his sure touch for legislative vote-counting from an old maestro of the art, President Johnson, in the days when Mr. Johnson was Senate Democratic leader.

"Lyndon Johnson had one rule of thumb, 'You get what you have the votes to get,'" Mitchell said. "I try to follow that rule. In the Leadership Conference on Civil Rights, that is how we work.

"We talk to as many legislators as we can. Through direct contacts of this sort we come to understand where we are, and what is the other fellow's position.

"There are those who say laws are no good, but it seems to me the only foolproof way to operate. Often people you didn't think would cooperate are anxious to find a way to do so. Many will go along after you talk. I even found Barry Goldwater favored one of the provisions of the 1964 civil rights bill barring discrimination with Federal funds."

President Johnson's assistance in passing the 1964 law, with its trailblazing public accommodations and fair-employment provisions, cemented a friendship between the two men which had been at best tenuous before.

"After President Kennedy was assassinated, Mr. Johnson asked me to the White House to set straight where he stood," Mitchell said. "People had been predicting he would backslide (on civil rights) after John Kennedy's death. He didn't."

Mitchell said the acid test came in the late spring of 1964, when he and Joseph L. Rauh Jr., counsel for the Civil Rights Leadership Conference, visited the White House to give Mr. Johnson a vote canvassing chore.

Hanging in Mitchell's office is a framed photograph commemorating the event. It shows Mitchell and Rauh seated with the President around a table.

Mitchell pointed to the photograph.

"Do you see that piece of paper on the table?" he asked. "It has the names of eight Senators on it with Sen. Dirksen leading the list. Joe Rauh and I told the President we had come within eight votes of the two-thirds majority needed for cloture. We said we were counting on him to get those eight.

"He got them and, for the first time in history, the Senate approved cloture on a civil rights bill."

Mitchell has been head of the NAACP's Washington Bureau since 1950, succeeding Walter White, who also served as executive secretary of the organization.

Earlier, he worked in his present, quiet way to remedy, without benefit of legislation, several instances of discrimination in the executive departments.

He cleared up a couple of "ridiculous situations" at the Pentagon. Until Mitchell moved in, the cafeterias had refused to employ Negro cashiers and the Pentagon itself had sought to ban Negro-chauffered cabs from basing there.

A year before the Supreme Court handed down its school desegregation decision, Mitchell complained of discrimination in schools on several military bases. President Eisenhower was furious when he learned of the discrimination, Mitchell said, and quickly corrected it.

Mitchell learned the Government Printing Office was maintaining two cafeteria lines, one for Negroes and one for whites, and that Negroes were banned from the Bureau of Engraving and Printing apprentice training plan. Both situations were corrected after Mitchell protested.

But in those early days, the fledgling legislative lobbyist met with much less success on Capitol Hill. Congress up to that time hadn't passed a civil rights bill since Reconstruction days, and didn't seem likely to break the habit.

Mitchell quickly became familiar with the abortive Congressional civil rights cycle. The House repeatedly had passed anti-lynching and fair-employment practices bills only to see them die in Senate filibusters.

Hope soared briefly in 1949, when Minnesota's Hubert Humphrey, just elected to the Senate, introduced an NAACP-drafted anti-lynching bill as his very first act. The Democratic Convention, at Humphrey's urging, had adopted a sweeping civil rights plank.

Thereafter, the House regularly passed Humphrey's bill every session, but the unreconstructed Senate just as regularly let it die. This year, almost 20 years later, the anti-lynching bill has become law, at last for all practical purposes, as part of the 1968 bill making it a crime to interfere with anyone's civil rights.

The first real legislative breakthrough for civil rights of any consequence in 80 years occurred in 1957; once again Mitchell had a ringside seat.

In fact, Mitchell played a little-known role in setting the stage for the act. The 1967 law had its genesis in a 1947 report. "To Secure These Rights," turned out by a Harry Truman-appointed Presidential commission headed by Charles E. Wilson of General Electric.

The report recommended, among other things: (1) a bipartisan commission to in-

[1] Robert C. Albright is a veteran Washington Post reporter who specializes in Senate affairs.

vestigate civil rights violations; (2) creation in the Justice Department of a new assistant attorney general in charge of civil rights, and (3) authority for the Attorney General to go into court and bring suit to enjoin interference with anyone's civil rights.

Mitchell took a copy of the Charles Wilson report to Attorney General Herbert Brownell in 1956, and peruaded him to draft a bill on the subject.

The bill got nowhere in 1956 but, in 1967, key House and Senate committee leaders promised to get behind it. To the surprise of nearly everybody, Senate Republican Leader William F. Knowland (Calif.) promised Mitchell to lead the fight to break a filibuster—if necessary.

House Democratic and Republican floor leaders said they, too, would go along, but Senate Democratic Leader Johnson made one major reservation.

He opposed authority in Part 3 for the Federal Government to seek civil court relief in civil rights cases.

The controversial title, perhaps the most important single provision, was ripped from the bill following a charge by Sen. Richard B. Russell (D-Ga.) that it could mean "use of bayonets" to enforce the law.

But, watered down as it was when it passed, the new statute was more than a gesture. As Mitchell still calls it, this bill was "the breakthrough."

Omission of authority for the Attorney General to seek civil rights relief through injunctions has long since been remedied. In the 1964 public accommodations law, the 1965 voting rights act and in the recently enacted 1968 civil rights protection and open housing law, Congress has swept on far beyond it to chart new gains for racial minorities barely dreamed of in Mitchell's youth.

"We (the Negro minority) have made some strides because of these laws we have put on the books," said Mitchell.

"Today in Mississippi we have a Negro mayor, a Negro sheriff, several Negro county commissioners and justices of the peace. We've done it there, and we can do it in other states, because there's a voting rights law.

"Some people think you get things done only with strong muscle. Yet it is the law that enables them to get a fair trial if they happen to be Rap Brown. If they want to picket, it is the law that supports them in picketing. When they go into court, if they win their cases, it is because of those statutes we've put on the books.

"I believe the strategy we are following (proceeding through law and not muscle) is the right course for us. I believe it will win for the Negro minority rights already won and enjoyed by other minorities, such as the Italians, the Irish, the Jews and the Catholics.

"Those minorities have grown into the mainstream of American life. We can do so, too, by voting and using the opportunities available to us under law.

ORDER OF BUSINESS

Mr. TYDINGS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. CRANSTON in the chair). The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

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

NOMINATION OF RUSSELL EARL TRAIN TO BE UNDER SECRETARY OF THE INTERIOR

Mr. DIRKSEN. Mr. President, from time to time over the past week, there has been mentioned in the press and elsewhere the name of Russell Earl Train who is under consideration as Under Secretary of the Interior.

Senators must know Russell Earl Train pretty well because he has been a very active conservationist; but he has been more than that.

He was admitted to the bar in Washington, D.C., in 1949. He was on the staff of the Joint Committee on Internal Revenue Taxation. Then he was clerk of the Committee on Ways and Means, and also minority adviser; then assistant to the Secretary of the Treasury and head of the legal advisory staff in 1956 and 1957.

Then he was nominated to the U.S. Tax Court, but, in 1965, he became president of the Conservation Foundation; and, in addition to that foundation, also a trustee and chairman of the board, in fact, of the African Wildlife Leadership Foundation; director, American Committee for International Wildlife Protection; and honorary trustee, Kenya National Parks, African wildlife management, Tanganyika National Parks.

He served as a second lieutenant in World War II, and was promoted to major. He is known from one end of the country to the other as a great conservationist.

Mr. President, I should like to haul this out of the rumor stage and merely say that after checking, he will be named as Under Secretary of the Interior, and that this does have the blessing of the President of the United States.

I desire to add a little more biographical data on Mr. Train, and ask unanimous consent to have it printed in the RECORD.

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

Russell E. Train has been President of The Conservation Foundation since 1965, when he resigned as a Judge of the U.S. Tax Court to take on direction of the 20-year old nonprofit research, education and information organization.

The Conservation Foundation's purpose is "to encourage human conduct to sustain and enrich life on earth." It has been described by the Ford Foundation as occupying "a lonely eminence as the only national organization dedicated to the whole range of conservation concerns."

During the last three years the foundation has strengthened its public policy development work in a broad range of environmental problems. During this period, also, its information and education work has been redirected to stimulate citizen involvement. The foundation's offices have been moved from New York to Washington, its staff expanded, and its financing diversified.

Train defines conservation as the rational use of the earth's resources to achieve the highest quality of living for mankind. He has said that "Conservation has two lines of attack. First, making sure that critical irreplaceable and unique resources are preserved. And second, seeing to it that development processes respect natural resource systems, avoid negative impacts like air and water pollution, and produce amenable, liveable environments."

Under his direction the foundation has taken increased interest in development processes and environmental problems of urban areas. Its current programs include, for example, a series of on-the-ground projects designed to demonstrate the use of ecologically-based planning in integrating natural values in attractive and profitable urban development. At the first of these demonstration projects, at Rookery Bay, near Naples, Florida, the foundation in 1968 recommended ways in which profit-oriented residential shoreline development can be compatible with protection of the bay's natural functions as a nursery and feeding area for marine life and as a fishing area. The recommendations are being tested.

Other recent foundation projects include conferences and books on developmental problems in metropolitan areas, "the future environments of North America," environmental consequences of U.S.-financed international development programs, effects on human behavior of human crowding, and preparation of the basic work document for UNESCO's 1968 conference on The Scientific Bases for Rational Use of the Biosphere.

Born in 1920, Train is a lifelong resident of the District of Columbia. He graduated from Princeton University in 1941; served in the Army from 1941 to 1946; rising to the rank of major; earned an L.L.B. degree from Columbia University in 1948, and was admitted to the District of Columbia bar in 1949.

He then specialized in tax law and served as an attorney for the Congressional Joint Committee on Internal Revenue Taxation and later (1953–54) as Clerk and then Minority Advisor to the House Ways and Means Committee. He was head of the Treasury Department's legal advisory staff (1956–57).

He was appointed to the Tax Court of the United States by President Eisenhower in 1957 and reappointed to a full 12-year term in 1959, resigning in 1965.

In 1961 Train founded the African Wildlife Leadership Foundation, which started the first wildlife management school in Africa, gives scholarships to Africans at U.S. universities, conducts research and education programs in African schools, and is now the major source of U.S. support for wildlife conservation in Africa.

His interests also led him into participation in other conservation organizations in the United States and abroad. In addition to serving as president and a trustee of The Conservation Foundation and African Wildlife Leadership Foundation, Train serves various U.S. and international conservation organizations, including the International Union for the Conservation of Nature and Natural Resources (executive board member); World Wildlife Fund (trustee and vice president); Tanzania, Kenya and Uganda National Parks (honorary trustee), and American Conservation Association (trustee).

Train has served on a number of committees advising government, including a National Academy of Sciences committee on SST-Sonic Boom, a Department of the Interior committee on the International Water for Peace Conference and other international and resources activities.

In 1968 President Johnson appointed Train to the National Water Commission, a seven-man body created by Congress that year. The Commission is to review the nation's long-term water resource requirements and make its final recommendations to the President and the Congress by 1973. Train serves as Vice-Chairman of the Commission, which is headed by Charles F. Luce, Board Chairman

of Consolidated Edison Company of New York.

Train is Senior Warden of St. John's Church (Lafayette Square), a trustee of the Washington Cathedral and member of its executive committee; a trustee of Recordings for the Blind, and is active in other civic organizations.

Train is the son of the late Rear Admiral and Mrs. Charles R. Train, U.S.N. He is married to the former Aileen Bowdoin; they have four children.

EXECUTIVE SESSION

Mr. DIRKSEN. Mr. President, I ask unanimous consent that the Senate go into executive session.

The PRESIDING OFFICER (Mr. ALLEN in the chair). Is there objection?

There being no objection, the Senate proceeded to consider executive business.

AMBASSADOR TO THE UNITED NATIONS

Mr. DIRKSEN. Mr. President, there is only one nomination to be called up, and that is that of Mr. Charles W. Yost to be our Ambassador to the United Nations, which was reported earlier today. I ask unanimous consent that the Senate proceed to the consideration of that nomination.

The PRESIDING OFFICER. The clerk will state the nomination.

The ASSISTANT LEGISLATIVE CLERK. Charles W. Yost, of New York, to be the Representative of the United States of America to the United Nations with the rank and status of Ambassador Extraordinary and Plenipotentiary, and the Representative of the United States of America in the Security Council of the United Nations.

The PRESIDING OFFICER. Is there objection to the present consideration of the nomination?

There being no objection, the Senate proceeded to consider the nomination.

Mr. PELL. Mr. President, there are few men who have had more experience in looking after and putting forward the best interests of the United States than has Charles W. Yost.

He has had many difficult jobs and has performed them all with imperturbability, skill, and excellence.

The regard by which he is held in his own profession is shown by the fact that he is one of the very few diplomats to hold the rank of career Ambassador.

His experience, particularly in United Nations matters, is unmatched, in or out of our Government. Since 1944 when he was assistant to the chairman of the U.S. delegation, he has followed closely, or been assigned to, United Nations activities.

In the years when I served in the Foreign Service and in all the years I have known him, I have never heard a word of substantive criticism about him. Rather, from those for whom he has worked, from his colleagues and from his subordinates, one has always heard the highest of praise.

This is indeed an appointment of which the United States can be proud.

Mr. DIRKSEN. Mr. President, I ask that the nomination be confirmed.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

Mr. DIRKSEN. Mr. President, I ask that the President be notified immediately.

The PRESIDING OFFICER. The President will be notified in accordance with the request of the Senator from Illinois.

Mr. HOLLAND. Mr. President, I am glad to have the confirmation of Ambassador Yost's nomination at this time. I would be glad to have the matter of the confirmation of the nomination of Governor Hickel come up. But I am anxious to know whether there is any assurance that it can come up tomorrow, because some of us are arranging for an agenda tomorrow in the event Governor Hickel's nomination will not come up, and it is very necessary for us to know whether or not that nomination will be considered tomorrow.

Mr. MANSFIELD. Mr. President, in response to the inquiry of the distinguished Senator from Florida, all I can say at this time is that every effort is being made to hurry up the Government Printing Office's efforts to complete printing the hearings on the nomination of Governor Hickel and the committee report. I anticipate, as of now, that we will have it tomorrow, but I wish the Senator would allow me a little flexibility, in the event something comes up which I am not aware of. If we have the committee hearings and report tomorrow, the nomination of Mr. Hickel will be the first business after the morning hour.

Mr. HOLLAND. I thank the Senator. That is as far as he could go under the conditions.

LEGISLATIVE SESSION

Mr. DIRKSEN. Mr. President, I ask unanimous consent that the Senate return to legislative session.

There being no objection, the Senate resumed the consideration of legislative business.

AMENDMENT OF RULE XXII

The Senate resumed the consideration of the motion of the Senator from Michigan (Mr. HART) to proceed to consider the resolution (S. Res. 11) to amend rule XXII of the Standing Rules of the Senate.

Mr. THURMOND. Mr. President, such words as "democracy" and "liberty" are used often in discourses concerning American government. They are too often used interchangeably, and taken to mean the same thing. It is necessary, however, that we ponder for a moment just what these words mean, and the difference between them. It is true that these two words refer to similar characteristics of the Government of the United States: Democracy, simply put, being rule by the majority and liberty being the rights of the individual. Both concepts are important to all Americans. Take away either, and the other would probably no longer aptly describe our system of government.

While both democracy and liberty are essential to our form of government, there is a point at which these two ideals conflict, and the fight to preserve both democracy and liberty is often a fight to keep the two in proper balance with one another. If the principle of majority rule is expanded without limitation, the consequences would be severe: Should 50 percent plus one of the electorate decide to ignore the rights of the minority, the justice of the minority cause would become irrelevant. Majority rule would prevail. Liberty, or the rights of the individual, would be abolished. Democracy would, in fact, become mobocracy or tyranny. Similarly, if liberty is allowed to permanently thwart the will of the majority, we would have not liberty but oligarchy and thus tyranny.

Mr. President, we in the Senate have an awesome responsibility. As the world's greatest deliberative body, it is appropriate for us to consider and to ponder the philosophical foundations of our Government. The immediate interest of those favoring particular legislation must not be allowed to further erode the institutions which buttress our Republic. If the desire of a temporary majority conflicts with a principle important to the maintenance of democracy and liberty, then, in my judgment, the duty of the Senate is to side with the long-range good of the Nation. Mere temporary majority support for legislation is hardly the sole criterion for passage of legislation.

Mr. President, this concern for our Republic, and the institutions which keep it free, is the principal motivation for those of us who favor retention of rule XXII in its present form. This rule is one of a number of important rules and procedures which serve to protect our Republic and its free institutions. By allowing extensive debate of legislative proposals, and by allowing an exceptionally determined minority of 34 Senators to speak indefinitely, the Senate prevents passage of unduly harsh or punitive legislation, even though a majority may favor it. In my judgment, this is the strength of the Senate: our goal is not to contrive legislation which pleases a mere majority; rather, it is to attempt to fashion proposals which will consider the desires of the many geographical, ideological, economic, and other interests of this vast country.

Mr. President, rule XXII in its present form encourages this great body to consider the entire Nation when conducting our business. To weaken the rule by allowing three-fifths of the Senators to cut off debate is to discourage this broad approach which is essential to the unity of our Nation. The most able American and South Carolinian, John C. Calhoun, who served with great distinction in this body, is known for expounding the theory of the concurrent majority. Calhoun was a brilliant political scientist, and his analysis of the United States as a pluralistic society was not only original for its day, it has also stood

the test of time. This great Senator correctly perceived that our Nation consisted of numerous competing groups—business, agricultural, sectional, religious, and so forth. He contended that none of these groups alone could determine the course of Government, but that the interests would combine—giving and taking with each other—until a given policy was sufficiently broad to receive the support of a majority of the interests in the Nation. The coalition was hardly permanent, but another would be formed on behalf of another policy.

Mr. President, John C. Calhoun, in propounding the theory of the concurrent majority, was presenting an analysis of our body politic, and how it worked. He was not advocating, but observing. However, Calhoun did foresee a danger that the system could break down if safeguards were not provided to insure that major interests, representing a substantial segment of the population, were given a voice on matters vitally affecting them. Indeed, Calhoun at one time advocated several executives—with veto powers—rather than one President, so concerned was he that our system could not sustain the complete alienation of a major part of our Nation. Perhaps Calhoun was prophetic—for indeed the War Between the States was in part the result of the inability of our Government to reconcile opposing points of view within the system.

Rule XXII as presently written, has been criticized by its critics not merely because its use has prevented passage of certain legislation but because the threat of extended debate under the rule works an influence on legislation that is passed. It has been said that the threat of extended debate by small groups of Senators has "diluted" otherwise good legislation. In my judgment, this is not an argument for weakening rule XXII, but a most persuasive one for retaining the present rule. While critics use the term "dilute," in reality they are referring to changes in proposed legislation which accommodate the bill to the numerous points of view represented in this body. This process, far from being harmful, actually helps fashion legislation more acceptable to the entire Nation. The result is not "diluted" legislation but legislation that is designed to do more than satisfy a temporary majority—that is designed to meet the requirements of as large a proportion of the American people as is possible. In a time of increasing bitterness and frustration among the American people, it would appear to be ill-advised to weaken a device which allows a substantial minority to make its views felt on legislation. Let us all remember, particularly those who wish to weaken rule XXII, that today's majority can easily become tomorrow's minority.

Mr. President, some would give the impression that a small and willful minority now have a virtual veto over all legislation because of rule XXII. I think we are all aware that this is not the case. First of all, 34 Senators are required to prevent cloture, if all are present to vote.

I should like to remind my colleagues that there are only 22 Senators from the States of the old Confederacy, and that all 22 seldom vote as a unit. Second, the success of extended debate depends in some measure on the infrequency of its use. It is a technique that would rapidly become ineffective if used often. Extended debate can become physically tiring and mentally exhausting. It can subject participants to the ridicule of a sometimes hostile press. It can place a Senator strongly at variance with a majority of his colleagues. In summary, a substantial minority of Senators will exercise their rights under rule XXII only if they feel very strongly about an issue. When this occurs, there can be no doubt that the issue is important. It is probable that the additional attention focused on the issue as a result of extended debate—both here in the Senate and in the news media—is justified, and might well prevent hasty action that while acceptable to a majority, would be strongly opposed by a minority.

Mr. President, in my judgment, rule XXII in its present form is an important preservative of the rights of the minority point of view. It helps preserve that balance between democracy and liberty essential to the well-being of our Republic. It encourages legislation more acceptable to the entire Nation—and thus provides consideration of all major interests by the concurrent majority of which Calhoun wrote. The Senate—as the world's greatest deliberative body—would be wise to resist those who would weaken its effect.

Mr. President, the critics of the present rule XXII often speak as if a two-thirds majority were required to pass all legislation. It seems clear, however, that extended debate is a technique that is used only sparingly, and then not always successfully. In the last session of the Congress, organized debate occurred twice: The first time was in opposition to passage of the so-called open housing bill. As the Members of this body well know, two-thirds of the Senators present and voting invoked cloture, and the bill became law; the second time concerned the matter of confirmation of an appointment to the position of Chief Justice. On this issue, cloture was not invoked, indeed, had every Senator who expressed his view publicly been present to vote, an absolute majority would have opposed the debate cutoff. If rule XXII had not existed and if a dedicated minority of Senators had not realized victory was possible without a majority under rule XXII, it is questionable that the extensive hearings and debates which led to this close vote would have occurred. On an occasion when a substantial minority of Senators realizes that it has a chance of preventing action on an extremely controversial matter, this chance, provided by rule XXII, encourages both sides to look long and hard at a proposal and give more careful consideration to the issue than would have been given had the rule not existed.

Mr. President, rule XXII demands of the Senate that legislation be carefully drawn. It demands that the views of Senators—and also part of the American public—which may be in an unpopular minority be given both a fair hearing and a due consideratien in the provisions of the legislation. Rule XXII stands as a barrier to whim, to radical change which, though temporarily popular, could do harm not contemplated by the proponents of the change.

Mr. President, our Republic has survived and prospered because we have attempted to preserve a balance between democracy and liberty, because our forefathers contemplated the democratic process not as an end in itself, but as a means to an end. The rights of man are held to exist independently of the willingness of a majority to tolerate those rights. For this reason, we have not had government by Gallup, in which the will of the majority at a given time is the sole test of the merit of a given proposal.

This is not to say that there is something wrong with the majority opinion prevailing. Our system of government, while replete with safeguards against majority excesses, is essentially a system whereby majority opinion is translated into Government action. The use of extended debate under rule XXII allows a minority of Senators—who might actually represent a majority of the people—to stand up and yell "Wait a minute." If a sufficient minority of Senators is willing to take such a stand, then there is certainly a serious doubt as to the advisability of the proposal.

Mr. President, it has been said that extended debate delays the Senate in its work. I submit that this is a deliberative body—not a traffic court anxious to clear the docket. Speed may be a virtue in other branches or agencies of Government, but not necessarily in the Senate. Deliberation by its very nature takes time. It is important for the Senate that we consider many aspects of legislative proposals and other matters. Is the bill constitutional? This must be considered by the Senate—not left to the Supreme Court. The Senate, being a reflective body, is well suited to preventing passage of legislation which violates the Constitution—even though the proposal might be otherwise popular.

In addition, the Senate must consider the wisdom of legislation. It is entirely conceivable that a bill acceptable to a majority of Senators—and a majority of the Nation—could work an extreme hardship on a minority. A Senate operating under rule XXII is peculiarly sensitive to such matters—a bill injurious to the interests of a substantial minority naturally runs the risk of extended debate. A Senate with a weakened rule XXII would, in my judgment, be much less inclined to consider a bill from the standpoint of its effect on all Americans—not just a majority.

Mr. President, the proposal to alter rule XXII changes the percentage of Senators required to invoke cloture from 66⅔ to 60 percent of those present and voting. Some of the proponents of this change appear to recognize the advis-

ability of a rule which prevents a cutoff in debate by a mere majority. They apparently believe, however, that 60 percent represents a sufficient safeguard. I should like to remind my colleagues that the 90th Congress began with a Senate composed of 64 Democrats and 36 Republicans. Had a proposal been before the Senate of a highly partisan nature which seriosuly endangered the minority party, the 36 Republicans could have debated the measure extensively and probably guaranteed its alteration or withdrawal, because of the requirements of rule XXII. However, had the proposed change in rule XXII been in effect, with only 60 Senators required to invoke cloture, the minority party would have been powerless to prevent passage of such a measure.

Mr. President, the fortunes of political parties change. At present there are 57 Senators of the majority party and 43 of the minority. In 1970, 25 Democratic seats and eight Republican seats will be up for election. I make no prediction, but those of the majority must certainly consider the possibility that the 92d Congress will find them looking at the rules from the point of view of the minority—whether it be a partisan minority, a philosphical minority, a sectional minority, or some other minority. All of us find ourselves espousing a minority point of view at one time or another. There are times when a minority viewpoint needs the protection which 34 Senators can now provide. As I have said, extended debate is not used capriciously in the Senate. Senators on the losing side of an issue often feel strongly about the matter, yet extended debate is resorted to sparingly. The rigors involved in extended debate are indeed safeguards against its overuse in the Senate.

Mr. President, in attempting to devise a specific number or fraction of Senators necessary to close debate, it is to some extent necessary that the specific figure appear arbitrary. There is nothing magic about the fraction two-thirds or the fraction three-fifths, but, in my judgment, it is clear that a change to the three-fifths rule would weaken the protection offered to the minority under rule XXII. Simply put, it means that where 34 Senators can now prevent passage of extremely harsh legislation, it would take 41 under the proposed change. I believe rule XXII has worked well and that it effectively provides a degree of protection for the minority point of view.

Mr. President, the issue at stake in this debate is one of great importance to all people of this country and should be of the greatest importance to the minority groups of this country. It is most unusual that the Members of the Senate who are proposing restrictions upon freedom of debate in the Senate and, thereby, curtailment of the right of minorities, are the very ones who are the most eloquent in their defense of minority rights in other areas. It is also an anomalous situation in that a number of the proponents of the proposals for greater restrictions upon debate are noted for their loquaciousness on other issues when they feel strongly either for or against them.

While proponents of this change often talk about the rights of the minorities, they are seeking to deny a long-standing right of the Members of the Senate, who happen to be in the minority on a certain issue, to fully debate the issue while representing their constituents in a manner which is consistent with each Senator's pledge to represent the people of their State and to uphold the Constitution. Our Government was not founded on the principle of absolute rule by the majority; there are a number of provisions in our Constitution which refute the idea of absolute majority rule.

Mr. President, while our Founding Fathers, in setting up our Federal Republic, provided for a very substantial increase of political power in the Central Government, they did not abolish the sovereign States and they distributed the newly created powers in a manner which would practically eliminate the possibility of absolute rule by the majority. One of the primary considerations of our Founding Fathers in providing a wide distribution of power was the desire to prevent radical action by a popular majority. The principle of checks and balances which is preserved in our Constitution by the creation of three co-equal branches of Government fully expresses the spirit of our form of government as being opposed to the rule by an absolute majority. The Senate and the manner in which it came into being are proof of the fact that our Founding Fathers were opposed to a form of government which would allow a popular majority to work its will on a powerless minority. The compromise between the large and small States at the Philadelphia Convention to give equal representation to all States in the upper House of the Congress of the United States insured that the large States would not be able to completely dominate our new National Government. This illustrious body stands as a barrier to the demise of the type of government which has made our Nation great; equal representation for every State in the Senate assures that the people of the smallest State will have an equal chance to have their views expressed on any and every issue which is presented to the Congress. The Senate was envisioned by the Founding Fathers as a body where the rights of States and the views of minorities would be given extraordinary consideration. During the course of the debates of the Philadelphia Constitutional Convention of 1787, the delegates reached agreement upon a House of Representatives to be elected by the people every 2 years and based upon a population ratio divided into congressional districts. After this action was taken, the smaller of the participating 13 States wondered how their minorities could be adequately protected from the capricious whims of a majority in the House.

After long debate, which was at times most acrimonious and which actually threatened to break up the Convention, the solution was offered by the wise and venerable Benjamin Franklin; namely, equal representation in the Senate for every State. And, to make sure that that representation would be of a character that would calmly consider and patriotically and unselfishly act on laws under which all the people would have to live, it was provided in the original instrument that Members of the Senate should be elected by State legislators and not by popular vote and given a term of 6 years. The Senate was never intended to be a vehicle to be used by a majority of the large States or by any simple majority as a means of imposing their will on a minority of the States; but it was designed to be a long-term protector of the freedoms which our Founding Fathers fought and died for and sought to preserve in the new Constitution.

Mr. President, the Senators who are making this attempt to change rule XXII are attempting to deny the protection that was given to the small States by our Founding Fathers against domination of the U.S. Senate, the Congress, and our Government by the large States. There is more at stake in this debate than the simple wording of rule XXII. A change in rule XXII could be the first step in a series of maneuvers by a radical popular majority which could result in the loss of many of the freedoms which we have enjoyed for nearly 200 years in this great Nation.

Many of the citizens in the original 13 States were concerned about the extent to which they were submitting themselves to the new Federal law. They had recently freed themselves from tyranny and secured for themselves individual liberty in a great fight for independence. Consequently, numerous safeguards to protect the rights of the States were built into the Constitution. Before they would assent to the ratification of this supreme law, however, they won assurance of early approval of the first 10 amendments to the Constitution. These amendments, commonly referred to as the Bill of Rights, constitute the greatest set of civil and individual rights to be found anywhere.

Probably the most important of these 10 amendments to the present discussion is the first. It reads as follows:

ARTICLE I

Congress shall make no law respecting an establishment of religion, or prohibiting the free exercise thereof; or abridging the freedom of speech, or of the press; or the right of the people peaceably to assemble, and to petition the Government for a redress of grievances.

This amendment contains one of the most important restrictions placed upon this Congress, in that Congress is prohibited from enacting any law which abridges the freedom of speech. The importance of free and open debate was foremost in the minds of the authors of this amendment.

The Founding Fathers also wrote into the original Constitution other safeguards against what the advocates of a rules change term "majority rule." They provided in certain instances for votes requiring a majority of two-thirds. Here are some of these provisions as found in the Constitution:

No person shall be convicted on impeachment without the concurrence of two-thirds of the Senators present (art. I, sec. 3).

Each House, with the concurrence of two-thirds, may expel a Member (art. I, sec. 5).

A bill returned by the President with his objections may be repassed by each House by a vote of two-thirds (art. I, sec. 7).

The President shall have power, by and with the advice and consent of the Senate to make treaties, provided two-thirds of the Senators present concur (art. II, sec. 2).

When the choice of a President shall devolve upon the House of Representatives, a quorum shall consist of a Member or Members from two-thirds of the various States of the Union (amendment 12).

A quorum of the Senate when choosing a Vice President shall consist of two-thirds of the whole number of Senators (amendment 12).

The Constitution, therefore, does not give recognition in all cases, to the rights of the majority to control, and our Founding Fathers envisioned the Senate as a very real barrier to absolute rule by the majority and as a citadel to protect the numerated rights of the citizens of the new Republic.

Mr. President, one of the most important safeguards of our freedoms established and preserved by the U.S. Constitution is article V, which requires that two-thirds of both Houses must concur on any amendment to the Constitution. Article V reads as follows:

ARTICLE V

The Congress, whenever two-thirds of both Houses shall deem it necessary, shall propose Amendments to this Constitution, or, on the Application of the Legislatures of two-thirds of the several States, shall call a Convention for proposing Amendments, which, in either Case, shall be valid to all Intents and Purposes, as part of this Constitution, when ratified by the Legislatures of three-fourths of the several States, or by Conventions in three-fourths thereof, as the one or the other Mode of Ratification may be proposed by the Congress: Provided that no Amendment which may be made prior to the Year One thousand eight hundred and eight shall in any Manner affect the first and fourth Clauses in the Ninth Section of the first Article; and that no State without its Consent, shall be deprived of its equal Suffrage in the Senate.

Not only does an amendment to the Constitution require the concurrence of two-thirds of both Houses or the concurrence of conventions called for by two-thirds of the States, but the Constitution provides that any amendments approved must be ratified "by the legislatures of three-fourths of the several states, or by conventions in three-fourths thereof"

Mr. President, the Senate has refused to adopt the proposed changes the last seven times that this matter has come before the Senate. The Senate, in its widsom, has recognized the importance of preventing absolute majority rule. The Senate has recognized that the wishes of a temporary majority may conflict with the rights of a minority, rights which should be preserved. The Senate has recognized its role as a body peculiarly well suited to giving due consideration to a point of view that may not be popular, but may possess great merit. Let us continue to exercise this wisdom by rejecting once again the proposal now before us.

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

Mr. THURMOND. Mr. President, I am pleased to yield to the able and distinguished Senator from Florida.

Mr. HOLLAND. Mr. President, I am glad the Senator has stated the position that he has just stated. I am reminded, if the Senator will permit me to state this reference for the RECORD—and I ask unanimous consent that I may do so without his losing his right to the floor——

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

Mr. HOLLAND. That Mr. Walter Lippmann, who frequently announces positions with which I do not agree, and with which I am sure the Senator from South Carolina does not agree, has stated at least twice in his column very strongly this principle, in which I think he was sound. Without attempting to quote it literally, this was the substance: that in his judgment, it was definitely a part of the American genius of government that a majority of less than two-thirds, on a matter in which there was very great controversy and very deep conviction, should resort to persuasion rather than compulsion.

I have always thought that that was a very good way to state the matter. I ask the distinguished Senator if he does not think that our friends who want to compel other Senators to come to their conclusion through use of cloture are trying to substitute compulsion for persuasion, and that that is exactly the wrong course?

Mr. THURMOND. Mr. President, in reply to the distinguished Senator from Florida, I would say that that is also the opinion of the Senator from South Carolina. I regret that some of the Members of this body seem to be willing to pursue such a course of conduct. When any matter is so objectionable to as many as a third of the Members of this body, then there should be strong persuasion rather than compulsion, because evidently the minority would not be so bitterly opposed unless it were detrimental to the citizens of their respective States, or there were some very strong reason to pursue that course.

Mr. HOLLAND. I thank the Senator from South Carolina. May I ask him another question?

I know, of course, that he has on some occasions, as has the Senator from Florida, participated in long debate, because our convictions were deep, even though we knew that we were not in the majority in the Senate.

Is it not true that it is not easy for Senators, who know that they represent a minority—that it is not easy physically, not easy psychologically—to stand on the floor of the Senate day after day and assert their strong conviction, even though they are weary, even though the press is lodging strong complaints against them, even though they are getting through the mail many communications denouncing them for what they are doing? Is it not true that it is not easy for them to take that position, particularly when there seems to be a general public opinion against them in the Nation as a whole? To the contrary, ought it not to be understood that Senators are willing, in spite of adverse rulings, in spite of attacks made on them, in spite of the fact that they know they do not have a majority of the Senate on their side, and feel so deeply on the subject, to stand day after day and week after week to defend their position? Is not that something that ought to be recognized by other Senators and by the rest of the public?

It is something not easy to do; it is very difficult to do, and it is only done because of the depth of the conviction that what is attempted to be done by the majority will be very hurtful either to the people in their States, or to a great region in the United States, or to the principles of the Government under which we live. Is it not true that it is not easy but is difficult to stand up and fight, fight, and fight simply because of that conviction?

Mr. THURMOND. I commend the able Senator from Florida for that statement. For many years, some Members of this body have talked and talked and talked to try to arouse the country to an understanding of the assaults being made on the Constitution on humanitarian grounds or so-called civil rights grounds, or some other terminology that would be popular with certain groups or perhaps with a great many people in the country, especially leftwing news media.

I know how some Senators have been ridiculed because they have stood here and talked to maintain the Constitution of the United States, the greatest document that was ever conceived by the mind of man for governing people, under which this Nation has become the richest Nation on the face of the earth, under which this Nation has become the strongest Nation in the world, and under which the people of this country enjoy the highest standard of living that any people have ever enjoyed under any type of government in the history of mankind.

Those Senators who have stood here seeking to preserve the great document known as the Constitution of the United States ought, in my judgment, to be highly commended throughout the Nation, instead of being condemned by some liberal news media, some leftwingers, because they are standing for the principles that have made this country great.

They have been standing for the bedrock of this country. They have been standing to preserve our Constitution in order that our people may continue to enjoy the freedom, liberty, and justice that our Constitution provides.

I realize that sometimes people who advocate things that are noble are not willing to go through the long, tortuous procedure of amending the Constitution. They wish to reach their goal quickly and therefore seek to pass a statute for which there is no authority, when in reality they ought to offer proposals to amend the Constitution in order to accomplish their goal.

These are Senators who will stand here and fight and do all they can to preserve our Constitution in the face of proposals that would appear to be popular with the public, proposals that would not appear

to be popular from a humanitarian standpoint. Those who would fight to preserve the Constitution and persuade the people take steps to amend the Constitution, rather than to accomplish their immediate goals by statute, are to be highly commended.

I thoroughly agree with the able Senator from Florida. I feel that if there had not been in the past 15 years some fights made in the Senate that have been made, there would have been a greater deterioration and a greater erosion of the Constitution.

Furthermore, I was terribly disappointed last week when the former Vice President, Hubert Humphrey, ruled that section 2 of rule XXII and section 2 of rule XXXII were unconstitutional, but that the rest of the rules were not. I know of no authority for a Vice President or any other Presiding Officer of the Senate to substitute his judgment for the entire U.S. Senate and to hold that certain parts of certain rules to which he personally objects are unconstitutional.

Section 2 of rule XXII provides that two-thirds of the Senate are required to cut off debate. Section 2 of rule XXXII provides that the rules of this body shall continue from one Congress to the next, until the rules are changed as provided by the Senate itself.

I abhorred the former Vice President's ruling. I deeply regretted it. I know of no authority that the Vice President has to make such a ruling. It goes in the face of the precedents followed by all the Presiding Officers who have ever presided over this great deliberative body in the history of the Nation. Going back 180 years, no person who has presided where the distinguished Presiding Officer sits today as the Acting Vice President has ever ruled in such a way. In my judgment, the former Vice President's ruling was wisely overruled by the Senate.

I hope that the Senate will now see fit to keep the present rule; namely, that two-thirds of the Senators present and voting are necessary to stop debate. We know that cloture can be obtained, as it has been obtained on many issues, if the public opinion of the country so warrants it. That public opinion will be reflected in the views of Senators.

I feel very strongly about this matter, because every section of the country must be protected. This is the only body in the Government that can protect the country. The House of Representatives cannot protect it. A Member of the House can speak only for a minute or 5 or 10 minutes, perhaps. In the Senate, we are privileged to have unlimited debate. If any proposal is calculated to hurt the people of any State or any region of the country, or to be in violation of the Constitution or to be against the interests of the public, the Senate is the place where views can be aired and the matter taken to the country, because the Senate is the only place in which unlimited debate, as we know it, can be carried on. It is really not unlimited debate, because two-thirds of the Senate can stop it at any time it wishes to do so.

Why change a rule that has served the Nation well, that has served to protect the public and the principles of this great country?

I hope that when the Senate votes on this question again, it will see fit to follow the same course it followed a few days ago, namely, to preserve rule XXII, section 2, and rule XXXII, section 2, in order that this great body which we know as the Senate may continue to be in the future the great deliberative body that it has been in the past.

Mr. HOLLAND. I thank and compliment the distinguished Senator from South Carolina. If he has completed his remarks, I am ready to yield to the acting majority leader, so that he can move to recess the Senate.

RECESS

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 12 noon tomorrow.

The motion was agreed to; and (at 3 o'clock and 59 minutes p.m.) the Senate took a recess until tomorrow, Wednesday, January 22, 1969, at 12 meridian.

NOMINATIONS

Executive nominations received by the Senate January 21 (legislative day of January 10), 1969:

DEPARTMENT OF STATE

Elliot L. Richardson, of Massachusetts, to be Under Secretary of State.

U. Alexis Johnson, of California, a Foreign Service officer of the class of career ambassador, to be Under Secretary of State for Political Affairs.

Richard F. Pedersen, of California, to be counselor of the Department of State.

DEPARTMENT OF DEFENSE

David Packard, of California, to be Deputy Secretary of Defense.

Robert F. Froehlke, of Wisconsin, to be an Assistant Secretary of Defense.

Robert C. Seamans, Jr., of Massachusetts, to be Secretary of the Air Force.

John H. Chafee, of Rhode Island, to be Secretary of the Navy.

OFFICE OF EMERGENCY PREPAREDNESS

George A. Lincoln, of Michigan, to be Director of the Office of Emergency Preparedness.

DEPARTMENT OF AGRICULTURE

J. Phil Campbell, of Georgia, to be Under Secretary of Agriculture.

Clarence D. Palmby, of Virginia, to be an Assistant Secretary of Agriculture.

DEPARTMENT OF COMMERCE

Rocco C. Siciliano, of California, to be Under Secretary of Commerce.

DEPARTMENT OF LABOR

James D. Hodgson, of California, to be Under Secretary of Labor.

Arnold R. Weber, of Illinois, to be an Assistant Secretary of Labor.

Geoffrey H. Moore, of New Jersey, to be Commissioner of Labor Statistics, U.S. Department of Labor, for a term of 4 years.

Elizabeth Duncan Koontz, of North Carolina, to be Director of the Women's Bureau, Department of Labor.

OFFICE OF SCIENCE AND TECHNOLOGY

Lee A. DuBridge, of California, to be Director of the Office of Science and Technology.

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

Patricia Reilly Hitt, of California, to be an Assistant Secretary of Health, Education, and Welfare.

CIVIL SERVICE COMMISSION

James E. Johnson, of California, to be a civil service commissioner for the remainder of the term expiring March 1, 1971, vice John Williams Macy, Jr., resigned.

DISTRICT OF COLUMBIA COMMISSIONER

Walter E. Washington, of the District of Columbia, to be Commissioner of the District of Columbia for a term expiring February 1, 1973. (Reappointment.)

COUNCIL OF ECONOMIC ADVISERS

Paul W. McCracken, of Michigan, to be a member of the Council of Economic Advisers.

CONFIRMATION

Executive nomination confirmed by the Senate, January 21 (legislative day of January 10), 1969:

UNITED NATIONS REPRESENTATIVE

Charles W. Yost, of New York, to be the representative of the United States of America to the United Nations with the rank and status of Ambassador Extraordinary and Plenipotentiary, and the representative of the United States of America in the Security Council of the United Nations.

EXTENSIONS OF REMARKS

LET'S GET UP OFF THE FLOOR

HON. BENJAMIN S. ROSENTHAL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 21, 1969

Mr. ROSENTHAL. Mr. Speaker, Pete Hamill is one of the most readable writers in that very readable publication, the Village Voice.

He recently called upon his audience to recover from the "pox that was 1968" by changing some bad habits which became apparent last year. His criticism of the left is constructive and thoughtful. We all know the excesses of the right are as grievous. I hope they have as articulate a critic.

The article follows:

LET'S GET UP OFF THE FLOOR

(By Pete Hamill)

The pox that was 1968 is behind us, the bodies have finally gone cold, and the New year looms, virginal and gray. If 1969 is anything like its predecessor, we might as well just cut our throats right now. But even with Nixon and Lodge and Hickel and the other members of the Lawrence Welk audi-