HOUSE OF REPRESENTATIVES—*Wednesday, August 12, 1970*

The House met at 12 o'clock noon.

Rev. Jack Lowndes, Memorial Baptist Church, Arlington, Va., offered the following prayer:

My God shall supply all your needs.—Philippians 4:19.

Let us see anew, O God, Your offer to supply our needs and those of our troubled world. Help us to receive Your help with humility. Be with the Members of this Congress and the Speaker of this House. Supply them with wisdom and protection. May they have the strength and power of God as they seek to find and follow the will of the God of all nations for our Nation.

Lord, we need Your help as we seek to provide for the needs of our people and all the people of our world. Forgive what is wrong in our past, strengthen us for today, and make us the kind of people who help others without pride or condescension.

We pray in the name of Jesus Christ who said give to government the things that belong to government and to God the things that belong to God. Amen.

THE JOURNAL

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

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Arrington, one of its clerks, announced that the Senate had passed a resolution of the following title:

S. RES 441

Resolved, That the Senate has heard with profound sorrow the announcement of the death of Hon. G. Robert Watkins, late a Representative from the State of Pennsylvania.

Resolved, That a committee of two Senators be appointed by the Presiding Officer to join the committee appointed on the part of the House of Representatives to attend the funeral of the deceased Representative.

Resolved, That the Secretary communicate these resolutions to the House of Representatives and transmit an enrolled copy thereof to the family of the deceased.

Resolved, That, as a further mark of respect to the memory of the deceased, the Senate do now recess.

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

S. 3835. An act to provide a comprehensive Federal program for the prevention and treatment of alcohol abuse and alcoholism; and

S. 4083. An act to modify and enlarge the authority of Gallaudet College to maintain and operate the Kendall School as a demonstration elementary school for the deaf to serve primarily the National Capital region, and for other purposes.

ATROCITIES AGAINST DIPLOMATS AND RELATED PERSONNEL IN LATIN AMERICA

(Mr. DE LA GARZA asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DE LA GARZA. Mr. Speaker, the recent kidnapings, assaults, and atrocities against diplomats and related personnel in Latin America must be condemned by all nations.

The most recent, of course, has been the wanton and cowardly murder of Dan A. Mitrione.

We as a nation and all mankind abhor and detest this so inhumane action of this criminal group in Uruguay. I say criminal because by violating the laws of God and the laws of man, they have placed themselves in this position. Whether their grievances are just or not is now immaterial. They have forever lost any claim to be considered a responsible entity within any type of government, especially in Uruguay, where to my complete satisfaction there exists a climate for democratic endeavors.

We grieve for the family of Dan A. Mitrione and we extend them our sincere sympathy, but above all our pledge of action to do everything possible to stop these cowardly criminal actions.

I am satisfied that the Government and the people of Uruguay, both our friends, would join us in this. We cannot, we must not let this continue. I am satisfied that the Government and the people, the decent law-abiding people of Uruguay, have done, and are doing everything possible to find the criminals and prevent future similar actions.

But the matter does not remain with each individual nation, but with all nations. We must insist that all international bodies immediately condemn such actions, and further insist that all nations of the world enter into an agreement to deny asylum to any person who is in any way, form, or manner, connected to an act of international blackmail such as has been used by the groups responsible for the kidnapings of innocent persons.

THE PRESIDENT'S VETO MESSAGES

(Mr. BOGGS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BOGGS. Mr. Speaker, despite the fact that some Members on the Democratic side of the aisle had begun somewhat prematurely their recess, we have asked them all to return tomorrow to vote to override the President's two vetoes.

The country has been shocked by this double veto of two bills that are vital to the health and welfare of this country. Both of the measures were duly and seriously considered by the elected Representatives of the American people. Both measures were passed by an overwhelming majority in both the House and the Senate. Both Democrats and Republicans strongly supported each measure. Both provided for slightly more funds than the President had requested in his budget. But there was nothing extravagant about either bill.

The increased spending voted by Congress is modest in comparison with the needs in these fields. Yet the President in his veto message or messages on yesterday suggested that Congress was acting irresponsibly, and he is attempting to put a "big spending-inflation" label upon the Members of this body. He presents himself as the sole guardian of the interests of the American people against the follies of a "spendthrift Congress."

I do not think the American people are going to be fooled by this rhetoric. They will not be frightened by this bugaboo in an election year when Republicans are seeking to win more seats in the Congress.

They know that it is irresponsible to deny more money for education, for housing, for urban renewal, for pollution control, and for the veterans.

I hope that on tomorrow we will have a full turnout on both sides of the aisle, and I am very hopeful that both of these vetoes will be overridden.

SAVING MONEY IN THE GOVERNMENT

(Mr. HAYS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HAYS. Mr. Speaker, I was interested in the President's veto messages yesterday and his stressing of economies in Government. I have a couple of suggestions for him where he can start right close to the White House.

According to the local press, the Post Office Department spent between $4,000 and $5,000 in sending telegrams to various Members of the Congress and others inviting them to attend a signing at the White House this morning.

I would have suggested that with the number of telephone operators they have down there, they could have called all those people and spent nothing. Maybe they could even have used the mail.

The second economy move that I would suggest to the President would be to bring home from the United Nations Mrs. Hauser, whose chief function at the moment seems to be going around the country promoting homosexuals and lesbians. Fire her and save her salary.

Those would be two places the White House could economize right close to home and not have to economize on items of education for the children and care of veterans in hospitals.

NO TO EDUCATION; YES TO OTHER SPENDING

(Mr. SISK asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. SISK. Mr. Speaker, Congress passed appropriations bills for education and for housing and urban development by overwhelming votes in both

Houses. Now Mr. Nixon has vetoed these measures. In doing so, he claims he is saying no to bigger spending and no to higher prices.

He is also saying no to educational opportunities for our children. He is saying no to the housing and urban renewal programs that are urgently needed to help relieve the plight of Americans living in impossible conditions in our overcrowded cities. He is saying no to human needs.

It was only a short time ago that the President was called upon to come to the rescue of the moneyed interests involved in the bankrupt Penn Central conglomerate. But he did not say no to the big money men. He wanted almost $1 billion in their interests.

Now he rejects an equal amount which Congress has added to the budget request to meet the needs of our cities and our schools. And in doing so, he has the consummate nerve to lecture the Congress on big spending programs, ignoring congressional cuts last year in his own budget appropriations requests.

It seems that big spending, in the eyes of Mr. Nixon, is only for big people, big banks, big corporations. Congress has demonstrated, in passing the education and HUD bills, that it is responsive to the needs of all the people. It is not spending more than the President wants, it is spending it where it is needed most. In the interests of all the people, Congress will override the President's vetoes.

IS EDUCATION, HEALTH, AND HOUSING INFLATIONARY?

(Mr. COHELAN asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. COHELAN. Mr. Speaker, it is difficult to assess the motives of the President in vetoing the education and HUD appropriations bills which Congress passed by an overwhelming majority.

He suggests—without using the term—that he regards these measures as inflationary, the excuse he used in his HEW veto which Congress subsequently overrode. He would have us believe that he is protecting the American people from "higher prices, higher interest rates, higher taxes."

It is appropriate for the President to be concerned about these matters. After all, his administration has brought the Nation the highest interest rates in a century, along with steadily rising prices, in spite of his promises to curb inflation. So he should be concerned. The increase cost to taxpayers in increased interest rates on the national debt alone since Mr. Nixon became President is $3.5 billion.

But if he shows his concern by withholding funds for the education of our children and desperately needed funds to alleviate the pressures of our urban problems, he shows a distorted sense of values. The amounts involved would make a significant difference in meeting the needs of our people, but they would not make a significant difference in the national budget. The amounts involved in the additional funds voted by Congress are less than we are spending each month in Vietnam, and about what the President is secretly spending on Spanish bases.

In view of all this, it is tempting to reach the conclusion that President Nixon has chosen, for partisan purposes, to downgrade human needs and give priorities to less important spending.

UNEMPLOYMENT GOES UP UNDER REPUBLICANS

(Mr. GIBBONS asked and was given permission to address the House for 1 minute, to revise and extend his remarks, and include extraneous matter.)

Mr. GIBBONS. Mr. Speaker, it is distressing to see the unemployment rate back up to 5 percent. Today, 4½ million Americans are jobless. More than 1½ million have joined the jobless ranks since the beginning of the Republican administration. Would that Mr. Nixon be as concerned about these millions of jobless Americans as he is about playing politics with congressional appropriations.

We Democrats have always stressed full employment, for human as well as economic reasons. We know that everyone loses when a man it out of work. He loses not only his income, but his skills and contacts and self-confidence. His family loses a sense of security and faith in our economic system. Society loses the benefits of the services the unemployed man was prepared to provide, or the goods he was trained to produce. And the Government loses income tax revenue, while paying out more in unemployment compensation. As a result, the average citizen pays higher taxes for lower productivity.

It is a matter of historical record that employment is high under Democratic administrations and low under the Republicans.

When President Truman left office, the unemployment rate was a low 2.6 percent. One year of Republican policies doubled that rate to 5.2 percent—and 8 years of Republican policies brought it to a high of 7 percent. Within 1 year, the Kennedy administration reduced it to 5.5 percent, and 8 years under the Democrats brought unemployment to a low of 3.3 percent.

And now history is repeating itself. A Republican administration that has not learned the lessons of history is responsible for putting more Americans on the unemployment rolls.

Apparently the elephant never forgets the old tricks—and never learns new ones.

LEGISLATIVE REORGANIZATION ACT OF 1970

(Mr. SCHWENGEL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SCHWENGEL. Mr. Speaker, the Monday edition of the Washington Post contained an excellent article on the lack of action with respect to the Legislative Reorganization Act of 1970. The article indicates concern that the lack of action on the bill may result in the death of it. This justifiable concern is prompted by recent stories that the Senate plans to complete all of its legislation action prior to adjournment for the elections. If this is to be accomplished, the Senate must have our version of the Reorganization Act at the earliest possible date.

Mr. Speaker, let us give this legislation the priority which it deserves. Top priority.

THE PRESIDENTIAL VETO OF TWO APPROPRIATION BILLS

(Mr. ANDERSON of Illinois asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ANDERSON of Illinois. Mr. Speaker, the opening salvos have just been fired in this Chamber against the President of the United States for the courageous action he took on yesterday in vetoing two appropriation bills.

I was interested to note the standard employed by the distinguished majority whip when he spoke of these two bills as representing only a slight increase in the President's budget. I believe that the country and the American people are going to look at appropriation bills that are more than a billion dollars over the budget as something more than slightly in excess of that budget.

It has been said that to govern is to choose. It is true that the President had a choice to make on yesterday. He could choose between that which was politically expedient and that which was fiscally responsible. He made the latter choice, and I believe the country will not only thank him but support him; and I hope the Congress will do likewise.

THE PRESIDENT'S VETO OF BIG SPENDING, BUDGET-BUSTING BILL

(Mr. TALCOTT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TALCOTT. Mr. Speaker, I was disappointed to see the majority leader line up on the left side of the line yesterday—with the other big spenders.

It is too bad that in political years too many people put votes ahead of fiscal responsibility.

It is too bad that the big spenders still think they can buy votes with the public's money.

Fortunately for the Nation, President Nixon had the courage yesterday to do what had to be done by vetoing the big spending budget-busting independent offices and HUD appropriations bill.

I am hopeful those in the legislative branch will also face up to their responsibilities to help defeat inflation by sustaining this veto. That kind of political courage would go a long way toward keeping the big spenders in line.

THE FAILURE TO SUPPORT BUDGET REDUCTIONS FOR NAVAL SHIP CONSTRUCTION

(Mr. PIKE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PIKE. Mr. Speaker, I have just heard the distinguished gentleman from

Illinois refer to "the opening salvos" on the question of the President's vetoes and spending. Salvos, as we all know, are fired by naval vessels.

I should like to point out that in this Congress I have offered amendments totaling over $1 billion to cut authorizations which were over the President's budget for naval ship construction. The amendments cut only those items which were over the President's budget for naval ship construction. The total was over $1 billion, and we got no support at all in those cuts from the leadership on the other side of the aisle. They were happy, at that time, to authorize over a billion dollars more than the President had requested.

RECOMMENDED APPOINTMENTS TO NEW POSTAL SERVICE

(Mr. GROSS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GROSS. Mr. Speaker, now that the so-called postal reform legislation has been signed into law and politics—sweet politics—have allegedly been stricken from the operation of the postal service, I am compelled to take this means of recommending to President Nixon the appointment of two highly qualified individuals, one a Republican and the other a Democrat, to the bipartisan Board of Governors and/or the Postal Rate Commission.

For the new hierarchy in the Postal Service I recommend the appointment of Mr. George Moore, a Republican, and Mr. Fred Belen, a Democrat. Both are former staff directors of the House Post Office and Civil Service Committee, and both have served as high ranking officials in the Post Office Department. Both are professionals of many years standing in the field of postal operations.

Mr. Speaker, in the interests of improving the badly abused Postal Service, and since I am prohibited from communicating directly, I trust that the President will read this issue of the CONGRESSIONAL RECORD and act promptly and favorably on the recommendations here submitted.

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

Mr. GROSS. I am glad to yield to my friend from North Carolina.

Mr. HENDERSON. I certainly want to agree that Fred Belen and George Moore are highly qualified and should be considered for appointment to the new system.

Mr. GROSS. I thank the gentleman.

EXTENDING PERIOD DURING WHICH DYEING AND TANNING MATERIALS MAY BE IMPORTED DUTY FREE

Mr. MILLS. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H.R. 14956) to extend for 3 years the period during which certain dyeing and tanning materials may be imported free of duty, with a Senate amendment thereto and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment as follows:

Page 2, after line 12, insert:

"SEC. 3. (a) The proviso in the second sentence of section 22(b)(1) of the Second Liberty Bond Act, as amended (31 U.S.C. 757c(b)(1)), is amended by striking out '5 per centum' and inserting in lieu thereof '5½ per centum'.

"(b) Section 22(b) of the Second Liberty Bond Act, as amended (31 U.S.C. 757c (b)), is further amended by adding a new paragraph (3) reading as follows:

"'(3) The Secretary of the Treasury, with the approval of the President, may increase the interest rates and the investment yields on any offerings of United States savings bonds by not more than one-half of one percent for any interest accrual period that begins on or after June 1, 1970, and for any interest accrual period thereafter, to be paid as a bonus either on redemption or at maturity as the Secretary shall specify at the time the increase is provided.'"

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

Mr. BETTS. Mr. Speaker, reserving the right to object, and I shall not object. I take this opportunity to ask the distinguished chairman as to the effect of the bill on the rate of interest on series E bonds.

Mr. MILLS. Will the gentleman yield?

Mr. BETTS. I yield to the chairman of the committee.

Mr. MILLS. Mr. Speaker, as Members of the House will recall, on December 22, 1969, the House passed H.R. 14956, a bill to extend for 3 years the period during which certain dyeing and tanning materials may be imported free of duty. The Senate added an amendment sponsored by Senator Williams of Delaware which would authorize the Secretary of the Treasury to increase yields on U.S. savings bonds.

The present rate of interest on series E savings bonds, which became effective for all bonds issued after June 1, 1969, is 5 percent. This rate also applied to outstanding savings bonds for interest periods beginning on or after June 1, 1969. The Senate amendment authorizes the Secretary of the Treasury to raise this rate to 5½ percent on all series E bonds sold June 1, 1970, and thereafter. Thus, new issues of series E bonds sold on that date and thereafter could have a one-half of 1 percent bonus payable at maturity raising the yield to 5½ percent from date of sale to maturity. Bonds now outstanding which have not yet reached first maturity could receive a bonus payable at maturity sufficient to raise their present yield to maturity from the start of the first full interest crediting period beginning on or after June 1, 1970, by one-half percent. That also applies to those which have matured which are being held, and which are in the second or third maturity period.

Mr. Speaker, because this matter is of some importance and because it also is not, under the House rules, germane to the subject matter of the bill that the House passed, we discussed the matter in the committee this morning and the committee was unanimous in its opinion that this amendment should be agreed to.

The Treasury has asked us as well as the Senate to concur in it.

Mr. Speaker, I have been advised by the Secretary of the Treasury that if this amendment is agreed to they will make the changes in the yields on savings bonds as set forth in the following letter:

THE SECRETARY OF THE TREASURY,
Washington, August 5, 1970.

Hon. WILBUR D. MILLS,
Chairman, Committee on Ways and Means, House of Representatives, Washington, D.C.

DEAR MR. CHAIRMAN: We have noted that the Senate has passed H.R. 14956 with an amendment which would authorize the Secretary of the Treasury to increase yields on United States savings bonds.

If the amendment is enacted the Treasury will make the following changes in the yields on savings bonds:

1. New issues sold beginning June 1, 1970, and after would have a ½% bonus payable at maturity raising the yield to 5½% from date of sale to maturity.

2. Outstanding bonds, which have not yet reached first maturity, would receive a bonus payable at maturity sufficient to raise their present yield to maturity from the start of the first full interest crediting period, beginning on or after June 1, 1970, by ½ of 1%.

3. Issues entering an extension period on or after June 1, 1970, would be given flat 5½% yields through their next maturity, whenever redeemed.

4. Bonds now in an extension period would have their yields increased by approximately ½ of 1% per annum to next maturity, whenever redeemed.

The Treasury will also review the entire savings bond program to determine whether any longer-range changes should be made in the program.

The Senate has requested the concurrence of the House in the amendment. The Treasury recommends that the House concur.

Sincerely yours,

DAVID M. KENNEDY.

We have a situation that none of us like, because any time we proceed month by month to have more redemptions of these Series E savings bonds than we sell in that particular month the Treasury has to go to the banks or somewhere else to get the money. As long as the Treasury can siphon the debt into the hands of individuals it is certainly less inflationary than it is to put more and more of it into the banking stream. We are trying to reverse this situation of more redemptions than sales that we are in now.

Indeed, Mr. Speaker, we are doing it on the basis that I can assure the membership does not put us into a better position than the banks are in or the savings and loan institutions are in with respect to their rate of interest, bearing in mind that the savings and loan institutions are permitted to pay interest on deposits of 2 or more years in amounts in excess of 5.5 percent, as are the banks.

These bonds would be for a longer maturity than 2 years, so there is no question that we are not depriving the savings and loan institutions of accounts that they have which are so essential to the development of more housing in the United States.

Mr. Speaker, I would urge the House to unanimously accept the amendment.

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

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

Mr. GROSS. Mr. Speaker, I want to thank the gentleman from Ohio for yielding, and to thank the gentleman from Arkansas (Mr. MILLS) for his explanation of what is here proposed, and to say to the gentleman that I think the situation demands passage of this amendment; otherwise I certainly would object to the consideration under unanimous consent of any ungermane amendment if it was not as meritorious as I feel this amendment is.

Mr. MILLS. If the gentleman will yield further, Mr. Speaker, there is a whole lot in the position taken by the gentleman from Iowa with respect to these nongermane amendments that are of this degree of importance in that there is some degree of difference when the committee itself has considered the amendment, and unanimously agrees to the amendment.

Mr. BETTS. Mr. Speaker, I withdraw my reservation of objection.

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

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

COMMUNICATION FROM THE SERGEANT AT ARMS OF THE HOUSE—SUBPENA SERVED ON ZEAKE JOHNSON, JR.

The SPEAKER laid before the House the following communication from the Sergeant at Arms of the House of Representatives:

WASHINGTON, D.C.,
August 10, 1970.

Hon. JOHN W. MCCORMACK,
Speaker, U.S. House of Representatives, Washington, D.C.

DEAR MR. SPEAKER: I have in my official capacity as Sergeant at Arms of the House of Representatives been served in a civil action in the United States District Court for the District of Columbia (Civil action file number 2296–70). Having in mind that the privileges of the House of Representatives may be involved, I am bringing this matter to your attention.

I did, on August 10, 1970, address a letter to the Honorable Thomas A. Flannery, United States Attorney for the District of Columbia, requesting assignment of counsel to represent the Sergeant at Arms as provided for in 2 United States Code 118. A copy of that letter is attached hereto.

Sincerely,
ZEAKE W. JOHNSON, Jr.,
Sergeant at Arms.

WASHINGTON, D.C.,
August 10, 1970.

Hon. THOMAS A. FLANNERY,
U.S. Attorney for the District of Columbia, U.S. Courthouse, Washington, D.C.

DEAR MR. FLANNERY: I respectfully request that you assign counsel to represent the Sergeant at Arms of the House of Representatives, Zeake W. Johnson, Jr., in a civil action in the United States District Court for the District of Columbia (Civil Action File Number 2296–70) pursuant to 2 United States Code 118. I was served in my official capacity, on August 5, 1970, with instructions to answer the complaint within sixty days after service.

I am enclosing herewith a copy of the summons which was served on me. I may add that I will be available at any time to confer with any counsel that you may assign to this case.

Very truly yours,
ZEAKE W. JOHNSON, Jr.,
Sergeant at Arms.

COMMUNICATION FROM THE ACTING ARCHITECT OF THE CAPITOL—SUBPENA SERVED ON MARIO E. CAMPIOLI

The SPEAKER laid before the House the following communication from the Acting Architect of the Capitol:

WASHINGTON, D.C.,
August 7, 1970.

Hon. JOHN W. MCCORMACK,
Speaker of the House of Representatives, Washington, D.C.

MY DEAR MR. SPEAKER: Yesterday I was served with a Summons upon a complaint for declaratory judgment and for injunctive relief filed in the United States District Court for the District of Columbia, relative to the display, in the Crypt of the Capitol, of the exhibit showing the treatment of American prisoners of war in North Viet Nam.

The complaint prays for a declaratory judgment that the denial to the plaintiffs of access to the Crypt for their display of anti-war propaganda material is unconstitutional and for an injunction enjoining the Acting Architect of the Capitol, the Chief of the Capitol Police, the Sergeant at Arms of the House and the Sergeant at Arms of the Senate, from interfering with the erection of the plaintiff's display in the Crypt of the Capitol.

A copy of the Summons, Complaint, Motion with Preliminary Injunction and Affidavits pertaining thereto is enclosed herewith.

I have this date requested the Attorney General of the United States to have the Department of Justice represent me in this litigation. A copy of my letter to the Attorney General is enclosed herewith.

Respectfully yours,
MARIO E. CAMPIOLI,
Acting Architect of the Capitol.

ARCHITECT OF THE CAPITOL,
Washington, D.C., August 7, 1970.

Hon. JOHN NEWTON MITCHELL,
Attorney General of the United States, Washington, D.C.

MY DEAR MR. ATTORNEY GENERAL: On August 6, 1970, I was served with a Summons in Civil Action No. 2296–70 in the United States District Court for the District of Columbia upon a complaint for declaratory judgment and injunctive relief.

A copy of the Summons, Complaint, Motion for a Preliminary Injunction and Affidavits pertaining thereto are enclosed herewith.

In view of the provisions of Title 28, Section 516 of the United States Code, I do hereby respectfully request to be represented by your Department in this litigation.

Respectfully yours,
MARIO E. CAMPIOLI,
Acting Architect of the Capitol.

PERMISSION FOR COMMITTEE ON RULES TO HAVE UNTIL MIDNIGHT TONIGHT TO FILE CERTAIN PRIVILEGED REPORTS

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

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

There was no objection.

HEART DISEASE, CANCER, STROKE, AND KIDNEY DISEASE AMENDMENTS OF 1970

Mr. SISK. Mr. Speaker, by direction of the Committee on Rules and on behalf of my colleague, the gentleman from Florida (Mr. PEPPER), I call up the resolution (H. Res. 1180) and ask for its immediate consideration.

The Clerk read the resolution as follows:

H. RES. 1180

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 17570) to amend title IX of the Public Health Service Act so as to extend and improve the existing program relating to education, research, training, and demonstrations in the fields of heart disease, cancer, stroke, and other major diseases and conditions, and for other purposes. After general debate, which shall be confined to the bill and shall continue not to exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Interstate and Foreign Commerce, the bill shall be read for amendment under the five-minute rule. It shall be in order to consider the amendment in the nature of a substitute recommended by the Committee on Interstate and Foreign Commerce now printed in the bill as an original bill for the purpose of amendment under the five-minute rule. At the conclusion of such consideration, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and any Member may demand a separate vote in the House on amendments adopted in Committee of the Whole to the bill or to the committee amendment in the nature of a substitute. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions.

The SPEAKER. The gentleman from California (Mr. SISK) is recognized for 1 hour.

Mr. SISK. Mr. Speaker, I yield 30 minutes to the gentleman from Nebraska (Mr. MARTIN), pending which I yield myself such time as I may consume.

Mr. Speaker, House Resolution 1180 provides an open rule with 1 hour of general debate for consideration of H.R. 17570, a bill to amend title IX of the Public Health Service Act. The resolution also makes it in order to consider the committee substitute as an original bill for the purpose of amendment.

H.R. 17570, as reported, would extend for 3 years the existing program, known as regional medical programs, under which grants are made for local based programs designed to improve the diagnosis, care, and treatment of heart disease, cancer, and stroke. The bill also would expand the coverage of the program to cover kidney disease, and would make a number of relatively minor modifications in the program which are desirable.

The substantive authorization for regional medical programs expired on June 30. Accomplishments of the program since its initial establishment 5 years ago, it is thought, justify its continuation.

The bill will strengthen and expand regional medical programs in those areas where needed.

Mr. Speaker, I urge the adoption of the rule in order that the bill may be considered.

Mr. MARTIN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the purpose of the bill is to extend for 3 years existing regional medical programs designed to improve the diagnosis, care, and treatment of heart disease, cancer, and stroke. The bill also expands these programs to include kidney disease.

The original act, the Heart, Cancer, and Stroke Amendments of 1965, sets up grant-in-aid programs to promote the development of regional cooperative arrangements among the Nation's health professions and institutions for improved regional organization of health resources and services, improvement of the capabilities for care at the local community level for persons threatened by heart disease, cancer, stroke, and related diseases.

The bill retains these features of the act, strengthens several areas in technical matters, and expands the program to now include chronic kidney diseases.

The legislation makes clear that prevention and rehabilitation as well as diagnosis and treatment are within the scope of the program.

Authorizations are contained in the bill for a 3-year period: For fiscal year 1971, $125,000,000; for fiscal year 1972, $150,000,000; and for fiscal year 1973, $200,000,000.

Additionally, during fiscal year 1971, up to $15,000,000 of the sums appropriated may be earmarked for activities in the field of kidney disease.

Finally, the bill expands the National Advisory Council for regional medical programs for 16 to 20 members so as to include experts in kidney disease and in prevention of all the diseases covered by the bill.

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

The previous question was ordered.

The SPEAKER pro tempore (Mr. ALBERT). The question is on agreeing to the resolution.

The resolution was agreed to.

A motion to reconsider was laid on the table.

CALL OF THE HOUSE

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

The SPEAKER pro tempore. Evidently, a quorum is not present.

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

A call of the House was ordered.

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

[Roll No. 272]

Abbitt	Ashley	Biaggi
Addabbo	Baring	Biester
Anderson, Tenn.	Barrett	Boland
Ashbrook	Berry	Bray
	Bevill	
Brock	Green, Pa.	Randall
Brown, Ohio	Griffiths	Rarick
Broyhill, N.C.	Gubser	Rees
Buchanan	Hagan	Reifel
Burton, Utah	Hall	Rivers
Bush	Hanna	Rogers, Colo.
Byrne, Pa.	Hébert	Rooney, N.Y.
Caffery	Hull	Rooney, Pa.
Carey	Hunt	Rostenkowski
Celler	Johnson, Pa.	Roth
Chappell	King	Roudebush
Clancy	Kuykendall	Ruth
Clark	Kyl	Ryan
Clay	Landgrebe	Saylor
Colmer	Lennon	Scherle
Conyers	Long, La.	Scheuer
Coughlin	Lukens	Schneebeli
Cramer	McCarthy	Shriver
Cunningham	McCulloch	Sikes
Daddario	McDade	Skubitz
Daniel, Va.	McMillan	Stanton
Dawson	Mailliard	Stratton
Dent	Meskill	Sullivan
Devine	Miller, Ohio	Taft
Dickinson	Montgomery	Teague, Calif.
Diggs	Moorhead	Thompson, Ga.
Dingell	Morgan	Tunney
Downing	Morton	Waggonner
Edwards, La.	Murphy, N.Y.	Wampler
Eilberg	Nichols	Weicker
Erlenborn	O'Hara	Whalley
Eshleman	O'Neal, Ga.	Whitehurst
Fallon	O'Neill, Mass.	Williams
Fish	Ottinger	Wilson, Bob
Fisher	Passman	Wilson, Charles H.
Flood	Patten	Wold
Foley	Philbin	Wolff
Gallagher	Pirnie	Wylie
Garmatz	Pollock	Young
Gaydos	Powell	
Gilbert	Price, Ill.	
Goodling	Price, Tex.	

The SPEAKER. On this rollcall, 293 Members answered to their names, a quorum.

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

NASSA MAKES NEW APPOINTMENT

(Mr. DANIELS of New Jersey asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DANIELS of New Jersey. Mr. Speaker, I was pleased to learn recently that a most capable legislative representative for the National AeroSpace Services Association, Mr. Hall Sisson, has been named acting executive director and secretary-treasurer. In this capacity Mr. Sisson will run the day-to-day operations of NASSA, and he will also continue to direct legislative activities of the association.

I want to take this opportunity to congratulate Hall Sisson and extend him every good wish on his new assignment. He is well-qualified to assume these new duties, and I am certain he will be eminently successful.

HEART DISEASE, CANCER, STROKE, AND KIDNEY DISEASE AMENDMENTS OF 1970

Mr. STAGGERS. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 17570) to amend title IX of the Public Health Service Act so as to extend and improve the existing program relating to education, research, training, and demonstrations in the fields of heart disease, cancer, stroke, and other major diseases and conditions, and for other purposes.

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

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H.R. 17570, with Mr. PIKE in the chair.

The Clerk read the title of the bill.

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

The CHAIRMAN. Under the rule, the gentleman from West Virginia (Mr. STAGGERS) will be recognized for 30 minutes and the gentleman from Illinois (Mr. SPRINGER) will be recognized for 30 minutes. The Chair recognizes the gentleman from West Virginia.

Mr. STAGGERS. Mr. Chairman, I yield myself such time as I may use.

Mr. Chairman, this bill is a 3-year extension of the existing program known as regional medical programs, which was ordered reported by the full Committee on Interstate and Foreign Commerce unanimously.

In addition to extending the program for 3 years, the bill broadens the program to include kidney disease, specifically, and a number of other improvements are made in its operation.

Mr. Chairman, this bill is a 3-year extension of the existing programs under title IX of the Public Health Service Act known as regional medical programs. This bill was considered in hearings before the committee on public health and welfare, which unanimously ordered the bill reported to the full committee. The full committee was unanimous in recommending the bill to the house, and I know of no controversy as to the objectives of the bill.

Mr. Chairman, this program was initially established by the Congress in 1965, and provides for the establishment of programs throughout the United States designed to improve the diagnosis, care, and treatment of heart disease, stroke, cancer, and related diseases. Local planning groups are established under this legislation, and if they meet the criteria established in the law they receive funding by the Department of Health, Education, and Welfare for the preparation of more detailed plans covering the area which they are designed to serve.

After grants for plans have been approved the local group prepares specific project proposals which are then submitted to a national advisory council here in Washington. If the national advisory council approves the project as submitted, the council recommends to the Secretary of Health, Education, and Welfare that the project be funded, and in the event such a recommendation is made, the Secretary is authorized, but not required, to provide funding for the project.

Since this legislation was initially enacted in 1965, 55 regional medical programs have been established, which cover 100 percent of the population of

the United States within their service areas. These regions vary widely in population and geographic coverage. The largest in terms of population is California with about 20 million persons while the smallest is the northern New England RMP, covering about 425,000 persons. The intermountain regional medical program covers four Western States, and part of a fifth, whereas the smallest in geographic size covers the District of Columbia. In general, this program has worked extremely well although funding has been somewhat limited in recent years. For that reason, the legislation presently being considered is primarily an extension of existing law, with authorization of $125 million for fiscal 1971, $150 million for 1972, and $200 million for 1973. In addition, a number of changes are made in the program, but its basic structure remains intact.

The principal modification in the program proposed by the bill is the expansion of the program to include specifically kidney diseases among the category of diseases covered. Under the existing program, a few projects have been funded to provide improved care for persons suffering from kidney disease. The justification for each of these projects has had to be that the kidney disease being dealt with was directly related to heart disease, stroke, or cancer.

Broadening the scope of considerations of the legislation as proposed would mean that it would no longer be necessary to tie in kidney disease with other diseases. For fiscal 1971, the bill earmarks not to exceed $15 million for kidney disease programs, but for future fiscal years the amount available for such programs will not be subject to this type of limitation.

The bill makes a number of other improvements in the overall operation of the program. The bill requires appropriate coordination between the RMP advisory council and State and local councils and areawide health agencies. It also increases the size of the National Advisory Council from 16 members to 20 in order to include an additional member outstanding in the study and care of kidney disease, and to provide for at least two members outstanding in the field of prevention of heart disease, stroke, cancer, or kidney disease. The legislation includes specific contract authority, which should be of aid in the conduct of field trials and demonstrations, manpower training, research and special projects for improving and developing new means for the delivery of health services.

Mr. Chairman, as I mentioned, the committee was unanimous in recommending the bill to the House, and we urge its passage.

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

Mr. STAGGERS. I am glad to yield to the gentleman from Pennsylvania.

Mr. FULTON of Pennsylvania. I would like to commend the gentleman as well as the committee on the excellent preparation of this legislation. This legislation is necessary, and it is for the good of everyone in America. In fact, being this year the Pennsylvania chairman of the 1970 Heart Fund Drive of many thousand volunteers for the Pennsylvania State Heart Association, I have checked into the records and have found that research on heart and vascular disease since 1958, has reduced the death rate by 22 percent. This research has been showing real results and should be emphasized.

We all in both parties in Congress, as well as the average American citizen, of every age, owe a deep debt of gratitude to President Lyndon Johnson for his leadership after his heart attack, and his foresight in proposing and working for the successful outcome of this legislation, which provides funds for research in these four major health fields. We in Congress should provide adequate research funds every year, to keep these programs actively moving ahead.

Research under this legislation has been making substantial progress. I believe that every one of us on the House floor today has had friends and relatives who have had strokes, or heart disease, kidney disease, or cancer, which are certainly our United States great "killer diseases." When the Congress has the opportunity to advance and to conquer these major diseases, these killers, by research, I feel we Members should take the responsibility and provide the funds and sinews in this war against disease, and for longer life with reduced disabilities for every American, young and old. Therefore, I compliment the committee particularly on this fine legislation.

Mr. STAGGERS. Mr. Chairman, I thank the gentleman from Pennsylvania. Certainly he knows, having had first-hand experience with some recent ailments of the heart, how important this program is. Those of us who have had some such experience personally or in our families also know the importance of this. These are the great killer diseases of our land. We want to do everything we can to eliminate them.

We recommend this bill wholeheartedly to the Members. It passed the subcommittee and the full committee unanimously. I recommend passage of it to the Congress.

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

Mr. Chairman, the original program suggested to deal with heart disease, cancer and stroke was a highly ambitious proposal which would have cost many billions of dollars and duplicated or replaced many of the facilities and institutions for health care already in being. The Interstate and Foreign Commerce Committee did not see fit to recommend a program of that kind to the Congress. Instead it came forth with a far more modest and realistic proposal aimed at encouraging the private sector in the health field to band together in groups of its own choosing for the purpose of brainstorming the problem. What was needed were new ideas on delivering the services and skills available and those which might become available to the victims of heart disease, cancer, and stroke.

Since the entire effort rested on the voluntary organization of many diverse organizations and individuals, it necessarily started off at a slow pace and at a low key. In each area of the country it was necessary that one institution or organization take the initiative for bringing together all of the elements necessary for successful planning. In many instances the major medical schools served this purpose. In some cases it was the State medical association. But however it started there are now 55 such organizations which cover all the United States involved in this planning, and in these arrangements for providing service are most of the hospitals, medical groups, allied health professions and voluntary health organizations. In addition, State and local governments are cooperating. Some of these organizations cover a part of a county while some cover several States.

Because the program has been strictly voluntary and based upon the industry and enthusiasm of the health fraternity itself, it is, I believe, being built upon a solid base. Experiments and demonstration of new method and novel and imaginative use of communications are bringing to patients in all areas the advantages of the best medical care available in these important fields.

Another very useful device which has emerged from this program has been the organization of regional advisory committees and regional task forces. This has brought together at the operational level, rather than merely the planning level, all of the various elements involved in health care. Individuals on these task forces represent about 6,300 health and health-related institutions. This is useful in breaking down some of the rivalries and mutual suspicions which have traditionally plagued the health care field.

The bill before us today would extend for an additional 3 years the authorizations for this effort in the amounts of $125 million for fiscal year 1971, $150 million for fiscal year 1972, and $200 million for fiscal year 1973. The budget request for this program is $96.5 million. In fiscal year 1970 the authorization was $120 million and the appropriation was $73.5 million. Somewhat more than this appropriated figure was spent due to carryover money which was available.

In addition to extending the program in its present form the bill adds kidney disease. There is a limitation of $15 million to be used in this area. It might sound to someone unfamiliar with the program that we were gradually expanding the legislation to cover too much territory. Actually the machinery for both planning and operation is already in existence. Undoubtedly the problem of kidney disease has been considered. Any additional effort required will be in the areas of providing proper kinds of medical manpower and the proper kinds of instrumentation to the arrangements already in being or in the making.

The accomplishments of organization and the advancements in the delivery of health services which are brought about by this program may very likely be extended to many other areas in the entire field of health care and the delivery of health services.

Because other legislation closely related to regional medical programs, known as comprehensive health planning is also before the House for exten-

sion, I think it is best to say a word here about the connection. Comprehensive health planning is a Government effort at State and local levels. It looks to the role of Government in health care and to the coordination and cooperation among governmental units. It is obvious that there is a very real connection between these two programs. They should, as time goes on, become closer and closer allies in the war on disease. Where areawide comprehensive planning groups exist, it will be required under this bill that applications for grants under the regional medical program be considered by the areawide planning group. Although there is no veto power here, it is the purpose to avoid duplications and conflicts. At the same time it is provided that representatives of the comprehensive health planning groups participate in the advisory groups set up within the regional medical program. These efforts and these requirements should, more than anything else we have done heretofore, minimize fractionalization and overlapping in medical services and the use of medical facilities and manpower.

I feel that the heart disease, cancer, stroke, and kidney disease amendments provide support for one of the most important of our health programs and I recommend them to the House for favorable consideration.

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

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

Mr. GROSS. I thank the gentleman for yielding.

Does this Federal money require matching funds from the States?

Mr. SPRINGER. Yes; it does require matching funds.

Mr. GROSS. On this new kidney program, how much is allocated?

Mr. SPRINGER. Fifteen million dollars.

Mr. GROSS. That is for 1 fiscal year.

Mr. SPRINGER. That is for 1 fiscal year.

Mr. GROSS. Is it a part of the funds otherwise authorized, the total funds for each fiscal year?

Mr. SPRINGER. That is not a separate amount.

Mr. GROSS. It is not an add-on?

Mr. SPRINGER. That is correct. It is in the total.

Mr. GROSS. It would be appropriated at the rate of $15 million in each of the years for which advance fiscal year appropriations are authorized?

Mr. SPRINGER. That is correct.

Mr. GROSS. I thank the gentleman.

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

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

Mr. FULTON of Pennsylvania. I strongly favor this medical research legislation. Could Congress broaden the program, if not now, in the future, to include various conditions which cause paralysis? For example, multiple sclerosis is one of the great incurable and disabling paralyzers of young people. It is a slow and lingering progressive disease in many cases, other cases so devastatingly swift as in the case of famous ballplayer, Lou Gehrig. In addition to that, we have many veterans who have been paralyzed through war, and young people paralyzed through infections, and accidents with automobiles, and injuries of various kinds, to the brain and spinal cord.

Would it be possible, when Congress looks to the future, that the committee could include not only disabling and paralyzing strokes but also any other conditions causing paralysis?

Mr. SPRINGER. I can say that we will include them as we believe the evidence indicates we ought to. This is not a broad, cover-all program for every disease.

We did believe there was an association close enough in the kidney area that we should put it in the bill. We do not want to come in here with a whole lot of things.

May I say, as to multiple sclerosis, the NIH is doing a marvelous job. I happen to have had a niece who suffered from that, and I am somewhat acquainted with what they do there. The advice given to her in all instances I thought was excellent, and the kind of treatment they are giving is good. They have excellent multiple sclerosis programs underway now.

Mr. FULTON of Pennsylvania. The point I am making is I should like to emphasize research on paralysis from whatever cause. I do realize the National Institutes of Health have fine programs to alleviate the disease of multiple sclerosis, by palliative treatments. But there is not, of course, a known cure for multiple sclerosis.

Mr. SPRINGER. May I say that a great deal of experimenting is being done in that field at the present time.

Mr. FULTON of Pennsylvania. I am just recommending in the future we broaden the base to include other causes of paralysis.

Mr. SPRINGER. I think I can assure the gentleman that we will expand the program as the need is shown for it, and we will do it through this kind of a bill.

Mr. FULTON of Pennsylvania. I strongly support the legislation and compliment the committee again for its excellent work in this bill authorizing Federal matching funds in research on the four great killers, strokes, heart disease, kidney disease, and cancer.

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

Mr. SPRINGER. I am glad to yield to the gentleman from Iowa.

Mr. GROSS. Can the gentleman give us any idea of the total amount of money now being expended for these purposes? Is this money being spent through the NIH?

Mr. SPRINGER. This money is spent through the Department of Health, Education and Welfare in the form of grants. NIH comes under that, of course.

Mr. GROSS. That is right.

Mr. SPRINGER. But actually NIH has a separate appropriation of its own. This is in the form of grants to States on a matching basis in order to have an incentive on the local level to pursue the program. We do not want to do it all at the Federal level.

Mr. GROSS. The total expenditures for the purposes of this bill are what?

Mr. SPRINGER. May I say to the distinguished gentleman that there are millions of dollars being spent by private sources in all three of these fields.

Mr. GROSS. Some of the funds are coming into private research through the Federal Government, also, I assume.

Mr. SPRINGER. Yes. Under this contractual authority we certainly have a right to do that, but I do not want the gentleman to be under the misapprehension that this is all the money that is being spent. That is not true. A great deal of private money is being spent, also.

Mr. GROSS. I take it that other Federal funds are being spent, too, in large amounts.

Mr. SPRINGER. That is true.

Mr. GROSS. For the same general purposes.

Mr. SPRINGER. That is right. But may I say they are not overlapping. That is the one point I want to make clear to the gentleman. This is in the form of grants in the areas where we think the persons can get treatment.

Mr. GROSS. I am glad to hear that they are not overlapping.

Mr. SPRINGER. May I say to the distinguished gentleman that people have been approaching me here with a gigantic program of $600 million to conquer cancer. I will support that type of program if I have any reasonable evidence that $600 million will do it. I can remember back in the days when the great John Fogarty was here and they persuaded him to give $300 million for what they said would be a program to conquer cancer in an effort to make a breakthrough on it. They had to come back at the end of that year with $150 million or $200 million that they could not spend. The Government agency had said that they could not spend this amount of money.

These things are not easy to conquer. Money alone will not do the job, because it takes time and expertise to get it done.

Mr. Chairman, I yield 5 minutes to the gentleman from Kentucky (Mr. CARTER).

Mr. CARTER. Mr. Chairman, I rise in support of this bill.

Actually, in relation to what we are spending on various other projects it is really minuscule. Only one-eighth of the amount spent each month on the war in Vietnam will be spent on this program, or less even than that. This goes to improve the health of the people of this country. I think it is a much more worthy cause.

The purposes of this bill, as my distinguished colleague has stated, are to promote research in heart disease, cancer, and stroke and to provide the communication of such findings to physicians throughout the country and the transmission of this learning to physicians as quickly as possible. As a result of the bill 55 regional medical programs have been initiated. They usually centered about a university. They provide information and assistance to communities in their neighborhood. Not only that, but physicians from the universities go out to neighboring communities and lecture to the physicians there.

This year kidney disease was added to this program. For those of us who have

read about kidney disease, we know that 8,000 people die each year because of the lack of a kidney machine which would clear certain poisons from their blood. We feel that more research should be done in the field of kidney disease. Actually we feel that more of these kidney machines should be provided for medical institutions throughout our country.

The 8,000 people who die needlessly each year should not die, and we hope that in this program we will be able to prevent such deaths.

By means of this program, physicians in small communities can connect their electrocardiograms to a telephone and get an immediate diagnosis of heart disease or myocardial infarction, or whatever it might be, from a specialist in a distant city. Not only that, in other serious cases they also can receive such aid.

Mr. Chairman, I say that this is a good program, it is a worthwhile program, and it should be funded and it should be supported.

Mr. Chairman, I thank the gentleman for yielding.

Mr. STAGGERS. Mr. Chairman, I would like to respond to the remarks of our distinguished colleague, the gentleman from Kentucky (Mr. CARTER).

Mr. Chairman, we are indeed fortunate to have a medical doctor on our committee. The gentleman from Kentucky, Dr. CARTER, deserves very great commendation for his work on our committee, and for the medical information and advice that he gives us. He is not only a distinguished medical man, with a great deal of knowledge of all the different diseases that afflict our Nation but he is extremely sympathetic and helpful in the committee's efforts to pass legislation to cure these diseases.

I am sure the committee is grateful to him, and will agree that he has done a great job.

I would also wish to commend the members of the Subcommittee on Public Health and Welfare. They have done so much work and they have a great deal more to do, and so again I commend the gentleman from Kentucky, and all of the members of the subcommittee.

Mr. Chairman, I will now yield such time as he may consume to the gentleman from Oklahoma (Mr. JARMAN).

Mr. JARMAN. Mr. Chairman, I rise in support of H.R. 17570, the Heart Disease, Cancer, Stroke, and Kidney Disease Amendments of 1970, which was unanimously reported by both the Health Subcommittee and its parent Committee on Interstate and Foreign Commerce. H.R. 17570 would extend for 3 years and amend the present legislative authorization for the regional medical programs, title IX of the PHS Act, which expires this June 30.

Initially established in October 1965, with the enactment of Public Law 80–239, and extended for 2 years in October 1968 by Public Law 90–574, regional medical programs seeks through grants to develop regional cooperative arrangements among medical centers, hospitals, practicing physicians, voluntary and official health agencies, and other health interests and groups for the purpose of improving the quality of care provided those suffering from, and threatened by, heart disease, cancer, and stroke. During the hearings on H.R. 17570, the subcommittee was provided with evidence of substantial progress in implementing the concept and achieving the goals of regional medical programs. And in ways perhaps not fully envisaged originally. For we heard from an impressive array of public witnesses testifying on behalf of the program that it also has begun to influence, through the broad range of continuing education and training, patient care demonstration, planning, and other activities initiated by the 55 regional medical programs, the current arrangements for health services more generally in a manner which will improve their quality, accessibility, and efficiency.

Of the 55 regional medical programs established for planning programs during the first 2 years of the program, 54 are now operational. These 55 programs cover the entire country and all its people. The regions range in population from a few hundred thousand to as many as 20 million; they vary in area from several counties to several States; and the 55 reflect great differences, as well as similarities, in the nature and magnitude of their health resources and needs. All, however, are characterized by a degree of local autonomy and decisionmaking that is rather unique among Federal grant programs. Thus, each program has been able to integrate itself into the various social and political as well as health forces and traditions within its own region.

The fact that these programs are now viable elements of each region's health community is in itself a major accomplishment. What made this possible was the flexibility of the original law, the concept of regionalization it represented, the wisdom and restraint with which it has been administered at the national level, and, in the final analysis, the skill and motivation and good judgment of those who chose to implement it locally in the 55 regions.

To achieve this, virtually all elements of the health care system—medical schools, hospitals, academic and practicing physicians, dentists, members of all of the allied health professions, voluntary and public health organizations and agencies, and national, regional, State, and local government agencies—which historically were reticent to join together in such cooperative arrangements, had to be reached and convinced of both the unique concept of regional medical programs and the need for the implementation of that concept. The extent to which this joining together under regional medical programs has been accomplished can be illustrated by the numbers of individuals and institutions involved. Over and above the working staffs of the 55 programs, which now number some 2,500, collectively nearly 3,000 individuals are serving on their regional advisory groups. In addition, over 10,000 hospital administrators and trustees, practicing physicians, medical center and medical school officials and faculty, and representatives of public and private agencies serve the regional advisory group as members of regional planning committees and regional task forces and 330 local action groups. These individuals represent a total of some 6,300 health and health-related institutions, including all of the Nation's medical schools, hospitals, every State medical society, State and city health departments, voluntary health associations, other private and public agencies, and consumer groups.

We now can see that, generally, the following objectives of the regional medical programs are being realized in that they are—

Developing a base for effective regional planning and decisionmaking through broad representation and participation of health institutions and professions;

Through the professional and institutional linkages of regionalization, achieving the ever-increasing effective use of modern methods and techniques for diagnosis and treatment of heart disease, cancer, stroke, and related diseases;

Through training of new types of personnel, the continuing education of personnel already in the health field, and demonstrations of patient care, improving the distribution and gaining better utilization of the available resources of health manpower;

Increasing and improving facilities and resources for conducting demonstrations of patient care and diagnostic techniques, while simultaneously promoting the regionalization of those health resources and services;

Developing and testing new methods and approaches for improving existing medical care delivery systems, including coordinated approaches with other Federal planning efforts such as comprehensive health planning agencies; and

Becoming the focus for all provider-oriented health planning, the organization for resolving differences of needs among institutions, the resources for developing and testing new ideas, and the change element through which these actions can be implemented.

It is against the background of this legislative history and program accomplishments to date that H.R. 17570 has been drawn up. This bill, in addition to extending regional medical programs through June 30, 1973, and authorizing appropriations of $125, $150, and $200 millions respectively in each of the next 3 years, would include the following changes in the enabling legislation:

Make explicit that prevention and rehabilitation, as well as diagnosis and treatment, are clearly within the scope of the program. It also emphasizes that regional medical programs must be concerned with strengthening and improving primary care and the relationship between specialized and primary care; and improving health services for persons residing in areas with limited health services.

Promotes increased cooperation and coordination with CHP by providing for representation of official health and planning agencies on the regional advisory groups and, at the same time, RMP representation at the State and areawide comprehensive health plan-

ning councils. It also provides that before a regional advisory group may recommend approval of an operational grant, the opportunity must be provided for consideration of the application by the appropriate areawide comprehensive health planning agency so as to insure greater coordination of health planning and programing efforts at the local level and adherence to community established priorities. These changes are designed to encourage and accelerate the development of a close working relationship between these programs along the lines that already have emerged in some regions and localities.

Providing explicit contract, as well as grant authority, to regional medical programs. This is especially important in relation to the expanded multiprogram services that would be permitted under H.R. 17570. For not only would the authorization for those interregional support activities of use to two or more regional medical programs be continued, but it would allow, for example, the conduct of cooperative clinical field trials and demonstrations relating to the development of improved methods for control of heart disease, cancer, stroke, kidney disease, and other related diseases, activities for which contracts sometimes are a far more suitable mechanism than grants.

In short, these and the other changes contained in H.R. 17570, would strengthen and expand the regional medical programs in those areas where this seems to be clearly indicated; and at the same time retain the major features of the present legislation.

Therefore, Mr. Chairman, I would in conclusion urge my colleagues in the House to support the Heart Disease, Cancer, Stroke, and Kidney Disease Amendments of 1970, and after due consideration join with me and my fellow members of the Interstate and Foreign Committee, and its Health Subcommittee, in insuring its speedy passage.

Mr. STAGGERS. Mr. Chairman, I yield such time as he may consume to the gentleman from Florida, a member of the committee (Mr. ROGERS).

Mr. ROGERS of Florida. Mr. Chairman, I rise in support of H.R. 17570, a bill to extend and improve the existing program relating to the education, research, training, and demonstrations in the field of heart disease, cancer, stroke, and other major ailments. The purpose is to bring the latest knowledge and techniques to the American people as quickly as possible.

In 1965 we in the Congress passed the Heart, Cancer, and Stroke Amendments to the Public Health Service Act, thereby bringing into existence the regional medical programs. The aim of the original legislation was to bring to every section of the country the latest medical knowledge and expertise in the diagnosis and treatment of heart disease, cancer, stroke, and related afflictions.

During the course of the hearings on the bill now before us I became convinced that the original act was, in retrospect, one of the most important and most successful pieces of health legislation produced by the 89th Congress. The regional medical programs established by that legislation have moved from the planning stages to the operational phases.

H.R. 17570 would extend the authorizations of the program for 3 years at a level of $125 million for fiscal 1971, $150 million for fiscal 1972, and $200 million for fiscal 1973 for a total of $475 million. Of these sums $15 million will be available for activities in the field of kidney disease for fiscal 1971. It was the committee's belief that kidney disease should be specifically included within the regional medical program because of its close medical relation to heart and stroke ailments. Inclusion of kidney disease within the program will promote the testing and evaluation of methods for its prevention and control at the community level and the organization of kidney disease programs on an interregional basis across the Nation.

The regional medical program will be broadened by this legislation to promote improvements in essential communication and transportation mechanisms of data exchange and manpower allocation. The kidney transplant program will be readily adaptable to a data exchange approach, which will enable more individuals suffering from kidney disease to receive immediate transplants and on-the-spot medical expertise.

The regional medical program, as amended by H.R. 17570, will emphasize the need for increasing the quantity and quality of medical manpower and facilities. Of utmost importance is the reallocation of medical manpower and facilities to critical urban and rural areas where services are limited or nonexistent. Emphasis on prevention and rehabilitation is called for in this legislation, and I urge administrators of this program to see that such emphasis is given.

Under this legislation there will be a more coordinated effort between regional medical programs and comprehensive health planning agencies. To further promote the cooperation now existing between these programs H.R. 17570 requires representation on the regional advisory groups of official health and health planning agencies, and also provides that before a regional advisory group may recommend approval of an operational grant the opportunity must be provided for consideration of the application by the appropriate areawide comprehensive health planning agency.

The national advisory council on regional medical programs' membership will be increased from 16 to 20 members in order to give representation to individuals in the field of kidney disease and to accommodate representatives of the field of preventative medicine.

Mr. Chairman, I would again like to emphasize to my colleagues that the regional medical program is a valuable asset to our legislative package with which we are fighting to bring quality health care to the people of our Nation. Therefore, I urge that passage of this legislation receive our immediate attention.

The CHAIRMAN. The gentleman from Florida has consumed 2 minutes.

Mr. SPRINGER. Mr. Chairman, I have no further requests for time, and reserve the balance of my time.

Mr. STAGGERS. Mr. Chairman, I yield to the gentleman from California (Mr. ANDERSON).

Mr. ANDERSON of California. Mr. Chairman, I thank the gentleman from West Virginia (Mr. STAGGERS) for yielding and I commend him, and his colleagues on the Interstate and Foreign Commerce Committee, for their diligent work in behalf of the American people.

I am proud to rise in support of the Heart Disease, Cancer, Stroke, and Kidney Disease Amendments of 1970, H.R. 17570. This legislation will strengthen and expand regional medical programs which provide specialized services for the diseases to the physicians and hospitals which deal with patients directly. At the same time, these amendments include, for the first time, kidney disease in the regional medical programs.

Mr. Chairman, it is a most unfortunate situation when we have people dying in America solely because they cannot gain the use of a kidney machine. One of the major problems is the lack of trained personnel, available facilities, research, and equipment for the diagnosis, evaluation, treatment, and prevention of kidney disease. No parallel situation exists where techniques have been developed for the diagnosis and prevention of diseases which would save lives; and yet, at the same time, 8 million people contract kidney disease, of which 60,000 progress to a terminal disease condition and die each year if life-sustaining treatment is not available. Diseases of the urinary tract rank fourth among causes of death from chronic disease.

We desperately need basic research into the nature of disease of the kidney, and the problems of kidney transplantation, and in developing mass testing procedures for the early detection of kidney disease.

Mr. Chairman, I must say that I have a parochial interest in this act. I am proud of the fact that I was instrumental in the formation of the Harbor chapter of the Kidney Foundation of Southern California. I am honored to be a member of the Harbor chapter's board of directors and, in addition, I am an honorary lay director of the Kidney Foundation of Southern California.

I feel that through the public support illustrated by the success of these volunteer organizations and through the efforts of the Federal Government, we will make great strides toward meeting the urgent need for the implementation of a comprehensive program to combat kidney disease.

Mr. STAGGERS. I thank the gentleman for his contribution.

Mr. Chairman, I yield 5 minutes to the gentleman from Florida (Mr. PEPPER).

Mr. PEPPER. Mr. Chairman, I thank the able chairman of the committee for his kindness in yielding to me.

Mr. Chairman, this measure means life to a lot of people who otherwise would pass away.

As one of the authors of the bill in the other body in 1937 setting up the National Cancer Institute, and later in the 1940's, as one of the authors of the bill setting up the National Heart Institute, I have been very much gratified in the intervening years to see how Congress with the encouragement and support of the country has provided increased funds to carry out the great research programs in heart and cancer.

About one out of three of all our people who die, die from heart or circulatory diseases. About one out of seven of our citizens who die, die from some form of cancer.

I have been pleased that this committee has added kidney disease as a subject also of the beneficial provisions of this program, because the fourth highest cause of death from chronic disease is attributable to kidney diseases of one sort or another.

These programs of research have saved many, many lives of people of our country. They have been very worthwhile and very meaningful programs beginning in 1965 when President Johnson recommended the setting up of this regional program to apply primarily the knowledge gained by these great research programs in the national institutes to the regional and the local levels so that the doctors and the hospitals actually treating people would have the benefit of the knowledge which has been developed by these great research programs. The research programs have become immensely more meaningful to the people of the country.

I am sure the Congress will continue increasing the effectiveness of this program so that more and more lives of our people may be saved.

Especially, I want to commend the committee on putting $15 million in this program to provide, as I understand it, the machines which aid the functioning of the kidneys. These machines are so expensive and are so few in number that most of the people who have serious kidney ailments requiring the use of these machines are not able to get them.

I have been in veterans' hospitals as well as in other hospitals and they tell me they only have one or at the most two of these machines while there is a great demand in the community for these machines, which demand is very much in excess of the number of machines they have.

While $15 million is not going to provide all the machines which are necessary to many people who could live through their use, the increased number these funds will provide will prolong the lives of many of our people.

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

Mr. PEPPER. I yield to the gentleman.

Mr. CARTER. I compliment the distinguished gentleman on his remarks.

Mr. Chairman, I regret to say that no money is provided for these machines.

This bill includes research on kidney diseases but it does not include the money, as I understand, for the machines. I regret that and I hope that at some future time, and perhaps this year, we can get an appropriation to provide such kidney machines as are necessary.

Mr. PEPPER. I ardently share the gentleman's hope. But I was led to believe that there was money in this bill to aid in providing of these necessary machines. But if it is not provided for or authorized here, I do hope that funds may be provided later this year because it is a matter of life or death to many of the people of the country who do not have the money to pay the thousands of dollars that are required to have access to one of these machines.

Mr. CARTER. May I suggest to the gentleman that working together, perhaps we can get the money for them so they can be treated too.

Mr. PEPPER. I thank the gentleman and I hope so too.

Mr. Chairman, in conclusion, we often have to establish priorities in the Congress for the country. When we are dealing with a matter that affects the lives of the people of our country, I hope that we always will err if we err at all on the side of adequacy and not of inadequacy in protecting and prolonging the lives of our people, because the thing that most matters in this country is our people. This committee deserves the commendation of the Congress and the country for providing the means by which more of our people will enjoy health and life than otherwise might be able to do so but for these programs.

I yield back the remainder of my time.

Mr. STAGGERS. Mr. Chairman, I have no further requests for time.

Mr. SPRINGER. Mr. Chairman, I yield to the gentleman from Illinois (Mr. MICHEL) such time as he may consume.

Mr. MICHEL. Mr. Chairman, I also want to rise in support of this authorizing legislation to extend the life and broaden the scope of the activities of the so-called regional medical program.

As you will recall several weeks ago when the health and welfare appropriations bill was on the floor of this House, we had included in our bill $96,502,000.

Our Subcommittee on Appropriations has been quite concerned that it took so long to get this program underway, and we said so with some pretty spicy language in our report. Testimony before our subcommittee indicated that 53 of the prospective 55 programs were in operation. These programs are helping hospitals, other medical service providers, and communities to identify and address specific and broad health problems and needs; they are mobilizing human and physical resources required to meet those problems and needs and are extending professional expertise and leadership to provide maximum assurance that improvements will be meaningful and lasting.

It would seem that at long last the program is in the process of doing what Congress intended when the original legislation was passed.

Mr. MAYNE. Mr. Chairman, I rise in full support of H.R. 17570, the Heart Disease, Cancer, Stroke and Kidney Disease Amendments of 1970. The authorization for the regional medical programs under which grants have been made for programs designed to improve the diagnosis, care, and treatment of heart disease, cancer, and stroke expired on June 30, 1970. It is highly important that these regional medical programs be extended. This is accomplished by the present bill, which would extend the regional medical programs for 3 years. These programs have been very successful in their cooperative arrangements and voluntary linkages, and have had a real impact.

I am particularly pleased that H.R. 17570 as reported by the House Interstate and Foreign Commerce Committee specifically extends these programs to include kidney disease. I have long shared the growing concern over the national status of this major chronic disease, particularly tragic because of its tendency to strike in the middle, most productive years of life and among the young. Nearly 8 million persons in the United States are afflicted with kidney disease, of which about 60,000 progress to a terminal disease condition and death each year if life-sustaining treatment is not available. During the last decade or so tremendous strides have been made in the diagnosis and treatment of kidney diseases. I am particularly proud of the great accomplishments in the field of kidney transplants by Dr. Thomas Starzl, a native of LeMars, Iowa, from the Sixth Congressional District which I have the honor of representing in this Congress.

On December 4, 1969, it was my honor and privilege to cosponsor, with the distinguished Member from Pennsylvania (Mr. BIESTER) and 21 other colleagues, the introduction of H.R. 15108, the National Kidney Disease Act of 1969, which was referred to the House Committee on Interstate and Foreign Commerce. The committee has taken a little different approach in the bill now before the House with regard to grants for regional medical programs designed to improve the diagnosis, cure, and treatment of kidney disease, but I am pleased to join in supporting the legislation, and would ask all my colleagues to lend their support.

Mr. MINISH. Mr. Chairman, I rise in support of H.R. 17570. This measure would extend regional medical programs for 3 years. Under the program, grants are made for local based programs in order to improve the diagnosis, care, and treatment of heart disease, cancer, and stroke. Moreover, the bill we are considering today would expand coverage of the program to cover kidney disease.

Inclusion of kidney disease in this program is deserved. Kidney disease is a major chronic disease, afflicting nearly 8 million people in our country. About 60,000 of its victims progress to a terminal condition. In fact, diseases of the urinary tract rank fourth among causes of death from chronic disease.

Placing kidney disease within the regional medical program will permit a coordinated and systematic approach to the problem. I believe it provides a sound basis for mitigating the debilitating illness caused by kidney failure and dysfunction.

H.R. 17570 expressly provides for prevention and rehabilitation within the regional medical program, in addition to diagnosis and treatment. Although prevention and rehabilitation were included in the original provision of the program, it is important at this time to reiterate the intent of Congress to insure that adequate attention is given to primary prevention of chronic disease.

Regional medical programs present a potential effective method of improving health care, which has become an important national goal. In many areas, activities supported by a regional medical program have benefited another Federal program.

In the State of New Jersey, the regional medical program has had full-time urban health coordinators assigned to the model cities offices in Newark and elsewhere. These coordinators work with citizens' panels, serving to identify health service priorities. This in turn leads to the development of useful proposals to include in model cities plans.

Although our knowledge has increased substantially in the areas of heart disease, cancer, and stroke, we have not made the breakthroughs necessary to successfully combat these diseases. The regional medical health program would extend and improve the existing programs relating to health education, research, training, and demonstration in these areas.

H.R. 17570 provides access to improved health care. I urge its passage.

Mr. PRICE of Illinois. Mr. Chairman, an increasingly effective method for achieving order within a group of people is to ask: Who among you has not suffered the direct or indirect effects of heart disease, cancer, or stroke? This question will inevitably be answered with silence, for heart disease, cancer, and stroke are the leading killer diseases in America today. Progress in research and treatment is painfully slow, but hopefully certain. Of course I support the continuing efforts to combat these diseases. What knowledgeable, responsible legislator and citizen would not?

Today, I am pleased to note the specific—and significant—inclusion of kidney disease among the beneficiaries of the pending legislation. I say "significant" because this chronic disorder has grown over the years so that it now takes its place among the major medical scourges of the century. Approximately 8 million Americans are afflicted with this crippler. Fatalities wrought by kidney disease are all the more tragic because the typical victim is an adult in his or her most productive period, and hence prone to be struck down at an age that will probably grieve the greatest number in the severest manner. Furthermore, although the disease is treatable to such a degree that victims could normally be expected to live full and productive lives, the cost of such treatment is expensive—so expensive that the average citizen cannot be expected to afford it. Artificial kidney machines are few and costly to build and operate. It is heart rending to watch a victim's decline when treatment is physically so near, but financially out of reach. The increased funding to the alleviating the tight treatment situation and aiding the search for a cure through medication, possibly, as well as through improvement with the transplant procedure.

I urge my colleagues to offer hope to the millions of Americans afflicted with kidney disease as well as heart disease, cancer, and stroke by voting for this legislation.

Mr. GUDE. Mr. Chairman, I rise in strong support of H.R. 17570, the Heart Disease, Cancer, Stroke, and Kidney Disease Amendments of 1970. I am pleased that the legislation which I sponsored, H.R. 13970, is now incorporated into this bill, making these regional medical facilities available to people suffering from kidney disease. Inclusion of kidney disease will accelerate improvement in treatment of the disease, will promote the testing and evaluation of methods for its prevention and control at the community level, and will support the organization of kidney disease programs on an interregional basis across the Nation, such regional programs are particularly valuable in effectively and efficiently dealing with these problems in urban areas such as the Washington Metropolitan area which comprises parts of two States and a third jurisdiction—the District of Columbia.

Each of these diseases strikes down thousands of Americans every year. Only through legislation as this can we bring the forces together to end this needless waste of life. With this legislation we take a big step in implementing a comprehensive program to combat kidney disease through the combined efforts of the Federal Government, State and local governments, medicine, universities, nonprofit organizations, and individuals.

Mrs. HECKLER of Massachusetts. Mr. Chairman, I believe this bill is a substantive step ahead in providing quality medical care for every American and I strongly support H.R. 17550. I consider it essential that we continually endeavor to expand our programs of education, research and training related to heart disease, cancer, stroke, and kidney disease and that, particularly, we seek to fully involve the public and private resources of every community in these efforts as well as in basic biochemical research.

This bill, I think, attests to the great success of the regional medical program concept which Congress approved in 1965 as a means of coordinating the attack on these diseases. The bill expands and extends the program for another 3 years. There are now 55 regional programs involving physicians, hospitals, medical schools, research institutions, and other private and public health agencies in programs to maximize the care available to victims of the diseases, and to extend services to those who presently lack adequate health care. The bill focuses new attention on the need for early detection, prevention, and rehabilitation services.

I am grateful that the Interstate and Foreign Commerce Committee saw fit to add kidney disease under the regional medical programs. I joined last year in introducing a bill directed at achieving a larger capacity—which has been sorely lacking—to prevent and control kidney disease. Some 8 million Americans suffer urinary tract attacks each year. Some 56,000 of these progress to terminal uremia, and die. Many could have been saved by artificial kidney machine treatment or kidney transplants.

The tristate regional medical program, which covers Massachusetts, Rhode Island, and New Hampshire, offers many examples of the kind of innovative efforts which this bill seeks to sustain and foster.

For example, it operates a comprehensive cardiovascular project at Boston City Hospital as a model program for multi-university hospitals. The project is devising organization and training techniques for providing cardiovascular services, especially for the disadvantaged. The Boston University Medical Center is developing a demonstration cancer project centered on new training and treatment methods. In New Hampshire, the Dartmouth Medical School runs a coronary care training program for nurses. In Rhode Island, there is a special regional diet counseling program for nonhospitalized patients.

In Fall River, Mass., in my district, I am told that talks are in progress to coordinate local hospital services to combine essential services and to avoid overlapping of these services for maximum efficiency. St. Luke's Hospital, in New Bedford, a city adjacent to my district, has a stroke program for the tristate area to train community hospitals and home health care agencies in the rehabilitation of stroke patients.

These basic efforts to coordinate local health-care services to offer broader local services are urgently needed. Essentially, all the programs seek to channel local resources to meet specific local needs and to provide previously nonexistent services for the poor and disadtaged.

In view of rising medical-care costs, personnel shortages, and the critical lack of services in many urban and rural areas, I suggest that the interaction between local and regional medical-care agencies and institutions offers a sound approach to meeting a high priority need: to provide comprehensive medical care at the lowest possible cost.

The CHAIRMAN. If there are no further requests for time, pursuant to the rule, the Clerk will now read the substitute committee amendment printed in the reported bill as an original bill for the purpose of amendment.

The Clerk read as follows:

H.R. 17570

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

SECTION 1. This Act may be cited as the "Heart Disease, Cancer, Stroke, and Kidney Disease Amendments of 1970".

SEC. 2. Section 900 of the Public Health Service Act is amended to read as follows:

"PURPOSES

"SEC. 900. The purposes of this title are—

"(a) through grants and contracts, to encourage and assist in the establishment of regional cooperative arrangements among medical schools, research institutions, and hospitals for research and training (including continuing education), for medical data exchange, and for demonstrations of patient

care in the fields of heart disease, cancer, stroke, and kidney disease, and other related diseases;

"(b) to afford to the medical profession and the medical institutions of the Nation, through such cooperative arrangements, the opportunity of making available to their patients the latest advances in the prevention, diagnosis, treatment, and rehabilitation of these diseases;

"(c) to promote and foster regional linkages among health care institutions and providers so as to strengthen and improve primary care and the relationship between specialized and primary care; and

"(d) by these means, to improve generally the quality and enhance the capacity of the health manpower and facilities available to the Nation and to improve health services for persons residing in areas with limited health services, and to accomplish these ends without interfering with the patterns, or the methods of financing, of patient care or professional practice, or with the administration of hospitals, and in cooperation with practicing physicians, medical center officials, hospital administrators, and representatives from appropriate voluntary health agencies."

SEC. 3. (a) (1) The first sentence of section 901(a) of such Act is amended by striking out "and" immediately after "June 30, 1969,", and by inserting immediately before ", for grants" the following: ", $125,000,000 for the fiscal year ending June 30, 1971, $150,000,000 for the fiscal year ending June 30, 1972, and $200,000,000 for the fiscal year ending June 30, 1973".

(2) Such first sentence is further amended by striking out the period after "title" and inserting in lieu thereof "and for contracts to otherwise carry out the purposes of this title."

(3) The second sentence of such section 901(a) is amended to read as follows: "Of the sums appropriated under this section for the fiscal year ending June 30, 1971, not more than $15,000,000 shall be available for activities in the field of kidney disease."

(b) Section 901 of such Act is further amended by adding at the end thereof the following new subsection:

"(e) At the request of any recipient of a grant under this title, the payments to such recipient may be reduced by the fair market value of any equipment, supplies, or services furnished to such recipient and by the amount of the pay, allowance, traveling expenses, and any other costs in connection with the detail of an officer or employee to the recipient when such furnishing or such detail, as the case may be, is for the convenience of and at the request of such recipient and for the purpose of carrying out the regional medical program to which the grant under this title is made."

SEC. 4. Section 902(a) of such Act is amended by striking out "training, diagnosis, and treatment relating to heart disease, cancer, or stroke, and, at the option of the applicant, related disease or diseases" and inserting in lieu thereof "training, prevention, diagnosis, treatment, and rehabilitation relating to heart disease, cancer, stroke, or kidney disease, and, at the option of the applicant, other related diseases".

SEC. 5. Section 903(b)(4) of such Act is amended—

(1) by striking out "voluntary health agencies, and" and inserting in lieu thereof "voluntary or official health agencies, health planning agencies, and"; and

(2) by striking out "need for the services provided under the program" and inserting in lieu thereof "need for and financing of the services provided under the program, and which advisory group shall be sufficient in number to insure adequate community orientation".

SEC. 6. That part of the second sentence of section 904(b) of such Act preceding paragraph (1) is amended by striking out "section 903(b)(4) and" and inserting in lieu thereof the following: "section 903(b)(4), if opportunity has been provided, prior to such recommendation, for consideration of the application by each public or nonprofit private agency or organization which has developed a comprehensive regional, metropolitan area, or other local area plan referred to in section 314(b) covering any area in which the regional medical program for which the application is made will be located, and if the application".

SEC. 7. (a) Section 905(a) of such Act is amended to read as follows:

"SEC. 905. (a) The Secretary may appoint, without regard to the civil service laws, a National Advisory Council on Regional Medical Programs. The Council shall consist of the Assistant Secretary of Health, Education, and Welfare for Health and Scientific Affairs, who shall be the Chairman, and twenty members, not otherwise in the regular full-time employ of the United States, who are leaders in the fields of the fundamental sciences, the medical sciences, health care administration, or public affairs. At least two of the appointed members shall be practicing physicians, one shall be outstanding in the study or care of heart disease, one shall be outstanding in the study or care of cancer, one shall be outstanding in the study or care of stroke, one shall be outstanding in the study or care of kidney disease, two shall be outstanding in the field of prevention of heart disease, cancer, stroke, or kidney disease, and four shall be members of the public."

(b) Of the persons first appointed under section 905(a) of the Public Health Service Act to serve as the four additional members of the National Advisory Council on Regional Medical Programs authorized by the amendment made by subsection (a) of this section—

(1) one shall serve for a term of one year,

(2) one shall serve for a term of two years,

(3) one shall serve for a term of three years, and

(4) one shall serve for a term of four years,

as designated by the Secretary of Health, Education, and Welfare at the time of appointment.

(c) Members of the National Advisory Council on Regional Medical Programs (other than the Surgeon General) in office on the date of enactment of this Act shall continue in office in accordance with the term of office for which they were last appointed to the Council.

SEC. 8. Section 907 of such Act is amended by striking out "or stroke," and inserting in lieu thereof "stroke, or kidney disease,".

SEC. 9. Section 909(a) of such Act is amended by inserting "or contract" after "grant" each place it appears therein.

SEC. 10. (a) Section 910 of such Act is amended to read as follows:

"MULTIPROGRAM SERVICES

"SEC. 910. (a) To facilitate interregional cooperation, and develop improved national capability for delivery of health services, the Secretary is authorized to utilize funds appropriated under this title to make grants to public or nonprofit private agencies or institutions or combinations thereof and to contract for—

"(1) programs, services, and activities of substantial use to two or more regional medical programs;

"(2) development, trial, or demonstration of methods for control of heart disease, cancer, stroke, kidney disease, or other related disease;

"(3) the collection and study of epidemiologic data related to any of the diseases referred to in paragraph (2);

"(4) development of training specifically related to the prevention, diagnosis, or treatment of any of the diseases referred to in paragraph (2), or to the rehabilitation of persons suffering from any of such diseases; and for continuing programs of such training where shortage of trained personnel would otherwise limit application of knowledge and skills important to the control of any such diseases; and

"(5) the conduct of cooperative clinical field trials.

"(b) The Secretary is authorized to assist in meeting the costs of special projects for improving and developing new means for the delivery of health services concerned with the diseases with which this title is concerned.

"(c) The Secretary is authorized to support research, studies, investigations, training, and demonstrations designed to maximize the utilization of manpower in the delivery of health services."

SEC. 11. (a) The heading to title IX of such Act is amended by striking out "STROKE, AND RELATED DISEASES" and inserting in lieu thereof "STROKE, KIDNEY DISEASE, AND OTHER RELATED DISEASES".

"(b) Sections 902(a), 903(a), 903(b), 904(a), 904(b), 905(b), 905(d), 906, 907, and 909(a) of such Act (as amended by the preceding provisions of this Act) are each further amended by striking out "Surgeon General", each place it appears therein and inserting in lieu thereof "Secretary".

Mr. STAGGERS (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read, printed in the RECORD, and open for amendment.

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

There was no objection.

The CHAIRMAN. The question is on the committee amendment.

The committee amendment was agreed to.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker pro tempore (Mr. ALBERT) having resumed the chair, Mr. PIKE, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee having had under consideration the bill H.R. 17570, to amend title IX of the Public Health Service Act so as to extend and improve the existing program relating to education, research, training, and demonstrations in the fields of heart disease, cancer, stroke, and other major diseases and conditions, and for other purposes, pursuant to House Resolution 1180, he reported the bill back to the House with an amendment adopted by the Committee of the Whole.

The SPEAKER pro tempore. Under the rule, the previous question is ordered.

The question is on the amendment.

The amendment was agreed to.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER pro tempore. The question is on passage of the bill.

The question was taken, and the Speaker pro tempore announced that the "ayes" appeared to have it.

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

I ask unanimous consent in view of the fact that there are Members attend-

ing the funeral of our deceased colleague, Mr. G. Robert Watkins, that the vote be taken on this measure at a time not earlier than 4 o'clock.

The SPEAKER pro tempore. Does the gentleman withdraw his point of order?

Mr. SPRINGER. Mr. Speaker, I withdraw the point of order.

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

There was no objection.

The SPEAKER pro tempore. The vote will be put over until not sooner than 4 o'clock.

WATER CARRIER MIXING RULE

Mr. STAGGERS. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 8298) to amend section 303(b) of the Interstate Commerce Act to modernize certain restrictions upon the application and scope of the exemption provided therein.

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

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union, for the consideration of the bill H.R. 8298, with Mr. GRAY in the chair.

The Clerk read the title of the bill.

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

The CHAIRMAN. Under the rule, the gentleman from West Virginia (Mr. STAGGERS) will be recognized for 1 hour, and the gentleman from Illinois (Mr. SPRINGER) will be recognized for 1 hour.

The Chair recognizes the gentleman from West Virginia.

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

Mr. Chairman, H.R. 8298 would amend section 303(b) of the Interstate Commerce Act to modernize restrictions upon the application and scope of the 1940 exemption provided in that section for the transportation by water of bulk commodities.

This modernization is necessary because of two things:

First, there has been a great growth in the size of the barges, the towboats,, and the tows on our rivers since the act was passed in 1940; and

Second, the courts have now upheld an Interstate Commerce Commerce Commission ruling that would make it impossible for barge operators any longer to operate these efficient tows. This ruling will go into effect October 1, 1970.

The amendments proposed by the bill do three things:

First, the operators will be permitted to mix in the same tows, barges, containing regulated nonbulk commodities with barges of nonregulated bulk commodities without losing the exemptions from regulation;

Second, all operators of barges carrying nonregulated bulk commodities will be required to publish and file with the Commission their rates, but the rates themselves will not be regulated by the Commission, and

Third, these changes will be in effect for a 2-year period, before the end of which the Commission will have to report on their effect to the Congress.

The bill does not propose any change in self-propelled vessels, like the Great Lakes carriers. It was not intended, either, to make a change in any coastwise water transportation in oceangoing vessels, and at the appropriate time, I will offer a committee amendment in this regard.

The bill is the result of many years of consideration by the committee of the subject of these mixed tows on the river, and of the Commission rulings on them. We had it in 1962, 1964, 1967, and again this year. The result very frankly is a compromise, which obviously means that everyone is not fully satisfied with the result. Further consideration has been urged upon us, primarily in connection with some full-scale revision of an overall transportation policy—but this proposed revision is not yet at hand. The committee believes that it is only proper and equitable to dispose of this issue so that the operators will know definitely what is before them and so that the shippers may continue to have the benefits of this efficient type of transportation service.

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

The barge mixing rule has been posing problems for the industry and for Congress for many years. The issues do not lend themselves readily to lucid explanation. The reason for this lies to a great extent in the nature of the barge business and to some extent with the interrelationships between the various modes of transportation.

The barge line industry is made up of several basically different kinds of carriers. Some are certificated by and regulated by the Interstate Commerce Commission. Some are entirely exempt from ICC regulation by reason of section 303 (b) of the Interstate Commerce Act. Some barges operate under contract with shippers over long periods of time, and some of the large shippers operate their own fleets.

Shippers of bulk commodities have found it convenient over the years to have available barge companies exempt from regulation with which they could make contracts for the movement of certain bulk products on short notice at any charge which could be agreed upon.

Under section 303(b) of the Interstate Commerce Act the so-called exempt barges can carry any three bulk products so defined by the customs of the trade in 1939 in one tow. The law says that these products must be in one vessel but specifically defines a vessel as a combination of barges if being pushed as a unit. Over the years it became customary for exempt carriers to make agreements from time to time with certificated barge lines to push those toward their final destination to be picked up again by the exempt carrier and taken to final destination. The Interstate Commerce Commission ruled that this was illegal on the ground that placing exempt products with regulated products made everything in that tow subject to regulation. The barge lines fought this ruling through the courts and eventually it was decided that the interpretation of the Interstate Commerce Commission was correct and that such mixing of exempt with fully regulated commodities should not be done. Obviously the regulated barge lines wished to continue this practice and the exempt barge lines, having found it at least convenient if not vital, also preferred to have the court ruling overturned. This is the basic issue in the mixing rule controversy.

For many years exempt bargelines have been hoping to have the restrictions as to the number of bulk commodities which could be carried and the definition of a vessel as now defined in the law changed so that any number of bulk commodities might be carried and a single barge could be considered as a vessel. This would greatly enhance the usability of exempt bargelines.

As could probably be expected there has been a great lack of agreement among the various elements of the barge industry on this point and nearly any legislative suggestion by one such element has automatically brought forth total disagreement by the rest of the industry. Consequently, legislation of any kind concerning barges has been virtually impossible.

The court decision on the mixing rule and the indication of the Interstate Commerce Commission that it would enforce its original interpretation presented the first opportunity for agreement within the industry. Regulated barge carriers were willing apparently to back a revision of section 303(b) if the other water carriers would back legislation which would undo the court decision, and thus the matter was presented to Congress.

If the proposal had been merely to undo the results of the court case and allow practices which had, in fact, been carried on for 8 to 10 years, it is very possible that it could have been accomplished. By overhauling section 303(b), however, the legislation would change all of the rules of the game in the water carrier industry and also to a great extent its relationships with other modes. Despite the fact that the various elements of the barge industry were united for the first time, the proposal engendered antagonism in other parts of the transportation industry, and this caused it to blow up. The railroad industry, which had been trying for many years to make some progress toward deregulation of water rates, made such action the price of its concurrence. Since such changes were not apt to happen, the whole matter stood on dead center for a considerable time.

Eventually some tenuous compromises were worked out, and the result was the bill which came from the committee. This would allow mixing to take place, would not change the definitions in 303(b) and would require all carriers, whether exempt or regulated to publish rates on bulk products. This does not mean that they would be fully regulated by the Commission but such rates must be

with the ICC and maintained for at least 30 days. The shippers who use exempt water carriers contend that this provision for publication will ruin the usefulness of the exempt carriers for their purposes.

The bill recognizes that there are some imponderables and therefore put a 2-year limitation on this requirement to see what actually developed.

There have been many suggestions for alternative solutions ranging as far as complete regulation for all water carriers. There will undoubtedly be amendments proposed on the floor, but I will be surprised if the effect of any of these will be fully understood. If this legislation were not before us and the mixing rule were to be enforced, it is possible that the industry could get along. There certainly is testimony and opinion on both sides of that question. I do not profess to know the very best answer to this problem or whether in fact there is an answer.

The proposal before the House this afternoon is highly controversial and not a matter which has come from our committee with general agreement. My only purpose here is to inform the members of the history of the situation for whatever guidance it may afford.

Mr. SPRINGER. Mr. Chairman, I yield 10 minutes to the distinguished gentleman from Minnesota (Mr. NELSEN).

Mr. NELSEN. Mr. Chairman, this bill is perhaps one of the most important pieces of legislation as far as the inland waterways are concerned and the transportation of 15 percent of the intercity traffic in the United States.

I was not on the subcommittee which dealt with this measure, but after it came to the full committee I was contacted by some of the people back home who move our grain to market pointing out the hazards of this bill.

May I say that in the Midwest today we are unable to get last year's grain to market because of the shortage of boxcars. We are hopeful of moving our last year's crop in order to accommodate this year's crop. The trucks are going day and night to deliver the grain to the barges hoping to move it out to population centers before the new crop comes in. Three million tons are moving out of our State from Savage, Minn. They are destined from Minnesota, South Dakota, and North Dakota grain markets to be loaded on the barges and on to population centers. That is 3 million tons and 2.5 million of those tons are grain.

I want to tell you that in the Midwest we do not want to have our transportation damaged by legislation that is stimulated by the desire of some to stifle opposition and competition in a manner that I think is unfair.

I want to point out first that this is a field that I have not been in, but believe me, I have studied it since it came up in our committee.

We have two kinds of carriers on the water, the exempt carrier, which is limited to three bulk commodities—I say limited; they are not certificated, they have no protection of right of entry, they have no protection under Reed-Bulwinkle if their rate structure must be adjusted. And competition is wide open—everybody hauling on the river, bringing our grain to market.

We then have the regulated carriers who can haul anything they want to. They have right of entry protection by a certificate of convenience and necessity. They have a monopoly in their business, really, because no one can freely enter this field without going before the ICC for a permit. So they do have a competitive situation similar to the railroads.

Now, originally a plan was worked out between the water carriers where a bill was proposed that came before our committee. It had wide support. And if you look at the list of witnesses that appeared before the committee, every one of the witnesses spoke to the mixing rule need, and you find no testimony in the hearings that supports the bill that is before us today as recommended by the Committee on Interstate and Foreign Commerce.

I want to say that I believe there has been a good deal of misunderstanding. I do believe that there are many who really do not understand the implications of this.

You know, as I think of it, out on the farm you go out in the pasture and there the little old meadowlark has a nest, and along comes a cowbird, and lays eggs in the meadowlark's nest, and then the mother meadowlark, when these eggs hatch, to her surprise has some cowbirds.

Now, this bill started out to do one thing, but it turned out that it is giving us cowbirds instead of meadowlarks. I just want to call that to your attention, and I sought carefully to try to meet what has been seemingly the recommendations of the witnesses who appeared before our committee, at the same time to try to work it out in such a manner that the unregulated carriers can continue to serve the farm people of our great country.

Now, then, all of the witnesses that appeared indicated that they were concerned about the mixing rule. I am concerned about it. I think it is good economics, but I would like to again call your attention to the fact that the bill that is before us puts the unregulated carriers under regulation. They cannot change their rate without a 30-day notice. They can haul only three commodities. And if the regulated carriers are going to make that kind of a deal with the railroads to get their goal, they have violated their own agreement with the other part of the water carriers transportation system of our country.

What they did, they made the agreement so that "If you will support us in mixing our tow, we will go along with levying this burden on the unregulated carriers." At the same time, the unregulated carriers got nothing as far as the original plan was concerned, or the original bill was concerned.

If the unregulated carriers are to come under regulation, then why should they not haul anything they want? Why should they not haul what the regulated carriers do, if you are going to regulate them? They have no protection of right of entry, and they have no Reed-Bulwinkie protection which the railroads have as far as antitrust is concerned.

So this bill gives no relief of any kind to unregulated carriers but gives the regulated carriers everything they want.

My bill will permit the regulated carrier to mix his tow. My bill will require that he post a minimum rate only. The bill that is before us is a regulated rate. But the regulated carriers would only have a minimum rate, which can be a floor or which can be negotiated above it. Really, it is no rate at all. But it does provide a floor. It then would exempt the unregulated carriers and keep them in the same position that they are in.

I want to say that we have about 1,700 carriers in the United States. Eight percent have certificates. Sixty-eight percent are unregulated carriers. Twenty-four percent are those who have their own carrier and haul their own commodity and are not for hire.

But, my friends, I hope there will be no other amendment other than my own amendment. I want to say I was on the Committee on Interstate and Foreign Commerce when the railroads appeared there in support of the regulation of the railroads. I supported the consideration of that kind of proposition.

I have here statements by Mr. Loomis, where he says he thinks there should be less regulation rather than more regulation. This is a testimony of the railroads. All through the statements, you will find Mr. Loomis, Mr. Brosnan of the Southern Railway System, and Mr. Heineman of the board of Chicago Northwestern Railroad all supporting the theory that we need to move in the direction of deregulation rather than more regulation.

So in my bill I am not disturbing and I am not touching the deal that the regulated carriers made with railroads. They made the deal—I did not.

I made the statement that I will not disturb the deal that the regulated carriers made because they say in their own statement that this is no problem. The letter you have in your office and the letter I have in my office from Mr. Creedy said it is no problem to publish a rate. So I did not touch the regulated carriers in any way.

But my bill will permit the mixing of the two, which is an economic contribution. My bill will exempt the unregulated carriers and let them continue as they have in the past to serve rural America in a manner that I think is very important.

I do not hold that this substitute bill I have put together has all the answers, but I can assure you that we will be going to conference and there will be things that can be worked out.

But I want to say that I am completely convinced that the bill I have offered has greater merit than the one that has been reported out of the committee and the one that the Committee on Rules has reported.

I would like to point out that I appeared before the Committee on Rules, after I studied the situation, having in mind the farmers of my area and the farmers of your area, and I took a position in opposition to the bill in the Com-

mittee on Rules and the Committee on Rules supported my position.

The bill lay dormant for a considerable length of time. It came up a second time. I appeared the second time, and the bill was laid over. Finally, the bill came out.

I think we all agree that something needs to be done. I have done my best to try to find some kind of answer. I am sure that there are areas where there can be disagreement, but I can also assure you that the major part of what we wanted in the original bill still remains in my bill to a much greater degree than the bill that came out of the committee, which is on the floor today as reported by our subcommittee.

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

Mr. FRIEDEL. Mr. Chairman, I yield 10 minutes to the gentleman from Texas (Mr. ECKHARDT).

Mr. ECKHARDT. Mr. Chairman, this is a bill around which a great deal of confusion has been built. One might say that this is similar to Mark Twain's story of "The Tempest in the Erie Canal," a very dramatic poem. But the situation is not nearly so complex as it has been made out. Most of the difficulty concerning the bill is not related to the economics and the law of the bill but, rather, to the history of the bill. I wish to leave the history aside and point out what the situation is in the industry and what the bill does. I think if you understand that, you will all agree that the bill should be passed as it came out of the committee.

The situation which occurred after 1940 was exactly the situation that is sought to be protected in large part by the bill today. I think in order to understand what this bill does, you need to understand the situation as it exists in fact; let me give an example.

Let us suppose that a barge tow commences on the Ohio River drawing barges from Pittsburgh with steel, which is a regulated commodity, and with bulk coal, which is not a regulated commodity, and starts down the Ohio River. Presently such a barge tow will carry with it some 35 barges by the time it gets well on the way. It may pick up barges at Cairo containing grain, perhaps. It may pick up other barges along the line which may contain a bulk commodity like salt.

The importance of permitting the mixing of the coal and the grain at Cairo and perhaps salt somewhere down the line with the regulated commodities is that today it is not economically feasible to move relatively small groups of barges which have been collected, all of one commodity. It is far more economical and, in the long run, far better for the shippers and far better for the pricing structure and, indeed, for the farmers who have experienced a shortage of railroad cars to carry their grain, if large barge tows can move. This is perfectly obvious as an economic proposition. If the large power unit that pushes the barges can push, say, 39 barges at about the same price it would, say, push 20, the total price of haulage is reduced. So it is quite necessary that both the bulk cargo and the regulated cargoes move in the same barge tow, and that there not be any artificial means by which they must be separated.

When the long tow gets down to, say, Baton Rouge, a part of these steel barges will go on, say, to New Orleans. Let us say that the coal barge goes on from Baton Rouge toward the Houston ship channel, through the Intercoastal Canal; and, let us say, the grain goes in that direction. The big tow divides up at Baton Rouge, and frequently the unregulated carriers carry the bulk from that point.

Ultimately, when the grain and the coal reach the port of Houston, it will have been unregulated in its whole route under the practice that existed before the case which upset this practice, which was the American Barge Line case, and which culminated in Gulf Canal Lines in the district court in Houston.

What was decided in these cases was that the addition of the bulk barges to the large regulated tow tainted, in effect, the entire haulage, so that the coal and the wheat moving down with the large tow had to be subject not only to posting of rates but to full regulation. Of course, this creates an artificial economic pressure, requiring a division of those tows into bulk cargo tows on the one hand, and into the regulated tows that are carried by the regulated carriers on the other.

This, if enforced, would create a tremendous, artificial inefficiency in the business. All in the world that was attempted by the bill that was introduced by the gentleman from Tennessee (Mr. KUYKENDALL) on the other side of the aisle, and by myself on this side of the aisle, the original bill, was to permit a continuation of the practice which existed from about 1940 up to the American Canal case and subsequently by more or less tacit recognition of the economic exigencies of the case by the ICC. We are just trying to continue this status quo.

But in the process of hearings on the bills that were drafted by myself and the gentleman from Tennessee (Mr. KUYKENDALL), the ICC noted that greater advantages than those provided by the bulk exemption as it had operated in practice could be gained from the bills as they were drawn. More than three bulk commodities could be hauled in the tow. Therefore, the ICC recommended certain language which limited the bills to simply permit the continuation of the practice in the industry as it existed before these cases and the continuation of the practice that exists today.

In the course of the development of the bills in the subcommittee and in the main committee, it was argued by some of the carriers and it was sustained by, I think, rather persuasive arguments that no one could complain if all of the barging companies, both the regulated and the unregulated, were required to post rates. Remember, the requirement of posting rates permits a change of that rate in a period of as little as 30 days.

It seems to me that requirement was reasonable. It seems to me the bill that came out of the committee has an absolute minimum effect on the status quo in the industry necessary to accomplish the objective maintaining efficient haulage and not upsetting equities between competing modes of transportation.

I want to expend a little time in pointing out what would happen if the amendment proposed by the gentleman from Minnesota (Mr. NELSEN) were passed. I think it would be disastrous to the bill. I will explain why.

We can do one of two things. Either we can have no posting of minimum rates by any of the persons in the industry, as the original bill provided, and as I understood the gentleman from Tennessee (Mr. KUYKENDALL) is going to offer before this Committee. We can do either that, or we can require posting of minimum rates by both the regulated and the unregulated carriers.

But let me point out why we cannot do what the distinguished Member, the gentleman from Minnesota, is suggesting that we do. Under the amendment of the gentleman from Minnesota (Mr. NELSEN), the regulated carrier, the one that is moving the 39-barge tow, for instance, would have to post his minimum rate with respect to the bulk cargo carried down the river in the 39-barge tow. But if someone segregates unregulated cargo, that is just the bulk cargo like the coal and the wheat I described, and moves it down the river separately from other commodities, then he moves it without posting any rates.

It is exactly like this as between the two competitors. Remember, they are both moving the wheat and the coal. It is exactly as if the Government contracted out the building of a building or a highway and required sealed bids, but permitted one of the bidders to open the sealed bids before he made his final bid. The thing is, we require one of the competitors to expose his hand as to what his minimum rate is with respect to the coal and the wheat that is hauled, and we permit the other competitor the opportunity of cutting below the first one by a nickel and never post his rate.

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

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

Mr. ECKHARDT. I thank the gentleman, because I am almost concluded.

I should like to wind up by saying that the bill which has been devised within the committee has taken into account these questions of balance between carriers, between transportation facilities. The committee has come out with a bill which was supported by the overwhelming majority of the committee. It was something like six to 16. I cannot recall the exact figure, but it was in that neighborhood.

I submit to the Members that if we rewrite this bill on the floor, and if we upset the considerations of the committee and of the subcommittee, we may do tremendous harm with respect to the balance between the various industries.

I submit further that it is most important that we do something to permit the continuation of the status quo that permits a very important segment of our

transportation system to continue to operate in the way it is now operating.

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

Mr. NELSEN. Mr. Chairman, I shall be glad to yield the gentleman another minute from our time.

So long as the gentleman has referred to my bill, I am sure he would not want the record to leave any misinformation. Under my proposal there is nothing standing in the way of mixing of tows.

Mr. ECKHARDT. I do not believe I have said so, and I do not so contend.

Mr. NELSEN. That is the implication I would gather from the debate, but I am sure the gentleman did not intend to do that.

I should like to point out further that the gentleman is making comparisons between regulated and unregulated carriers, but they are not equal in any respect. The unregulated carrier can haul only three bulk commodities. When it is suggested that they be put under regulation, with the three commodity loads, there will be a tremendous advantage to the regulated carriers which was not in the original bill.

Mr. ECKHARDT. This is on a slightly different point. Do I not correctly understand that the Ancher Nelsen amendment also strikes out the limited period of 2 years in which this bill creates an exemption and gives a permanent authority to the unregulated carriers to continue to haul, say, bulk cargoes like coal and wheat, without any posting, whereas the regulated carriers would be permanently required under this bill to post minimum rates?

Mr. NELSEN. They would be permanently permitted to mix their cargo, which they cannot do under present law, which is a tremendous advantage to them. And they will be given a minimum rate, not a rate as provided in this bill, which is not a minimum rate. We have been sold a bill of goods so far as the rate is concerned, as a minimum rate, which it is not in the bill before us.

My bill makes it very clear that it is a minimum rate above which they can negotiate.

I have here a letter from Mr. Creedy, who says:

> Shippers will not find the publication of rates burdensome.

This is a letter from the regulated carriers.

Mr. FRIEDEL. Mr. Chairman, I yield 5 minutes to the gentleman from Texas (Mr. PICKLE).

Mr. PICKLE. Mr. Chairman, I do not intend to use my full time, but I do rise in support of the bill as passed by the committee, H.R. 8298. I believe it is a good bill and that the controversial issues have been wisely compromised.

I believe that every possible safeguard and reasonable exemption has been included in this bill. I should like to stress that this is a bill intended to strengthen the common carriers and to increase competition, and not decrease it. I am impressed by the fact that this measure has the support of the common carrier water carriers, of the common carrier railroads, and of the common carrier truckers.

We should not deceive ourselves on the importance of the common carrier system. The bill will permit the regulated bargelines to mix as many as three dry bulk commodities with any number of nonbulk commodities without losing the exemption from regulation on the bulk. This will allow the bargelines to continue present operating processes, making full use of modern technology.

The bill will also require the water carriers to publish their rates on exempt dry bulk commodities for a period of 2 years. The rates will be posted, but not regulated. The ICC will have no authority to investigate, suspend, modify, revoke, or otherwise regulate these rates.

After lengthy hearings this rate publication provision was included in the bill by a bipartisan majority vote of the committee. I believe the committee decision is a wise and proper one. Publication of these rates will make available for the first time information regarding water carrier rates on bulk commodities as they relate to shipper benefits and to regulated modes of transportation. There should be no legitimate objection to the requirement merely that the rates be posted, particularly when the committee has worked out a reasonable reconciliation of interests and concerns of the various carriers and shippers in the industry. Any published rate may be changed with 30 days' notice to the ICC.

Therefore, I respectfully urge you to oppose any attempts to remove this important provision by floor amendment.

Mr. Chairman, this bill does not increase the cost of water transportation. That has been charged, and that is not correct. I think perhaps the most important part of this bill is the fact that we are requiring published rates for the first time. We debated at length in the committee what commodities could be exempt or included and how many of them there were and who was shipping them. The Interstate Commerce Commission testified before our committee that they did not have any information ready to make a comprehensive recommendation on this overall project. They had no records of what non-regulated commodities were being shipped now and in what manner and by whom and in what total. Therefore, the Interstate Commerce Commission recommended this two-year published rate and study, which would extend to all and which is not a regulation. It is merely a published rate. Therefore, I think that this requirement is perhaps the most important part of the bill and I am hopeful that the committee will pass the bill as recommended by the committee without any substantial amendment.

Mr. FRIEDEL. Mr. Chairman, I yield 5 minutes to the gentleman from Michigan (Mr. DINGELL).

Mr. DINGELL. Mr. Chairman, the bill before this body is a bad bill. It reflects vigorous lobbying endeavors by a small group of vested interests which seek to abolish what has been well-settled law for many years. The most remarkable thing about the bill before this body is that it has been pushed through with so little concern for the genuine interests of consumers and with so little concern for the real facts of the case.

The real facts of the matter are that what the bill seeks to undo has been the law for a long time. Back in 1955 or possibly in 1957 it was first held that an unregulated carrier towing bulk exempt barges including in its tow nonbulk loaded barges lost the exemption.

What this bill really does is to override and to change that particular provision of law.

The situation before this body today is going to resolve down to three choices for the membership:

First, to vote down the whole inequitous mess, and leave the law as it has been settled, and let the ICC regulate the industry as in fact it should. This I believe is the best choice, since in effect what we will then be doing will be assuring that the ruthless, brutal, cutthroat kind of competition that is engaged in by the unregulated carriers will not be permitted, and that we will have in a highly monopolistic situation fair rules of competition, established by an impartial regulatory, the ICC.

The second alternative is the committee bill, and the committee bill has certain virtues, the first of which is that it has the limitation of 2 years; the second that it enables us for the first time to get a clear understanding of what the situation is in this shadow world of brutal, ruthless, cutthroat competition, and to actually find out what the set of circumstances are, the factual situations that would either justify or fail to justify legislative action of the kind that we have here before us today.

There is one other thing that the committee bill would do, and that is that it would require a filing of rates. Now, this does not mean that we are going to regulate these unregulated carriers, but it means that for the first time, at least, they are going to have to tell what they are charging, and make that information available to all of the consumers and to all of the persons who use this type of transportation. And this, I believe, is a highly desirable thing, since it enables everybody to at least understand what is going on inside this industry.

And of course, last of all, the bill requires a study to be completed in conformity with the recommendations of the ICC by that agency, and to find out what the real, underlying facts are; what the competitive situations are; what the cutthroat competition is in its precise scope and detail, so that we will have a clear understanding of all of the facts. And in this particular the committee bill is good.

But the best option, I wish to again stress to this body, is that we should simply vote down the whole mess, and allow the ICC to continue to regulate the industry in their well-settled fashion, and in accordance with what everybody has known to be the law for a long time, something which has been staved off by the manipulation and connivances of the

regulated and unregulated carriers who have sought to escape control by the ICC.

The last option this body is going to have before it today is that change which my good friend, the gentleman from Minnesota (Mr. NELSON), has expounded upon at great length, the results of which I wish to comment upon.

First of all, it will not let us have any filing with regard to what the unregulated carriers will charge with regard to rates and, secondly, it will not allow for the ICC to either have the factual basis or the legislative direction to carry out a study which really is going to be the key of finding out what the real circumstances are. And last of all the amendment offered by my good friend, the gentleman from Minnesota (Mr. NELSON), will not impose a 2-year limitation on this, something which everybody in the subcommittee was personally agreed was necessary so that we could have a fresh look at this when the study is concluded.

My recommendations to this body are very simply put on the back of the minority views which are available to all of the Members of this body, pointing out that the bill simply seeks to undo 29 years of established and settled law.

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

Mr. FRIEDEL. Mr. Chairman, I yield to the gentleman 2 additional minutes.

Mr. DINGELL. Mr. Chairman, I yield to my good friend, the gentleman from Texas (Mr. ECKHARDT) for a question.

Mr. ECKHARDT. I have been very impressed by my friend's discussion. The question relates to posting rates—that is not regulating rates, but posting rates.

Mr. DINGELL. The gentleman is correct.

Mr. ECKHARDT. As I understand, if the Ancher Nelsen amendment were passed, then there would be no need to post any kind of rates by these carriers that are unregulated.

Mr. DINGELL. That is as to those that are unregulated. But the regulated carriers would have to post rates, but they would have to do that anyhow.

Mr. ECKHARDT. Here is the thing that troubles me about that. It seems that there are some carriers that are captive carriers—captive carriers of a company—like a coal manufacturing company. In that instance these are profits made both from the production of coal and from the haulage of coal by the same concern.

The price of coal at the mine determines the depletion allowance on the coal. Now if the rates need not be published, is there anything that my friend knows which would prevent coal companies from placing the absolute minimum rate on the transportation—and the maximum on production, and thus control their own depletion allowance?

Mr. DINGELL. The gentleman is absolutely correct. In effect, the coal company, by so doing, by charging zero or $1 or 50 cents per ton or something of that kind to move its coal could not only control his depletion allowance but could maximize it at the expense of the taxpayers and would thereby be getting a subsidy from the taxpayers by maximizing its depletion allowance by increasing the cost of coal and thereby increasing its depletion allowance to a maximum degree, applying it not only to coal oil and sulphur but also to any other bulk commodity that is hauled.

Mr. ECKHARDT. I thank the gentleman.

Mr. NELSEN. Mr. Chairman, I yield 10 minutes to the gentleman from Tennessee (Mr. KUYKENDALL).

Mr. KUYKENDALL. Mr. Chairman, I am sure that some people on the floor have noticed that several members of the Committee on Interstate and Foreign Commerce were late to get here for the handling of this bill, including its author.

I do not know the customs of this House in the past, but it does seem a little bit strange that during the funeral of a member of this committee, a bill offered by a member of this committee would be taken up in his absence and in the absence of seven members of this committee.

Mr. Chairman, H.R. 8298, the so-called mixing rule bill which I introduced in the first session of this Congress was prompted by three separate but compelling and uniting reasons to preserve the regulated water carrier industry as a necessary and viable part of our transportation system.

The first of these was a U.S. Supreme Court decision affirming a U.S. district court which had held that if the ICC interpretation of section 303(b) of the Interstate Commerce Act brought about transportation inefficiencies which discriminated against regulated carriers, the remedy is to be with Congress.

The second reason was the enormous growth in operating efficiencies resulting from improved barge technology over the years since the water common carriers became regulated. Improved technology which made the wording of Section 303 (b) archaic and unduly restrictive.

Let me illustrate quickly how far this technology advanced. A typical 1940 barge tow with towboats of 300 to 1,500 horsepower had capacity for 5,000 to 10,000 tons of cargo. Beginning in 1955 a revolution in power resulted in towboats of 6,000 to 9,000 horsepower and capacity for 40,000 tons of cargo. In the last 15 years productivity of towboats has more than tripled.

The third reason was to continue low-cost water transportation resulting from the above described improved productivity. Testimony before our committee showed that the average per ton revenues of the five principal water common carriers were reduced 10 percent from $2.56 in 1960 to $2.31 in 1966. In terms of per ton-mile, these average revenues show even greater reductions to the point that today it is below 3 mills, or to put it another way, barge rates today are at the same level of rates charged 50 years ago. This is a remarkable triumph over the pressures of rising labor—material costs and inflation.

Let me state briefly what section 303 (b) of the Interstate Commerce Act provides: It is an exemption from regulation of the transportation, by water carriers, of commodities, in bulk, when not more than three such are transported in the cargo space of a vessel. This exemption had two pertinent limitations. One defined bulk commodities in terms of the trade as of June 1, 1939. The other stated that two or more vessels while navigated as a unit were a single vessel.

It was my intention to so rephrase section 303(b) that it would meet today's needs by preserving the principle of mixing regulated and nonregulated—bulk—commodities, eliminate the archaic 1939 date, and omit the unduly restrictive language of calling two or more vessels when operated together a single vessel.

Unless this Congress preserves the right of mixing, which was my original purpose in sponsoring this legislation, you do two things which are unthinkable today. First, you deny the fruits of improved technology and cancel the efficiencies of the present large tows by requiring the breaking up of these tows into smaller units which carry regulated and exempt commodities separately; second, you will cause an increase, which has been estimated as much as 15 percent, in water transportation costs to the detriment of the public.

Now, Mr. Chairman, to get to the politics of the matter. When H.R. 8298 was introduced, and during the time that hearings were held, it was assumed that its purpose was to simply give legislative approval to the existing practices of the barge industry, practices that have been developed over a period of two decades and had been put in question by court decisions. This simply meant the allowing of a regulated barge line to carry regulated and nonregulated items in the same tow.

Under this existing practice up to three nonregulated bulk items, such as grain, coal, chemicals, and so forth, could be hauled in individual barges in the same tow without a published and regulated rate. Under the same ruling, the noncertified carriers who carried nothing but nonregulated items could also carry up to three of these items and not come under regulation.

Of course, the railroads, who seem to have spent their time in the last few years fighting such progressive legislation as this, instead of keeping their own house in order, opposed the original concept of allowing this progressive operation in the barge industry.

Granted, there is lots of room for change in the regulations and practices in the barge industry. As an example, at the earliest possible time I shall try to develop some sort of user charge for the barge lines to contribute to the upkeep of the navigable waterways. This is an area that I think has been overlooked and I think is definitely just.

During the markup session of the subcommittee there suddenly appeared an almost completely new bill with several provisions, a bill, incidentally, written outright by the railroads. One included the requirement that all barge lines publish a minimum rate on nonregulated cargo. This so-called compromise, which was not agreed to by the author of the bill, was presented in the subcommittee and passed over my strenuous objection. The same thing happened in the full committee.

At the proper time, the gentleman from Minnesota (Mr. NELSEN) will introduce an amendment removing the regulation that the noncertified carriers publish rates on nonregulated cargo. I shall introduce an amendment to Mr. NELSEN'S amendment which states that no nonregulated cargo shall require publication of rates. These two amendments will put the barge line bill back into the condition of simply allowing mixing, which was its first intent, and will not allow the railroads to make a deal with a part of the barge industry to use this bill as a vehicle to require published rates. The language offered by the gentleman from Michigan requiring a two-year study is most welcome.

I think it is a required thing. The part of the bill that also limits this legislation to 2 years is a desired thing, because it would require that the barge industry give their help in writing whatever comprehensive total transportation legislation may come up. There may or may not be a time when we will require a publication of rates by the barge industry. The Commerce Committee and the Congress will decide that in the proper time.

However, I feel very strongly that we should not allow the railroads to dictate the practices of the most progressive form of freight transportation in this country. It seems to me they have done a good enough job of fouling up their own industry, without allowing them to dictate the practices of a competitor.

I strongly urge the adoption of the amendment of the gentleman from Minnesota (Mr. NELSEN), as amended by my amendment, and then the adoption of the bill. If the Nelsen amendment is not adopted, I regretfully cannot support this bill, and I will urge its defeat.

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

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

Mr. ECKHARDT. Mr. Chairman, did I understand correctly the able gentleman in the well to say that his amendment would require posting or exemption from posting with respect to cargo, that is everyone engaged in carrying the same cargo would be treated the same, whereas the amendment offered by the gentleman from Minnesota (Mr. NELSEN) would apply the exemption with respect to the type of carrier?

Mr. KUYKENDALL. That is correct. In other words, whenever a nonregulated cargo is carried by anyone, it should not have a rate published.

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

Mr. KUYKENDALL. I yield to the gentleman from Washington.

Mr. ADAMS. Mr. Chairman, as the gentleman knows, this was a very difficult bill to compromise between the positions as stated by the gentleman from Michigan, that everything ought to be regulated, and those who felt nothing in the nonregulated field should be regulated. So my question to the gentleman is this. Suppose the gentleman's amendment is not carried—I shall probably support the gentleman on his amendment—but if it does not carry, and the Nelsen amendment carries, so we are left with the situation then that the regulated carriers publish and the unregulated do not publish or post, and the bill is then in that form, will the gentleman support the bill then?

That is an unfair question.

Mr. KUYKENDALL. I will answer the gentleman's question. The regulated barge carriers, against my very strong admonition and advice, went to the railroads and made a deal, and the amendment of the gentleman from Minnesota (Mr. NELSEN) take that into consideration. He says they made their bed; they should lie in it. That is his attitude and there may be some justice in it. But I have a little more concern for the overall industry than to think about somebody going behind my back, so without their approval I am offering this for the good of the whole industry, instead of playing ball with a few lobbyists.

My point is this. If my amendment fails and the Nelsen amendment passes, I shall support the bill. But if my amendment fails, and the Nelsen amendment fails, I simply cannot go along with this kind of action against the nonregulated barge carriers who had nothing to do with this compromise and had no part in it and were the innocent victims of the deal made. I shall not go along with the bill unless they are taken care of.

Mr. ADAMS. Would that not result in the situation then that everybody was regulated and everybody would have not only to publish their rates but go into approval of the ICC for their rates, because, as I understand it, on the three bulk items of cargo, it is that you end up with the others—in other words, it goes from regulated and nonregulated, and finally ends up being a regulated tow, and then the unregulated would have to file too. Is that not correct?

Mr. KUYKENDALL. To answer the gentleman's question, if no bill at all is passed, the nonregulated carriers will be operated exactly as they are today. They stand to gain nothing and lose everything in this legislation. If no bill at all is passed, the nonregulated carriers may carry three bulk items just as they are today. If 303(b), which grants exemption, is not repealed, and if this bill does not pass, that is it.

Mr. ADAMS. I want to be correct. It is my understanding then that as the unregulated carriers go up the river, and as their cargo is later combined into a regulated tow, then just what happens with most of these commodities? Are they under regulation and the whole rate for the whole tow must be published including the unregulated part?

Mr. KUYKENDALL. This is in a cloud. This is one of the reasons why this whole business of publishing rates is so ridiculous.

Mr. ADAMS. Will that not happen?

Mr. KUYKENDALL. The ICC cannot tell us any more than you can tell us what this minimum rate really means.

Mr. ADAMS. That was my understanding. That is why I thought we had to have it, for the benefits for the unregulated carriers up river, by passing the bill.

Mr. KUYKENDALL. The nonregulated carrier is helped in no way whatsoever by passing this bill. The nonregulated carrier is only hurt by it. He has been the victim of the so-called compromises.

Mr. ADAMS. When I have some time we will continue the colloquy, because I believe this is very important.

Mr. KUYKENDALL. On the amendments we will continue.

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

Mr. FRIEDEL. Mr. Chairman, I yield the gentleman 2 additional minutes, and ask the gentleman to yield.

Mr. KUYKENDALL. I am happy to yield to the gentleman from Maryland.

Mr. FRIEDEL. I have heard the gentleman make a comment about a deal being made. I attended all of the hearings. I did not know of any deal.

Mr. KUYKENDALL. The deal was made after the hearings.

Mr. FRIEDEL. I know we accepted in amendment that they all publish their rates. The railroads were bitterly opposed to the bill.

Mr. KUYKENDALL. Right.

Mr. FRIEDEL. And they came in and fought the proposal, saying they would be hurt tremendously. They said, "We will withdraw our objections provided they publish the rates."

Is that what they call a deal?

Mr. KUYKENDALL. I ask the gentleman from Maryland (Mr. FRIEDEL), is it not true, on the day that the substitute bill—it was not an amendment—was considered—it is my recollection—it was still on railroad paper, after using their mimeograph machine?

Mr. FRIEDEL. In effect they said they would not object provided they published the rates.

Mr. KUYKENDALL. So we let the railroads write the bill.

Mr. FRIEDEL. They certainly did not write the bill.

Mr. KUYKENDALL. Other than the two amendments added by the gentleman from Michigan they wrote every word that we passed.

Mr. FRIEDEL. That is not true.

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

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

That is a bad statement to make. I sat in on the consideration of the bill, and they did not write the bill. The railroads did not write the bill. The committee wrote the bill. They came in, with their right to be opposed to the bill, but they did not write the bill.

Mr. KUYKENDALL. Sir, I am the author of the original bill, and there is nothing in this bill I wrote; and there is nothing in the bill written by the committee except the two amendments by the gentleman from Michigan.

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

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

Mr. ECKHARDT. I should like to go back for just a moment to the question asked by the gentleman from Washington (Mr. ADAMS) to give an example.

Let us suppose that wheat and corn and salt go up in barges from the Port of Houston, and that this is carried by an unregulated carrier, but that the completion of the haul is, let us say, Cincinnati. If the unregulated carrier turns over these three barges, say, at Baton Rouge, to a regulated carrier, who carries the load on up to Cincinnati, assuming that the present determination of law is permitted to stand, is it not true that both the unregulated carrier hauling from Houston to New Orleans, and the carrier hauling from New Orleans to Cincinnati would be subject to regulated rates; and therefore the original haul would be illegal under those circumstances?

Mr. KUYKENDALL. I believe the gentleman from Texas knows there have not been any final rulings on this part, but I believe the gentleman from Texas also knows that all in the world that would happen, immediately upon the passage of the Nelsen amendment, or immediately upon the passage of no bill at all, is that every single regulated barge line in this country will have a nonregulated subsidiary. This is what will happen, because they will not allow this to happen.

According to the rules of the ICC, yes, the gentleman is right, and this makes the subject of this bill more important, and it makes it ridiculous to have this minimum rate publication. It makes it even more ridiculous.

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

Mr. KUYKENDALL. We will have plenty of time for colloquy on the amendments.

Mr. FRIEDEL. Mr. Chairman, I yield 3 minutes to the gentleman from Texas (Mr. BROOKS).

Mr. BROOKS. Mr. Chairman, the legislation that we are considering today is vital to the Ninth District of Texas which I represent and to all of the United States.

Barge traffic carries vast quantities of material to and from the plants of the industrial complex in the east Texas area of my district and to many other such areas throughout our Nation. This traffic represents the most economical mode of transportation available and therefore results in savings to every American.

What we are attempting to do today is to provide for more efficient and economical utilization of our waterways.

The problem that we seek to relieve is one which has been imposed by administrative regulation. If relief is not given the great technological advances in waterway traffic—the greater tow capacity, the widening and deepening of the channels—will in large part be wasted. The cost of this lack of efficiency would eventually be passed on ultimately to the consumer.

We are not seeking to exempt commodities from regulation but merely to provide that where already exempted bulk commodities are transported along with regulated commodities, the higher rates would not then be imposed on the exempt material.

Mr. Chairman, while the industries throughout the country will benefit originally from this bill, the ultimate beneficiary will be the American consumer. I sincerely urge favorably consideration of this bill as passed by the Interstate and Foreign Commerce Committee.

Mr. EDMONDSON. Will the gentleman yield?

Mr. BROOKS. I am delighted to yield to my good friend from Oklahoma.

Mr. EDMONDSON. Can the gentleman tell me a consumer group nationally recognized that is supporting this bill?

Mr. BROOKS. No. I do not think there are any, in my judgment, unless you consider the big coal operators and grain traders, who are apparently very interested in this legislation.

Mr. EDMONDSON. Does the gentleman know any consumer group? He says this is a big consumer benefit bill. Do you know of any consumer group that is backing it?

Mr. BROOKS. No; I do not. But it is quite obvious to anybody that the cost of transportation is ultimately borne by the consumer of the commodity moved.

Mr. NELSEN. Mr. Chairman, I yield 3 minutes to the gentleman from Pennsylvania (Mr. FULTON).

Mr. FULTON of Pennsylvania. Mr. Chairman, I wish to thank the gentleman for yielding me this time.

I rise in strong support of this legislation, H.R. 8298, to amend section 303(b) of the Interstate Commerce Act to modernize certain restrictions upon the application and scope of the exemption provided therein for the transportation by water of bulk commodities.

Actually section 303(b) of the Interstate Commerce Act of 1940 is so general that it restricts the ability of bargelines to mix regulated and unregulated in a single tow and prevents the accumulation of a sufficient volume of barges to take advantage of the capacity of larger and more powerful towboats.

I might say in answer to the gentleman from Oklahoma that the rates of the bargelines are so low that they have hardly gone up since the 1920's. The increased technological advances and larger tows are great economic advances and have been brought about by research and engineering, and a large part of it has been done in the upper Ohio River area, which I represent.

From 1930 to 1940, river operations of barge transportation changed basically—diesel engines replaced steam-powered boats, and propellers replaced the historic stern wheels. By 1940, the average towboat had 360 horsepower, and a towing capacity of 1,600 tons, in an average of two barges towed.

There has been a great increase in horsepower of riverboats since World War II. In 1955, the average river towboat has three times as much horsepower as in 1940. This 1955 average towboat had 1,169 horsepower, and towed around 10 barges. By great technical and engineering advances, in 1966 the average towboat had 2,931 horsepower, towing 24 barges at once.

The Dravo Corp. of Neville Island, Pittsburgh, Pa., has made an outstanding record of progress much above U.S. average. L. P. Struble, an officer of that company, stated at the hearings:

More horsepower was desirable, but the direct-connected, reversing, slow-speed diesel engine was so cumbersome and heavy that hull size limitations dictated a maximum horsepower of about 2,000. The breakthrough to a higher power came with the development of the reversing reduction gear which allowed the use of higher speed diesel engines, which decreased the physical dimensions of the power unit and also so reduced the weight that more horsepower could be put into a normal size towboat hull. Perfection of the supercharger added even more horsepower for a given weight and today we have twin-screw towboats with 6,400 horsepower and triple and quadruple screw towboats with horsepower ranging up to 9,000. However, it was not until late 1955 that the first of these modern powerful towboats appeared on the rivers. (P. 64.)[1]

At the same time the rivers and canals have been improved and longer and larger locks have been installed. An example of such improvement was given by Mr. Struble:

"When the Ohio was originally canalized, it had 53 locks with chambers 110 feet by 600 feet. A double-locking tow consisted of a towboat and a maximum of twenty 175- by 26-foot barges. Assuming 800 tons per barge, this made a 16,000-ton tow. In the late 1930's, it was clear that it would be necessary to replace and enlarge the locks on the Ohio River system. Construction began shortly after the war and by the late 1970's the replacement program will be completed. Each dam will have a lock of 110 by 1,200 feet. Hence a double-locking tow could then consist of 34 barges of 1,200-ton to 1,400-ton capacity, or about 40,000 tons. Couple this increase in capacity with the fact that the redevelopment of the Ohio will make possible a 12-foot instead of a 9-foot channel and the potential for further improved efficiency in the future is tremendous." (P. 64.)

The Interstate and Foreign Commerce Committee took action as follows:

COMMITTEE ACTION

The principal issue before us as set out in the bill is that of whether the statutory limitations of 1940 now are to be removed so that bargelines may have an exemption from regulation in the carriage of bulk commodities without regard to the mixture of these bulk commodities with nonbulk (regulated) commodities in the same tow. This is the issue of the "mixing rule." The bill as introduced also would eliminate the 1939 cutoff date and apply the three-commodity limitation to each barge, rather than the tow, so that a tow of 20 barges, for example, might contain as many as 60 different bulk commodities.

In the hearings on this bill, it developed that this issue was tied in by many witnesses to that of whether other modes of transportation should have an equalized opportunity for competitive traffic.

The Interstate Commerce Commission took the position that equalization of opportunity for the various modes to compete for this traffic should be attained through elimination of the exemption.

The water interests who testified presented a united front on the bill as it was introduced, that is, the removal of the statutory limitations so that the exemption from regulation of bulk commodities would pertain regardless of the number of such commodities and regardless of the "mixing" of regulated nonbulk and nonregulated bulk commodities in the same tow.

[1] Page numbers in parentheses refer to printed hearings "Water Carrier Mixing Rule," held before the Subcommittee on Transportation and Aeronautics of the Committee on Interstate and Foreign Commerce, 91st Cong., 1st sess. (Serial No. 91-16).

At the hearings, I submitted a statement favoring this legislation as well as testimony which I read into the record in part, with some changes to bring my testimony up to date:

STATEMENT BY MR. FULTON OF PENNSYLVANIA

The committee is of the opinion that the simple issue of whether the exemption from regulation of the transportation by water of bulk commodities should be lost by reason of mixing this transportation with that of regulated nonbulk commodities should be met head-on. The issue has been before us too long. It was heard in 1962, again in 1963–64 in connection with a broader bill, in 1967, and again this year.

Suggestions have been made that the consideration of this issue should await the consideration of a broad revision of our overall national transportation policy. The committee is mindful of the attention which has been given to the equalization of the opportunity for the various modes to compete for certain traffic. It also is cognizant that proposals have been made for less rather than more regulation and for greater reliance upon competition and other forms of statutory restraints. The committee also cannot overlook the fact that it has been the Nation's policy to spend vast sums upon the improvements of these waterways for the purpose, among others, of permitting water transportation. There have been many improvements since 1940 and many are now in process and contemplated.

We are aware of the merit in these suggestions but we recognize that in the past few years there has been a failure to arrive at any such overall proposed revision, and it is not likely that one quickly can be attained.

We believe that this one issue should be treated of now and no longer delayed. If we do not affirmatively arrive at a legislative conclusion, the matter will become moot because the order of the Commission enforcing the 1940 provisions will become effective.

Accordingly, in the bill as here reported, the committtee has resolved the issue first by adopting the alternate language which was suggested by the Interstate Commerce Commission during the hearings on this bill. The Commission substitute would permit the mixing in one tow of barges carrying regulated and nonregulated commodities without the exemption from rate regulation being lost as to the bulk commodities. This would permit the carriers to do what they have been doing.

STATEMENT AND TESTIMONY OF HON. JAMES G. FULTON, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF PENNSYLVANIA

MR. FULTON. I am glad to appear before this committee. Our United States rivers are one of the greatest assets we have in the United States because they open up the whole center of the country and put every one of these cities that are inland cities on fine transportation routes just as the Great Lakes have been opened up by the St. Lawrence Seaway.

This is one of the few industries I know of where in the statute it says that it is frozen in cement with the paragraph like this under section 303(b):

This subsection shall apply only in the case of commodities and bulk which are, in accordance with existing custom of the trade in the handling and transportation of such commodities as of June 1, 1939.

That is freezing for 30 years. This is 1969. We are getting to be much more consumer minded, we producing States and industries. Of course, the consumer wants the most efficient industry and, therefore, the lower price.

So that actually we people that are speaking for this bill are testifying for freeing American industry, encouraging it be efficient, give the consumer the advantage of the reduced price. We should not have this Government by arbitrary rules increase costs, expenses, and living prices.

I am grateful for this opportunity to appear in behalf of H.R. 8398 sponsored by Mr. Kuykendall of Tennessee and H.R. 8376 by Mr. Eckhardt of Texas.

When we think of the increases in labor costs, the increases in material costs and the increases of inflation which have taken place in the past 40 years, the simple fact that technological advances have been able to contain these pressures is a remarkable tribute to the engineering capacity of such U.S. shipyards.

As a direct result of increased productivity, average barge rates have been lowered in recent years. It is good to know that the average river transportation barge rates today are at about the same level they were in the 1920's. So that nobody but nobody can complain that these people engaged in this industry are outrageously charging the consumers any more than they should be charged.

There is no attempt here to make other than a legitimate profit. The Interstate Commerce Commission and both the House and Senate committees of Congress have wisely postponed the application of an order that would result in the breaking of efficient sized tows.

In my opinion, the United States cannot afford in the present state of progress to lose the benefit of any engineering advance which results in greater productivity, better efficiency, lower costs and lower prices to the consumer.

Our job in Congress is to raise the sights of U.S. industry, research and development, so that we have a better technological advance and a lower system of costs as well as transportation costs than any other nation. Through this bill I believe we will achieve a tremendous savings and keep the costs of transportation down to the great bulk of the population of this country.

STATEMENT OF HON. JAMES G. FULTON, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF PENNSYLVANIA

Mr. Chairman, I am grateful for this opportunity to appear this morning in support of H.R. 8298 by Mr. Kuykendall of Tennessee and H.R. 8376 by Mr. Eckhardt of Texas, bills to modernize section 303 (b) of the Interstate Commerce Act.

My Congressional district has a special interest in the success of these bills. Within my district are the engineering works of the Dravo Corporation which is the inland waterway industry's leader in the pioneering of technological advances. These advances have dramatically increased the productivity of the inland barge industry over the past few decades. As a direct result of that increased productivity, average barge rates have been lowered in recent years. It is good to know that average river transportation barge rates today are at about the same level they were in the 1920's.

When we think of the increases in labor costs, the increases in material costs and the increases of inflation which have taken place in the past 40 years, the simple fact that technological advances have been able to contain these pressures is a remarkable tribute to the engineering capacity of such United States shipyards.

The technological improvements have rendered obsolete the present wording of the dry-bulk exemption, Section 303 (b) of the Interstate Commerce Act. Under this wording, as interpreted by the Interstate Commerce Commission, it would be impossible for the barge lines to make effective and efficient use of the capacities of the large towboats such as are now being built.

The Interstate Commerce Commission and both the House and the Senate Committees of Congress have very wisely postponed the application of an order that would result in the breaking up of the efficient sized tows. The U.S. cannot afford, in the present state of progress, to lose the benefit of any engineering advance which results in greater productivity, better efficiency, lower costs and lower prices to the consumer.

The inland waterways handle nine percent of United States inter-city freight, but so low cost are these services that they cost only one half of one percent of the total revenue for freight transportation in the nation.

Congress certainly should give the United States consumer the benefits of improved technology. I therefore urge this Committee to report H.R. 8298 favorably and authorize the mixing of regulated and non-regulated commodities in a single tow. Such action will enable United States barge lines to accumulate enough barge cargoes to make efficient use of the present capacity of towboats. Important to the future welfare of our people living in the Mississippi-Ohio Valley is the encouragement that the passage of this bill will give to engineers of U.S. shipyards to develop more efficiencies for the benefit of the U.S. consumers. There must be no artificial legislative bar to increased technology efficiency.

I am aware that competitors of the barge lines may well provide opposition to this bill not on the grounds that it is a bad bill, but on the grounds that they also want consideration. It is the duty of Congress to judge every bill on its own merits. H.R. 8298 and H.R. 8376 are clearly in the public interest, I urge their prompt passage.

Mr. Chairman, the point I want to make especially is this: This bill as reported by the committee requires publication but it does not require regulation of rates. The amendment that will be offered by the gentleman from Minnesota (Mr. NELSEN), is purported to allow a continuation of mixing but will strike publication of the rates requirement as it affects nonregulated carriers. So for the consumers we can say by the publication of rates for everyone that this could be called a "truth in barging" bill. I believe it would be very unwise to have the regulated carriers have to publish their rates and only be allowed to change them on 30 days notice while unregulated carriers can secretly change their rates at will without notice. This is obviously not just, and would result in unfair competitive advantage.

The House Committee on Interstate and Foreign Commerce by a bipartisan vote of 3 to 1 gave us this bill after much study which takes into account competitive problems arising from a change in the present law.

I can say to the members that the people in the railroad industry, and in the trucking industry, and a large part of the people in the barge industry favor this bill as being reasonable, and fair to each type of transportation and, therefore, I strongly recommend its passage.

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

Mr. FULTON of Pennsylvania. I yield to the gentleman.

Mr. KUYKENDALL. Your opposition to the partial wording of the Nelsen amendment—does that mean you would support my amendment, which will

broaden it to cover all nonregulated cargo?

Mr. FULTON of Pennsylvania. Yes, I would support you, but as you know I have previously committed myself to support as adequate the bill in the form reported out by the large majority of the House Interstate and Foreign Commerce Committee. As you know, I have opposed, and still oppose the original Nelsen amendment as leading to unfair competitive advantage, which I believe to be unjust.

It is my understanding that the Nelsen amendment offered to the bill is purported to allow for the continuation of mixing, but would strike the publication of rates requirement, as it effects nonregulated carriers. Let me assure you that if that additional amendment is adopted, its effect will be to kill mixing, just the opposite of its avowed purpose.

The regulated carriers, under the amendment, would be the only ones that would be required to publish. If, they alone had to publish to mix they would be forced to stop mixing because their exempt competition could cut the published rate by a slightly lower secret rate, thus effectively stifling competition.

I urge my colleagues to vote against the Nelsen amendment and support the bill, which is really a "truth in barging bill," as reported by the committee in the interest of a strong common carrier system for our river transportation.

Mr. FRIEDEL. Mr. Chairman, I yield 5 minutes to the gentleman from Washington (Mr. ADAMS).

Mr. ADAMS. Mr. Chairman, I am very concerned about some of the statements that have been made by the gentleman from Tennessee and the gentleman from Minnesota with regard to the effect of this bill and what will happen if it is not passed.

I would say to the gentleman from Minnesota, my very good friend—and he is my very good friend—that if you will refer to page 19 in the report to the W–C–5 decision of the Interstate Commerce Commission, and in the middle of the page they give the example that I was going into with the gentleman from Tennessee (Mr. KUYKENDALL) about the fact that the unregulated carriers, if we do not pass this bill before October 1, could go out of business, because here is the example that was given, and here is precisely how the ICC has passed on it.

The example is that you have a carrier that is unregulated, we will say, carrying wheat from Minnesota down one branch of the Mississippi to the Mississippi River, or coming out of Tennessee with coal, or coming with wheat out of the Northwest, any of these areas, and they are not regulated, they are carrying less than three bulk commodities. They do not have to file rates, they are not under economic regulations at the present time, and they are very happy.

Now, the ICC decision grasps at this point. These tows are gathered together at a point on the Mississippi River, and at that point on the Mississippi River a big tow carrying 40 or 50 barges behind it hooks on the two or three barges that have come down by the unregulated carrier, and carries them on down the river to New Orleans, and maybe into gulf ports, and so on.

What the ICC has said is that if that regulated carrier on the Mississippi has already got on it three commodities, and you hook in these three bulk commodities onto the end of that tow, then the whole barge transaction from the first point up the river in Minnesota clear to New Orleans comes under the economic regulations of the ICC. It does not just mean posted rates, but means that the rates have to be approved by the ICC; in order to change them you have to go through the specified procedure, and so on.

Now, this will mean that the big regulated carriers on the Mississippi—and I use that example because that is the one in the report on page 19, and was the basis of the ICC decision—they are going to have to say to the unregulated carrier as he comes down, "I cannot take your tow," because at the end of the first paragraph on page 19 it says:

If carrier A—

Which is the little one up there in Minnesota—

has no authority to perform the transportation which it contracts to do—

In other words, to take it down to New Orleans—

it must perform the transportation pursuant to the limitations of the exemption in order to be within its purview, otherwise it should discontinue such practices, or it subjects itself to prosecution for operating without authority.

So it cannot carry more than three.

Then if you go down to the next paragraph, it says that the carrier that picks it up, the big carrier on the Mississippi, that the conclusion then is:

Clearly if the bulk-commodity exemption is to be applicable, the limitations thereof must be observed for the entire continuous movement.

Thus, from Minneapolis clear down to New Orleans.

And it concludes by saying:

With the limitations imposed in connection with exemption provisions, such entire transportation is not within the exemption claimed.

So here is what I am afraid of, and I would say the gentleman from Minnesota is, that if we lose this bill entirely, and the gentleman from Michigan (Mr. DINGELL) has stated it very well when he said that we ought to regulate all of them all the way, all places, that was one position of the committee, if we lose the bill entirely, that is what is going to happen, or else the little unregulated carrier is going to have to carry it in no more than three bulk commodities from Minnesota to New Orleans, which they cannot do, because it is uneconomical.

The other alternative which we tried to do, which was a compromise between the two, was to say, "Okay, little carriers, we will not regulate you, but for 2 years let us look at this thing and for 2 years you tell us what you are doing, and we will try to see whether there should be a rate structure overall, or there ought to be an overall exemption." And that is why we put the 2-year limitation on it.

We did not want to hurt anybody, but we felt if we did not pass this bill bulk carriage on the major rivers of America was going to be decimated.

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

Mr. ADAMS. I yield to the gentleman from Tennessee.

Mr. KUYKENDALL. Is it not true that the problems you stated in the beginning, which was the goal shared by you and me, when we jointly introduced legislation, was the purpose of this original bill? But your idea is an excellent idea. But, for goodness sake, why do we have to throw in this phoney publication of so-called minimum rate, when the nonregulated carriers do not even have the authority under this bill to use the rate bureau without being called antitrust.

The CHAIRMAN. The time of the gentleman has expired.

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

Mr. ADAMS. What we are trying to do, and the reason we did that, was to try to develop for the ICC a pattern of what was occurring on these upriver branches by having them publish their rates.

Because, as the gentleman knows, this bill came up before and went nowhere. Now everybody is saying we are going to regulate them. We are not. We are trying to allow mixing. That is the reason we passed out the bill. It was not to hurt anybody.

Mr. KUYKENDALL. Is it not true though that the rate we asked to publish is nothing but a minimum rate? It would not do very much or try to add anything.

Mr. ADAMS. No, the rate we are asking to be published is the rate they are charging each of those, and if they want to change them, they can change them.

Mr. KUYKENDALL. The ICC is saying that only the minimum rate—they could not go below.

Mr. ADAMS. No. Of course, any time you post a rate, if you can get somebody to pay more than that, that is all right and that is true throughout the whole regulated industry—they can pay more if they want to. But it does not usually happen.

Mr. KUYKENDALL. But the difference is in the so-called contract rate and the actual regulated rate; is it not?

Mr. ADAMS. There is, and if the gentleman——

The CHAIRMAN. The time of the gentleman has expired.

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

Mr. Chairman, will the gentleman yield?

Mr. ADAMS. I yield to the gentleman.

Mr. NELSEN. You mentioned that the unregulated carriers would go out of business. It would seem to me that the unregulated carriers would be the better judge of what this legislation would do as compared to my bill or anyone else's.

But the horrible example that you cite as to what happens when a tow becomes mixed is the very thing I am trying to correct in my way.

It was mentioned earlier in the debate that my position was that they made their bed and let them sleep in it. I do not remember that I ever said that.

I do not want to disturb the agreement made by one section of the barge lines. I was concerned mainly in getting an area where I think an injustice was being done.

I am sure the gentleman would agree I have always attempted to be fair. I would point out that the American Cyanamid Corp., the Manufacturing Chemists Association, the National Council of Farmer Cooperatives, the Midland Cooperatives, Inc., the Fertilizer Institute, the Minnesota Farm Bureau Federal, the Upper Mississippi Waterway Association, the Farmland Industries, Inc., the Farmers Union Central Exchange, Inc., and the Cargill, Inc.—and the REA systems back home—all of them endorse the approach that I am taking.

Mr. ADAMS. If the gentleman will yield, I am concerned about that too, but we are concerned about whether certain very large shippers are forcing rates upon the unregulated carriers as well as on everybody else where they combine at a point on the Mississippi River, and might well be less.

Mrs. MINK. Mr. Chairman, I rise in support of H.R. 8298 as it was approved by the House Committee on Interstate and Foreign Commerce.

I oppose amendments which would have a discriminatory effect on the shippers of some commodities.

The objective of H.R. 8298, to update the Interstate Commerce Act with respect to bulk shipments by water, is commendable. Since restrictions on the scope of regulatory exemptions for this transportation were adopted in 1940, the nature of this type of transportation has been changed dramatically by the advent of new technology. Modernization of the Act would also offset a regulatory agency decision that works against water carrier efficiency.

In any action taken in the heavily regulated transportation field, however, care must be taken that such changes do not unfairly affect the delicate competitive balance which has developed among industries which utilize the various transportation modes. I am convinced that the committee-approved bill dealing with the water carrier mixing rule does achieve an equitable balance with respect to all transportation modes, including railroads, that are affected.

I am opposed to the Nelsen amendment or other amendments to weaken the committee bill. The Nelson amendment would remove barge operators who do not mix their tows from the rate-filing requirement contained in the measure. The rate-filing provision was included so that for the first time there will be an opportunity to study the tariffs being charged on dry-bulk commodities by nonregulated bargelines, in relation to the present published tariffs charged by regulated bargelines, railroads, and other elements of the transportation system. At a time when our entire transportation system and national transportation policy are under review, rational decisionmaking requires such data, and it would be made available for the next 2 years under the committee bill.

To remove certain carriers from this requirement would unfairly discriminate against barge operators who move mixed tows by depriving them of the flexibility of charging rates unrestricted by the 30-day publication requirement. The proposal would permit mixing only under condition that regular common carriers file and publish minimum rates on dry bulk cargoes. No regulated common carrier barge company, however, will file such rates on exempt cargo if unregulated barge carriers of bulk freight are not subject to the same requirement. Thus, the Nelsen proposal would seriously impair the data-gathering purposes of this legislation.

As presently written, H.R. 8298 will permit shippers of regulated freight to continue to secure the advantages of barging without penalizing bulk carriers or intruding on the competitive relationships between shippers using regulated barge shipments and those using other transportation modes.

Because of the workable and equitable provisions of the committee bill, I urge that it be approved without weakening amendments.

Mr. NELSEN. Mr. Chairman, I have no further requests for time.

Mr. FRIEDEL. Mr. Chairman, I have no further requests for time.

The CHAIRMAN. If there are no further requests for time, pursuant to the rule the Clerk will now read the substitute committee amendment printed in the reported bill as an original bill for the purpose of amendment.

The Clerk read as follows:

H.R. 8298

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 303(b) of the Interstate Commerce Act, as amended (49 U.S.C. 903(b)), is amended to read as follows:

"(b) Nothing in this report, except the provisions of section 306 and, in case of any violation therof or of any rule, regulation, requirements or order thereunder, or of failure to comply therewith, the provisions of sections 316 and 317, shall apply to the transportation by a water carrier of commodities in bulk when the cargo space of the vessel in which such commodities are transported is being used for the carrying of not more than three such commodities. This subsection shall apply only in the case of commodities in bulk which are (in accordance with the existing custom of the trade in the handling and transportation of such commodities as of June 1, 1939) loaded and carried without wrappers or containers and received and delivered by the carrier without transportation mark or count. The transportation, subject to the provisons of this part, of commodities not in bulk, or commodities in bulk at rates lawfully filed and subject to the provisions of section 307, or both, shall not prevent the application of the provisions of this subsection to the concurrent transportation in the same vessel of commodities in bulk moving under the exemption provided in this subsection. For the purposes of this subsection two or more vessels while navigated as a unit shall be considered to be a single vessel. This subsection shall not apply to tranportation subject, at the time this part takes effect, to the provisions of the Intercoastal Shipping Act, 1933, as amended. The provisions of this subsection are not intended to alter existing law, as in effect on the day before the date of enactment of this sentence, with respect to water carriers operating solely within a harbor or within the Great Lakes."

SEC. 2. The amendment made by the first section of this Act shall expire at the end of the two-year period beginning on the date of its enactment. Not less than ninety days before the expiration of such two-year period the Interstate Commerce Commission shall report to the Congress on the effects of such amendment on transportation operations under section 303(b) of the Interstate Commerce Act.

SEC. 3. In carrying out its functions under section 2 of this Act, the Interstate Commerce Commission may require water carriers operating under the exemption contained in section 303(b) of the Interstate Commerce Act to file such reports containing such information as the Commission may prescribe.

Mr. STAGGERS (during the reading). Mr. Chairman, I ask unanimous consent that the substitute committee amendment be considered as read, printed in the RECORD, and open to amendment at any point.

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

There was no objection.

AMENDMENT OFFERED BY MR. NELSEN

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

The Clerk read as follows:

Amendment offered by Mr. NELSEN: Strike out everything after the enacting clause and insert:

"That section 303(b) of the Interstate Commerce Act, as amended (49 U.S.C. § 903(b)), is amended by deleting the first sentence thereof and substituting in lieu thereof the following new sentence: 'Nothing in this part shall apply to the transportation by a water carrier of commodities in bulk when the cargo space of the vessel in which such commodities are transported is being used for the carrying of not more than three such commodities, except that, when a water carrier transports commodities in bulk (as defined in this subsection) concurrently and in the same vessel with commodities moving at rates otherwise lawfully filed under this part, it shall establish and observe, subject to the penalties provided in sections 316 and 317, schedules of minimum rates and charges for transportation of the commodities in bulk, which schedules shall be filed with the Commission in accordance with the procedures specified in section 306(e), but such schedules shall not be subject to suspension or investigation by the Commission upon protest, complaint or upon the initiative of the Commission.'"

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

The CHAIRMAN. The Chair will count. Sixty-nine Members are present, not a quorum. The Clerk will call the roll.

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

[Roll No. 273]

Abbitt	Celler	Gilbert
Alexander	Chisholm	Hawkins
Anderson, Tenn.	Clark	Hébert
	Clay	Horton
Ashley	Conyers	Hull
Baring	Cramer	Jones, Ala.
Barrett	Crane	Kastenmeier
Berry	Cunningham	King
Bevill	Daddario	Long, La.
Blanton	Dawson	Lukens
Blatnik	Diggs	McCarthy
Bray	Edwards, Calif.	McCulloch
Brock	Edwards, La.	Mailliard
Brown, Mich.	Fallon	Meskill
Burton, Utah	Fish	Moss
Caffery	Foley	O'Hara

O'Neal, Ga.	Reid, N.Y.	Sikes
O'Neill, Mass.	Reifel	Skubitz
Ottinger	Riegle	Stuckey
Passman	Rivers	Sullivan
Pepper	Rogers, Colo.	Thompson, N.J.
Pollock	Rooney, N.Y.	Tunney
Powell	Rostenkowski	Weicker
Pryor, Ark.	Roudebush	Young
Rarick	Ryan	Zion
Rees	Scheuer	

Accordingly the Committee rose; and the Speaker having assumed the chair, Mr. GRAY, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill H.R. 8298, and finding itself without a quorum, he had directed the roll to be called, when 353 Members responded to their names, a quorum, and he submitted herewith the names of the absentees to be spread upon the Journal.

The Committee resumed is sitting.

The CHAIRMAN. When the Committee rose, the Clerk had reported the amendment offered by the gentleman from Minnesota (Mr. NELSEN).

The Chair recognizes the gentleman from Minnesota for 5 minutes in support of his amendment.

Mr. NELSEN. Mr. Chairman, as I pointed out in the debate earlier, this bill was introduced with the express purpose of permitting the mixing of tow by the regulated carriers, which was okayed by the Members of the Committee in what we sought to do by the staying of action of the court as upheld by the Supreme Court. But the bill as it came out and as reported by the subcommittee and the full committee and as reported by the Rules Committee goes much further than the original intent.

I would say that the bill started out to give the regulated carriers the right to mix their tows but the regulated carriers made a deal with the railroads to get what they wanted by putting a burden on the backs of the unregulated carriers.

So under the amendment I am offering there will be nothing that bars the regulated carriers from mixing their tow, which I think makes sense. The regulated carriers in their own agreement before the committee and before the Rules Committee recommended the posting of a rate. This has been clarified in my amendment, which is only a minimum rate. Under the other bill it is not. It is a regulated rate. But under my amendment the unregulated carriers will continue as they have in the past in the 80 percent of the traffic on the rivers of our inland waterways which carried by the unregulated carriers.

Three million tons of produce goes out of my little district down the waterways to the population centers, and we cannot move our grain and our corn in adequate amounts now. We cannot get boxcars. Now we put a burden on the only modern way that has been saving our farm communities. I think it would be a tragedy.

So under my amendment the unregulated carriers would continue to operate as they have in the past, without the posting, and under this deal the regulated carriers would live under a deal they made themselves, mixing their bulk commodities with regulated, which was an economic advantage.

The amendment that has been proposed by my colleague, the gentleman from Tennessee, I am not sure I fully understand, and I am not sure the interpretation as given on the floor is exactly right. I am not a lawyer, but I have had this amendment checked, and my only comment relative to amendments that may be offered is this. My proposal has been widely examined by the unregulated carriers. They have agreed on the proposal that I am submitting. It has wide support with farm groups all over the country as well as industrial groups.

I may say that if I were to change my position at this time, I would be fearful of confusion in what we are doing under this bill. I am fully convinced that my bill will serve the regulated carriers and the unregulated carriers in a very competent and sufficient way.

We have noted my colleague, the gentleman from Tennessee (Mr. KUYKENDALL), in his statement yesterday said he would support my amendment, and I do thank him. I wish I fully understood exactly what the language in his amendment would do. But I also must say this. I have no quarrel with the railroads for trying to defend their position as far as competition is concerned.

I have no quarrel with the regulated carriers or the unregulated carriers. I am trying to find an answer which I believe will save the possibility of the devastation will occur if nothing is done.

I believe my proposal can be so, by the amendment I have offered.

AMENDMENT OFFERED BY MR. KUYKENDALL TO THE AMENDMENT OFFERED BY MR. NELSEN

Mr. KUYKENDALL. Mr. Chairman, I offer an amendment to the amendment offered by the gentleman from Minnesota (Mr. NELSEN).

The Clerk read as follows:

Amendment offered by Mr. KUYKENDALL to the amendment offered by Mr. NELSEN: Restore the matter proposed to be stricken, delete the matter proposed to be inserted, and in the matter restored, on page 2, beginning in line 4, strike out ", except the provisions of section 306 and, in case of any violation thereof or of any rule, regulation, requirement or order thereunder, or of failure to comply therewith, the provisions of sections 316 and 317,".

Mr. KUYKENDALL. Mr. Chairman, if any Member on the floor believes he can read this amendment and tell what it means without reading a couple of other things basically, my amendment will do two things.

In our committee there was an attempt made by the gentleman from Michigan (Mr. DINGELL) sticking with what his philosophy has been on this subject all along, to repeal section 303 (b), which is the exemption on bulk commodities, and cause them to be regulated.

In my opinion, if somebody wants to get rates published they should not go through the charade of a published nonregulated rate. If they want published regulated rates someone should offer an amendment on this floor to repeal section 303(b) and just regulate everybody. The idea that the publication of a minimum rate—even the opinions from the ICC do not agree as to what it means—of a rate that most people agree is only a minimum rate and does not really mean the rate, should be accepted from the railroads as a compromise is, in my opinion, ridiculous.

I have nothing against the railroads, either. I spend about 90 percent of my committee time trying to rescue the railroads from the trouble they are in, and I hope we shall succeed, but I have no feeling that I owe the railroads any part in writing this legislation. We are going to take care of them, hopefully, some way or other, if they will help us by taking care of themselves.

The point I want to make is this: The Nelsen amendment relieves the nonregulated carrier from the publication of rates on nonregulated cargo.

My amendment provides that no nonregulated cargo shall have a published rate. In other words, what is fair for one part of the industry is fair for the other.

Now, Members might ask me, "Why not have regulated rates for everybody?" If we want to do that, someone can simply offer an amendment to repeal section 303 (b) and regulate everyone.

But that was not the purpose of this bill, regulation or deregulation. The purpose of this bill was to allow the efficient water carrier to pass its savings on to the American consumer.

The second thing my bill would do is to restore in the Nelsen amendment a part of the bill that was added by the gentleman from Michigan (Mr. DINGELL) which I believe is quite essential.

One of the problems we have, and that the ICC and DOT also have, is with respect to doing anything about the water carrier industry for lack of any statistics that mean anything as to most barge carriers. We get figures from the Corps of Engineers that guess about the number of barges that pass their stations, and that is about as accurate as we have it.

So this bill, in the part that would be restored by my amendment, would require the ICC to give us a study in 2 years, and would give them authority to get the figures for their study.

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

Mr. KUYKENDALL. I am happy to yield to the gentleman from Maryland.

Mr. FRIEDEL. Do I hear the gentleman correctly when he says that this amendment would help the bill?

Mr. KUYKENDALL. I say to the gentleman from Maryland (Mr. FRIEDEL) the Nelsen amendment strikes the two sections on the study. My amendment to his amendment puts them back in.

Mr. FRIEDEL. How are they going to make a study? They will not have published rates before them.

Mr. KUYKENDALL. The section that gives the Interstate Commerce Commission the right to get information has nothing to do with the filing of rates. The Interstate Commerce Commission will get the actual rates charged and not the minimum rate. The section which has to do with the study which gives the Interstate Commerce Commission the authority to get the figures for the study is not the section that requires the publication of rates.

Mr. FRIEDEL. But your amendment would take it out. Where would the Interstate Commerce Commission get the figures?

Mr. KUYKENDALL. I will put them back in. The gentleman from Minnesota (Mr. NELSEN) takes them out.

Mr. FRIEDEL. My understanding, then, is you are putting them back in?

Mr. KUYKENDALL. Yes. I think it is essential. I think what the gentleman from Michigan (Mr. DINGELL) asked for in this bill is essential.

Mr. FRIEDEL. As I read your amendment, it does not read that way. You say you are taking them out.

Mr. KUYKENDALL. Believe me, I say to the gentleman—and he can ask counsel, because they prepared it—my amendment restores the section that allows for the study and simply strikes the part that requires publication by nonregulated carriers.

Mr. FRIEDEL. You restore the study but you take out the figures. What will they make the study on?

Mr. KUYKENDALL. In my amendment we give authority to the Interstate Commerce Commission to ask for any figures which they need in order to carry out the study. I say to the gentleman from Maryland (Mr. FRIEDEL) the rate we are requiring will be useless, anyway, because the rate that they will require is not the rate that he actually charges but is only a minimum rate.

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

Mr. Chairman, I want to make myself very clear on this proposition. I am for the Kuykendall amendment, because the Kuykendall amendment is far preferable to the Nelsen amendment. Also if you adopted the Kuykendall amendment, it would work and it would accomplish the purposes which we originally set out to do.

I am primarily for the bill as it came out of the committee. Therefore I will support the Kuykendall amendment, which essentially substitutes its provisions for the Nelsen amendment. If it should be so substituted, I would still prefer the bill as it came out of the committee and therefore would vote for it, but I want to urge my colleagues that it is absolutely essential to put something in this bill that will work to accomplish the purpose that the bill was originally written for.

The gentleman from Tennessee (Mr. KUYKENDALL) and I introduced idential bills. We are both concerned with and interested in providing for a continued healthy industry in water transportation.

I want to point out to you that the motivation or at least the purpose of the Nelsen amendment for which this would be substituted is entirely different than the purpose of Mr. KUYKENDALL's original bill or my bill or the committee amendment. What it seeks to do is to permit one segment of that industry which hauls bulk cargo to operate under secret rates. If this were to happen, there are two things that could occur. A minute ago I pointed out in my colloquy with the gentleman from Michigan (Mr. DINGELL) that that would permit the captive barge lines of coal companies to shift the cost of haulage to the cost of production at the mine. That is very bad to permit the producer to affect the price on which the depletion allowance on coal is based. The only other group which can seriously claim a need for or an advantage under the Nelsen amendment are those very large shippers who would like to deal under the table to obtain favorable rates for themselves.

The total result of their obtaining favorable rates for themselves of course is to raise the rate for the middle sized or small shipper. And of course what happens is that Cargill, for example, wants to haul its grain by its captive barges; it does not want to have to maintain enough barges to haul in peak loads, so it utilizes common carriers, and wants to beat the rate down as low as it can. At times when it is not moving it barges fully in off season it hauls other commodities like coal, sulfur, or salt, and it would have the advantage of knowing what the minimum rate of the common carrier is, so that it could cut its rate a few cents below.

Now, it simply is not fair in the total industry with respect to the haulage of bulk cargo to require one person to submit sealed bids, and not see the bids of another, and in effect let the other group first see the bids and then make its contract for the haulage of that commodity. That is not fair. It is no more fair than if we issued contracts by the Government on that basis. And in the long run we do not keep prices down for shippers, but by creating an advantage for one group of shippers we actually make the prices go up. For instance, you may cut your rate a cent or so knowing what the bid of your competitor is. But you do not come in with an honest bid that reflects the cost of hauling the goods plus a reasonable profit. You simply look into the man's hand of cards standing face up and you bid a little better. Now, that does not help shippers, that does not create real competition in pricing, that simply gives a competitive advantage to one element of the industry.

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

Mr. ECKHARDT. I yield to the gentleman from Tennessee.

Mr. KUYKENDALL. Mr. Chairman, I would ask the gentleman if it is not true that in the letters that we have received from the ICC concerning the actual meaning of what this publication of contract rate means, that the bargeman in publishing the contract rate does not have to publish his actual working rate, all he has to publish is some rate, as long as it is above cost, and that he operates wherever he wants to above that figure.

Is that true?

Mr. ECKHARDT. That is true, and I think what should be taken into consideration and what should be said about it is that either these are an absolutely meaningless fiction and a minimum rate means nothing, and therefore you are not doing anything by this measure, or else the minimum rate automatically becomes the rate, because once you publish it you have almost got to stick with it, but either way it is bad.

Mr. KUYKENDALL. If the gentleman will yield further, I agree that either way is bad, that if we are going into this thing we ought to repeal section 303(b), or have a minimum rate which really means something. I think the gentleman would agree that it would be meaningless, and if it is nothing but meaningless language you might as well, if you are going to make him publish his rate, it ought to be regulated.

The CHAIRMAN. The time of the gentleman has expired.

Mr. BROWN of Ohio. Mr. Chairman, I move to strike the requisite number of words. And rise to oppose both the Nelsen and Kuykendall amendments.

Mr. Chairman, there is no disagreement among the members of the committee over the fact that some bill on this subject area must be approved in order to continue to permit barge lines and shippers to obtain relief from the court-sustained ICC order prohibiting shipping of exempt bulk commodities in the same tow as regulated nonbulk commodities.

As a result of developing barge shipping technology, such combinations, if possible, are economically efficient and desirable.

The Nelsen and Kuykendall amendments, if I understand them properly, have no effect on the major objective of this legislation. However, I have considerable objection to the Nelsen amendment. And I am not sure of the effect of the Kuykendall amendment on whether or not nonregulated barge lines would be required to list the minimum charges which they require their customers to pay for the carrying nonregulated commodities and mixed nonregulated and regulated commodities.

It seems to me, at a time when we are giving consideration to possible radical changes in our whole transportation policy and changes in our transportation system, that all the information we can obtain on all of the costs and inputs that affect our transportation systems would be very helpful.

Currently we are having the government build interstate highway systems, which certainly have had a great impact on the economic operation and efficiency of the trucklines and railroads of our country.

We have had vast investments of public funds in the improvement of rivers and harbors and lakes in our country. That also has had a great impact on the transportation system in our society—bargelines, railroads, pipelines, and so forth.

Now there is legislation before this body suggesting that the Federal Government take over the rights-of-way of the railroads so as to make it possible for the railroads to operate more efficiently and economically than they have in the past.

Whether or not we do that, we have had proposed railroad safety legislation up for consideration that will require closer supervision of rights-of-way by Government in order to assure greater safety in the operation of railroads. Such things effect rates.

So, I see nothing wrong with making public the tariffs being charged on dry

bulk commodities by nonregulated bargelines for the next 2 years so that we can get that information and have it available for the Interstate Commerce Commission and the Department of Transportation on which to base national transportation policies in the future.

Basically, that is what the subcommittee felt when they reported out this legislation. There has now been some rethinking about the legislation on the question of whether or not it would be disadvantageous to the nonregulated in their ability to compete in an economic sense with regulated bargelines and railroads for this business.

Mr. Chairman, I see nothing wrong with leaving the legislation as it is. I think that the amendment that the gentleman from Minnesota (Mr. NELSEN) has proposed merely goes back to the old system where we will have no information on this subject and nonregulated carriers will be able to compete with regulated carriers for shipment of nonregulated commodities without any information available.

The Kuykendall amendment, I must admit, leaves me somewhat confused as to what the objective is and to how it will accomplish that objective.

I suggest, Mr. Chairman, that we not make any change in the legislation reported out by the subcommittee and by the full committee and that we support the legislation as it came from the committee.

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

Mr. Chairman, I can see by looking around at the expressions of quandary on the faces of my colleagues that there is a great deal of confusion—and I can understand that.

I said in the beginning that this is an extremely technical matter. I just want to go through three steps and see if I can simplify it.

Now for a long time—and let us just take the Mississippi River which is the biggest waterway in the country—for years the regulated barges, the ones that had to publish rates and are regulated by the Interstate Commerce Commission, could mix regulated with nonregulated products in the same tow. That is the first one. They could take regulated and nonregulated and put them in the same tow. That is the first instance.

The ICC claimed, "No, you can't do that." They said, "You can't put nonregulated with regulated in the same tow without publishing rates."

That was the first step. It went up to the courts, and the courts affirmed the ICC.

What happened? Some of the barge lines said, "We cannot live with this."

So the ICC went along, 6 months at a time, for almost 2½ years to see if this body would come up with some kind of legislation saying to the ICC, "We are going to overrule the Court by statute and enact something which will overcome the decision of the Supreme Court with reference to mixing regulated with nonregulated."

We could not come up with a bill. About every 6 months we got to this point. We wrestled with it. We could not do anything with it. We could not get a bill on which we could get agreement. So that is where we stood.

Finally we came to the conclusion that we might as well bring it out here and let the regulated and unregulated carriers have their cases presented, and you fellows decide what you want done. That is about where we are. I think I have stated it in as simple terms as I can.

Now I want to come to what the bill does. What does the bill do with reference to mixing regulated and unregulated in the same tow? It simply provides that regulated barges can mix. They can mix regulated and unregulated cargo. But the regulated and unregulated must publish their rates. Before this the unregulated did not have to publish any rates.

Who uses the unregulated carriers, which are included in this bill?

The biggest one would be the agricultural producers. That is not the only one. Coal is one, but I would say that agriculture is the biggest. Along the river banks, if you live on a river, the ordinary fellow who wanted to get his grain carried down to New Orleans, or St. Louis, went to some little carrier and made a bargain with the operator: "Will you carry it for so much a ton." This was not a regular carrier. He did not publish any rates. The farmer or farm organization made the best contract he or they could make with the little fellow. It has always been recognized in all past history up until now that the little fellow along the river bank could make that kind of contract without the regulation or the publishing of a rate.

This bill changes that and says that both regulated and unregulated barges must publish.

What does the Nelsen amendment do? This is the third step. To simplify this question, what it does allow as a compromise is to allow regulated and unregulated cargo to be carried in the same tow. The amendment would overcome the decision of the Supreme Court and the ICC to this extent, that it would allow the regulated and the unregulated cargoes to be mixed. It would allow the big fellow to go ahead and mix regulated and unregulated cargo, as he always has. It overcomes the decision to that extent, and the Ancher Nelsen amendment also relieves the unregulated barge from publishing any rates, which would leave the little guy in the same position that he has always been. So this is a compromise which would allow the big fellow to mix regulated and unregulated cargoes, and overcomes the Supreme Court decision and the ICC to that extent.

But the Nelsen amendment comes along and relieves the unregulated barges from publishing rates and allows them not to do that.

(By unanimous consent, Mr. SPRINGER was allowed to proceed for 2 additional minutes.)

Mr. SPRINGER. Mr. Chairman, these are the three matters I mentioned that I think simplify this as much as I can. I will have to say without any prejudice whatever to the gentleman from Tennessee (Mr. KUYKENDALL) that I do not understand his amendment, and I am not attempting to. I am for this Nelsen amendment for the reason that I think the Nelsen amendment finally gets us to what I would call a reasonable compromise which allows the big fellows to mix unregulated and regulated, and it gives them that advantage, but it still gives the little fellow the right to go ahead and bargain along the banks of the river without having to go and publish a rate.

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

Mr. SPRINGER. I yield to the gentleman from Tennessee.

Mr. BLANTON. Mr. Chairman, is what the gentleman is saying in a sense that we are talking about freedom of having competition for the unregulated carriers or little fellows?

Mr. SPRINGER. The little fellows.

Mr. BLANTON. In other words, we are talking about free competition, with the freedom of dealing with the consumer, and they have a chance to have their products bid for at the cheapest price, especially the farmers. Their situation under the Nelsen amendment is that they would be able to have their product bid for, and they can bargain for the cheapest price. It is not a matter of having the product regulated at a certain price. The man can bargain with the small barge line owner and get the cheapest price. This is what has been happening over the years. This is one of the reasons that water freight on the Tennessee and Mississippi and Ohio Rivers has been able to provide one of the best services for agricultural products. That is why it is very important to pass this Nelson amendment. It allows the people with the large bulk items, the agricultural products, to be able to have the small barge owners provide for their products, and they get the service at the cheapest price. That is why I think the Nelsen amendment is very important.

If we incorporate this other amendment, it puts this story on a different basis, and it will bring the railroads back into the situation, and then we can put the whole thing under a regulated situation.

Mr. DINGELL. Mr. Chairman, I rise in opposition to both the Kuykendall and the Nelsen amendments.

Mr. Chairman, we have had a great many red herrings drawn across the trail today. Everybody would have us believe there has been some startling change in the law which has taken place in the law in the last few years which will regulate all the little fellows and let all the big fellows off. That is not so.

I do not arise as a friend to the legislation now before this body. As Members will remember, my minority views will show I have castigated this legislation. But I am smart enough to know one thing, that as between a bad bill which is before us, and two worse amendments, this body should very clearly consider the bill and should support the bill and should vote down these two amendments.

What do these two amendments do? Let us take them in order. First, the amendment offered by the gentleman from Tennessee (Mr. KUYKENDALL) would

say that there is no need for any filing of rates under this. What is the difficulty of eliminating the filing of rates? First of all, it is this. As of this minute and when the committee considered the resolution that is now before us, we could not find one scintilla of evidence as to what the rates were that were charged by these water carrier operators. We tried to find out what the rates were so we could make some judgment as to whether there was cost cutting or fair pricing or as to whether it would benefit the big or the little. There was no way on earth to get that information. The Corps of Engineers gave us a little information as to tonnage and kinds of commodities carried. That was the only place we could get any information. The ICC, which is supposed to regulate matters of this kind, had to say they could not help us.

As a result, the committee came forward with a compromise which embodies a number of things. Filing—it more or less protects the predacious interest of the barge industry by allowing them to mix regulated and nonregulated just so long as they do file their rates and adhere to them.

Now, the amendment of the gentleman from Tennessee (Mr. KUYKENDALL) does keep something which is desirable. It says it is going to be a 2-year proposal, and that at the end of that time it will expire and then the Congress will have to act on the matter again. We will be acting, I can assure my colleagues, with a bucket on our heads, since we will not have any information on which to predicate our judgment, since we cannot compel the production or the filing of rates.

In addition to this, the ICC, which is supposed to conduct the study, will be able to get no information, because there will be no filing of rates.

So much for the Kuykendall amendment.

What does the Nelsen amendment do? The Nelsen amendment involves the same sort of operation, but it is a little different.

The Nelsen amendment says that only the regulated operators are going to file, and that they will file minimum rates, but they can proceed from those minimum rates to then dicker and to get such higher prices and charges as they can extract, which means the minimum rate that they file will be as phony as a $3 bill and there will be no way of protecting the small competitor, which the gentleman from Minnesota (Mr. NELSEN) says he wants to protect, from predation by the big ones, who essentially will be filing under the amendment, if it should carry, a group of spurious rates.

The amendment of the gentleman from Minnesota (Mr. NELSEN) does a little more, and we ought to have this in mind. The gentleman's amendment would make this permanent legislation.

It would do something else. It would strike out, as I have indicated, both section 2 and section 3; section 2 is the 2-year limitation and section 3 says that the ICC is going to make a study and give us a response as to what the legislation really does.

So the Members can see that we really do not have a really good bill here, and I urge the Members to vote against it.

If we have to have a bill, for the love of Mike, take the bill that the committee gives us, rather than the two amendments sponsored by the two gentlemen.

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

Mr. DINGELL. Since I mentioned the name of my friend from Tennessee, I yield.

Mr. KUYKENDALL. I know that my good friend would not want to get the record out of kilter here.

Is it not true that my amendment not only would restore the request for a study but also, on page 3, would restore section 3, the language which says in so many words that the ICC may require any information it wishes for the purpose of the study?

Mr. DINGELL. The gentleman is correct; but there is still not going to be any filing of rates, so obviously the agency is not going to get a very good response as to what is the real situation in the industry.

Mr. KUYKENDALL. Is it not true that the filing of rates required by the nonregulated carrier, under this bill, is only a minimum rate and is not an actual rate; is that not true?

Mr. DINGELL. No; that is not true. It is a filing which is a factual filing of rates as opposed to the kind of thing I was discussing.

Mr. KUYKENDALL. Is it not true that the contract rate would be required of the nonregulated carrier but the actual rate of the regulated carrier?

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

(By unanimous consent, Mr. DINGELL was allowed to proceed for 3 additional minutes.)

Mr. KUYKENDALL. Is it not true that under the bill, the way it is written, the regulated carrier would be required to file an actual rate?

Mr. DINGELL. That is right.

Mr. KUYKENDALL. And the contract carrier would be required to file only a contract rate?

Mr. DINGELL. He would file his contract rate.

Mr. KUYKENDALL. Which is a minimum rate and means nothing.

Mr. DINGELL. I cannot tell whether it is a minimum rate, but he will say what he is charging that particular individual so that everybody in the industry will know what the market price is.

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

Mr. DINGELL. I yield to my friend from Minnesota.

Mr. KARTH. I thank the distinguished gentleman for yielding. Let me say that I have an extremely high regard for the gentleman. I consider him to be one of the finest Members of this body.

Let me ask the gentleman whether or not his rationale in this particular instance makes a great deal of good sense?

First of all, my distinguished friend in the well suggested that two of the propositions we are talking about are unexceptable and the other is extremely bad, and then on that basis that we ought to turn down two and accept the other. I am not sure that is a proper conclusion.

Mr. DINGELL. I would urge that the whole matter be terminated by voting the whole business down, but since I did not choose my brand of poison and since I expect that this place will accept some kind of bill, I suggested the least obnoxious of the alternatives.

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

Mr. DINGELL. I yield to my friend from Tennessee.

Mr. BLANTON. I thank my friend for yielding. I, too, want to agree that we do have three bad propositions before us.

I would like to remind the gentleman in the well that, he being a very forthright advocate of the consumer, I would hope he would look at the proposition of allowing free competition of our small barge owners that we have on the Tennessee River and the Mississippi River to allow them to compete for the products and give the consumers the cheaper rates. That is one thing that the Nelsen amendment does do and that the railroad people have not written into the whole bill. We know that the railroad people wrote this bill before us, and it is a bad bill for the barge owners.

Mr. DINGELL. Let me decline to yield further and answer the gentleman.

First of all, this is not a railroad bill that is before you. This is a subcommittee bill. Second, I would like to point out to my good friend that I have opposed the railroads often enough in my history that he knows full well when I speak I do not speak for the railroads.

Furthermore I want to point out in this business of the little barge operators that they are not really little barge operators in the first place, but in the second place these people are servants of very large vested interests.

Third, I want to point out that this is not a nice, clean world in which everybody does right because it is right. This is one of the most competitive operations in the whole of the American transportation industry. There is more rascality and cut-throat competition than you could ever imagine.

Mr. BLANTON. I agree with the gentleman.

Mr. DINGELL. One of the reasons why the so-called little barge operators rushed in to get this special relief and why they are opposed to have this filing of rates is that they represent one of the most cut-throat industries you will find and one in which there is more economic crisis than you could ever imagine.

The CHAIRMAN. The time of the gentleman has expired.

Mr. BLANTON. Mr. Chairman, I ask unanimous consent that the gentleman may have 2 additional minutes.

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

Mr. EDMONDSON. Mr. Chairman, reserving the right to object, and I do not

think I will object, I would like to get an assurance from the committee that somebody other than committee members will get a chance to speak before they move to cut off the time.

Mr. Chairman, I withdraw my reservation.

Mr. BLANTON. Mr. Chairman, I withdraw my unanimous-consent request.

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

Mr. Chairman, I will take a couple of minutes, and then I will yield to the gentleman from Oklahoma (Mr. EDMONDSON) to say whatever it is he would like to.

The problem that exists with the Nelsen amendment and the Kuykendall amendment and the committee bill is just like the problem of the little girl. Is everybody going to tell, is nobody going to tell, or are some going to tell and some not?

What we have tried to do in the committee bill is to have everybody tell so that the consumer, the shipper, knew what he was getting. The whole purpose of regulation is this: There may be a lot of people who do not believe in any regulation at all. I want to tell you what the railroad position was, since they were brought in. This is not a railroad bill. The position that I and the gentleman from Michigan (Mr. DINGELL) have taken and several others have taken with regard to railroad legislation indicates that we are not here to try to carry the railroads' or the truckers' or the barge lines' water or anyone else's water. The railroads wanted us to have no regulation of bulk commodities at all. "Let us have absolutely free competition and watch us cut the boys up." They did not say that, but that was the implication of it. In other words, no one will tell anything. At the present time regulation of the railroads requires that their bulk rates be filed. So, if you are the farmer on the river, nobody can come down on the railroad line and say, "Mr. Brown, you get it for 10 cents a bushel and, Mr. Adams, we will charge you 15 cents a bushel" or anything like that. They have to pay one established rate. That is the whole purpose of regulation. What we tried to do here is to say, "Look. We will not go to the unregulated barge people and say, 'OK. You have to come under regulation and publish your rates and adhere to them just like everybody else.'" We backed off and said, "Look. Let us try to find out what is going on on that river. Let us have everybody tell," just like in the case of the little girl.

Second, it provides for 2 years to tell us what you are doing with it. Then we will come back and look at the whole bill. If you fellows are in trouble, then perhaps we will deregulate everything; if you are not in trouble then, perhaps we will go in with some kind of publication of rates. That was the compromise position.

When you talk about the little man out on the river, remember that the barge owner out there on the river gets leaned on very heavily by very large shippers. Every time he is leaned on heavily by the large shipper, the farmer that you are talking about who has no special deal has his price go up.

In other words, if he had it hauled the year before for 15 cents a bushel, and the large people had to cut their rate to service the major person they were hauling in order to stay in business, then the large owners have to raise the rate. This is a nasty business out there. That is what we have been trying to bring in order, trying to develop a method that provides that everybody had to tell.

The problem with the amendment offered by the gentleman from Minnesota (Mr. NELSEN) is that you are going to make the regulated tell and the unregulated not tell, and the railroads publish, and when you get out there on the river you are going to get a lot of very sticky areas. And that is the reason for this bill. It was needed for the interest of the public. We have had the bill up for 4 years. The Supreme Court told the Congress to try to pass something, that the barge people have to have some kind of a bill, or all their technology of the last 20 years will go out the window.

Now I will yield to the gentleman from Oklahoma. I have talked enough about this, and I want everyone have a chance to talk.

Mr. EDMONDSON. Mr. Chairman, I thank the gentleman, but I shall have my own time.

Mr. ADAMS. Then I will yield to the gentleman from Texas, and then to the gentleman from Michigan.

Mr. ADAMS. Mr. Chairman, I now yield to the gentleman from Michigan.

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

Mr. Chairman, we have heard a lot of discussion about the small shippers, and I would like to speak just briefly on that subject.

If you wish to santify the conditions of the kind precisely that we have seen on the rivers over the last 2 years, you can do so by the adoption of either the amendment offered by the gentleman from Tennessee (Mr. KUYKENDALL) or that offered by the gentleman from Minnesota (Mr. NELSEN) and you are really going to hurt the little shippers because the little shippers will be the ones that will be affected, just as in the old days of the long-haul, short-haul, and you are going to subsidize the big guys because the big guys will raise their rates, and the little guys will get it put to them, but good, because the economic advantage with respect to the large operators is all in favor of guaranteeing the big shippers and all against the little shippers.

Mr. BROWN of Ohio. Mr. Chairman, will the gentleman yield?

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

Mr. BROWN of Ohio. Mr. Chairman, I thank the gentleman for yielding.

The gentleman from Washington has made his points very well. The gentleman from Illinois (Mr. SPRINGER), the ranking minority member on the committee, pointed out that this bill took a long time to come out of the subcommittee and out of the full committee. The subcommittee and the full committee finally hammered out a bill on which various interests would agree and on which the various members of the subcommittee and the full committee by a large majority agreed.

It seems to me that what the gentleman has said here is let us not muddy up the waters by now amending the bill.

Mr. ADAMS. I think it has been muddied up enough already without confusing it any further.

Mr. BROWN of Ohio. As the gentleman knows, this is a complicated issue, and it ought to be left where it is. I think it has been pretty well settled there.

Mr. KUYKENDALL. Mr. Chairman, if the gentleman will yield, the point is these cutthroat price practices or rate practices that the gentleman from Michigan mentioned, if you will look at the financial statements of the barge industry you will find that they make money. In fact, I wish the railroads made that much money. We would not have the problems we have here in this Congress. And the fact is that the so-called little guys are really not that small, they own and operate very expensive equipment.

Mr. ADAMS. Mr. Chairman, I just would like to say to the gentleman that I really do not know the answer to that because the unregulated carriers do not file, do not publish, and are not under any kind of economic regulation, so I do not know what their condition is.

The CHAIRMAN. The time of the gentleman has expired.

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

Mr. Chairman, I am one of 10 Members who sent a love letter to every colleague in the last few days. I join the gentleman from Minnesota (Mr. NELSEN), the gentleman from Minnesota (Mr. FRASER), the gentleman from Minnesota (Mr. KARTH), the gentleman from Mississippi (Mr. ABERNETHY), the gentleman from Wisconsin (Mr. THOMSON), the gentleman from Illinois (Mr. ANDERSON), the gentleman from Tennessee (Mr. BLANTON), and some others, in writing to you in support of the Nelsen amendment because we believe, and believe very firmly, that the Nelsen amendment is absolutely indispensable if we are going to preserve the traditional system of our waterways that has enabled the great waterways of our Nation to develop.

Now I will admit to some personal prejudice on this subject. I am from a district that is at the brink of getting the benefit of waterway commerce. We have been working for it for 50 years in Oklahoma and as we stand at the threshold of getting the benefits of water rates, here comes the great Committee on Interstate and Foreign Commerce and seeks to change the ground rules under which the Ohio was developed, the Tennessee was developed, the Mississippi was developed, and the Columbia was developed and they want to have a new set of rules.

Frankly, we do not think much of changing the rules. Uncle Sam has invested about $1 billion-plus in this water-

way on the theory that the rules are going to be continued as they are and the benefits from these waterways have been figured on the basis of the rules being continued.

The biggest fairy story that has been told on this floor today has been the fairy story that this bill is in the interest of the consumer. This is pure fantasy. It is as far from fact as you can get.

There is no consumer group in the United States supporting this bill today. As a matter of fact, the only organizations identifiable as consumer organizations are supporting the Nelsen amendment.

If you want to see rates go up on coal that your homeowner buys, then support the committee bill.

If you want to see rates go up on fertilizer that your farmers buy, then support the committee bill.

If you want to see rates go up on the grain that goes into the bread that the housewife in your district buys, then you support the committee bill.

Do not tell me that this bill will not raise rates because we would not have the enthusiasm for it from the railroad industry if it were not designed to raise rates on the waterways.

If you want to pass an inflationary bill so far as the prices that the American people must pay are concerned, then you vote for the committee bill.

If you want to continue the present low rates that we have on the waterways with the benefits of low-cost fuels and low-cost grain for your bread and low-cost commodities of all kinds, then support the Nelsen amendment.

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

Mr. EDMONDSON. I yield to the gentleman from Tennessee.

Mr. BLANTON. Mr. Chairman, I thank the gentleman from Oklahoma for yielding and commend him for bringing out the most important point in the whole argument. This is raising costs to the consumers. This is exactly what the bill does. Nobody who is shipping sand or gravel or wheat or oats or any other product which at the present time is up for bids, or the coal that the consumer has to buy, will benefit from this. They are going to go to the ICC and present these false figures like they always do, and they will say: "We want our rates regulated upward because of these costs that are involved."

There is some competition because everybody does it at the same price. At the present time they can bid for this. Here you get the cheapest rate possible to transfer these products because they are in free competition. This is exactly what the Nelsen amendment does, and this is to allow these people freedom to bid competitively for your products.

You talk about consumer protection? This is one of the best consumer protections you have seen. This is why the railroads do not want competition. They have had this over a long period of time. This is what has made our waterways famous in Tennessee, Ohio, and Mississippi, because they have free competition.

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

Mr. EDMONDSON. I yield to the gentleman.

Mr. DOWNING. Mr. Chairman, I wish to say that I completely agree with the statement made by the gentleman from Oklahoma and associate myself with his remarks.

If you want to impose higher prices on the consumer, you go ahead and pass this bill without the Nelsen amendment. For the life of me, I do not know why we should seek to impose regulations on an industry that has handled itself so well over the years, and which is a perfect example of the free enterprise system.

Mr. Chairman, I have just a few towboat operators in my area, and they are understandably concerned. But the people who are really up in arms about H.R. 8298 are the users themselves—the very ones the bill alleges it seeks to protect. The fertilizer industry, the chemical industry, the coal industry, the farm bureaus, the farm cooperatives, the farmers themselves are opposed to the noxious regulation which this bill would impose.

For 29 years it has been the accepted practice to mix unregulated bulk and regulated nonbulk commodities in a single tow on our waterways. Then a decision by the ICC later upheld by the Supreme Court made the practice unlawful.

H.R. 8298, as originally introduced was intended to mitigate the effect of the ICC's decision by providing statutory authority for this long established practice of water transportation to continue. Somewhere along the legislative path however, the original purpose was aborted and a monster has emerged.

H.R. 8298 can best be characterized as another chapter in the long and bitter history of railroads versus water carriers.

I am very definitely convinced that if this bill becomes law, barge transportation costs on bulk commodities will be increased and will ultimately result in higher consumer prices.

There is such a delicate balance now as between farm prices, transportation charges, and distribution, that this version of H.R. 8298, now on the floor, will disrupt this balance to the injury of the farmer, processor, and consumer.

In one sense, legislation such as this tends to stifle the full enterprise system.

Heretofore, the dry bulk carrier and the shipper or user have dealt at arm's length trying to get the best agreement possible under our competitive system. This system needs no regulation because past experience has proven it good. It has provided good transportation at the lowest rate possible. The moment you require these people to file these tariffs the listed price immediately becomes a floor on which subsequent rate increases will be built.

The Nelsen amendment will pressure the status quo so far as the dry bulk carriers are concerned, and I urge your support for it.

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

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

Mr. PICKLE. I yield to the gentleman from Washington.

Mr. ADAMS. I would merely like to say to the gentleman who has just spoken that if we do not pass this bill in some form, the barge business will be just about over in terms of the consumer having a better price. Is that not correct?

Mr. PICKLE. That is exactly correct. That is the purpose of the legislation before us. Throughout the debate there have been constant references to the idea that the little man is now going to be regulated, that he is going to have to publish and appear before the ICC, and therefore he would be regulated.

That is not the case. It is not the fact, and if anyone says there is any language in this bill that says he would be regulated, I would be glad to yield time to him right now. That is not the fact.

We do require that he publish rates. They have constantly said—and the gentleman from Tennessee, who is seeking to question me now, just got through saying this will increase costs—they simply make a statement without any facts to support it. Just the opposite can take place. If we know what rates are going to be and if they are published, then everyone knows. We do away with secret rates. That is the situation we have now.

Perhaps 30 years ago, when this bill was first put on the books, there was reason to have given some of the small carriers, the little men, an exemption or exception or additional assistance. But the ICC has testified to us that that time probably has passed in view of the increase in barge technology. Therefore we need to make a new study.

The ICC wanted to make a new study. They wanted to make a new recommendation. But they had to say, "In nonregulated commodities, we cannot tell you about cost, what kind of tow, what kind of commodities, and what distances." They do not know. There is no regulation, no facts available, and if anybody in this House can tell me there are facts available, I would like to know, and would yield time to him.

You can say, "Go back. We will not do anything. We will let the ICC take over." If you let the ICC take over, as the gentleman from Tennessee wanted to do, and ask them to furnish all the information they asked for, I simply say to you the ICC could say to any carrier, big or little, "Give us this information," and they would say, "We have no information to give you. We did not keep any recommendations. We do not have any papers."

The purpose of the bill before us is to say to everyone, "Publish your rates." We are not going to regulate the little man. We can, indeed, by publishing rates, lower the rates, not increase them. In that sense it is a consumer bill. It is just as easy to stand in the well and say that the rates are going to go down as it is to say that they are going to go up. I say to you there is a good chance that they can go down, because everybody will know what everybody else is charging, and that is a fair proposition. If we do not do this, if we do not set up

this temporary legislation for 2 years, then we will have chaos on our hands.

The courts have said we must act. And so I say to you that this bill is in the public interest. It is not for any one industry. It is in the public interest. If you want cheaper rates, or at least to have some kind of collection of information to arrive at a sensible proposal 2 years from now, you have got to have this kind of information as required by this particular bill.

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

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

Mr. ECKHARDT. I thank the gentleman from Texas for yielding. I wish to state that I think the gentleman's statement on this point hits the nail right on the head. There is no provision in the bill that fixes rates. It permits competition, but it does it on a fair basis, with the cards on the table, so that everybody knows what the rates are, and it does not let one side play the hand face down while the other side has to play the hand up.

Mr. PICKLE. That is certainly the intent of the subcommittee and the full committee, which reported out the bill by an 18-to-6 vote when we recommended it to the House.

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

Mr. PICKLE. I yield to the gentleman from Tennessee.

Mr. KUYKENDALL. Is it your position that you would prefer the Nelsen amendment to be amended by an amendment or not, regardless of your position on the Nelsen amendment?

Mr. PICKLE. My position is to support the committee recommendation to this House, and not your amendment, which does away with all publication, period. It just writes it off.

Mr. KUYKENDALL. But you would rather have the Nelsen amendment as amended by my amendment or not?

Mr. PICKLE. I will say again, as I said before, that I support the committee bill and not the Nelsen amendment. Do you want me to answer it differently? That is as clear as I can possibly make it.

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

Mr. PICKLE. I yield to the gentleman from Tennessee.

Mr. BLANTON. I would like to ask the gentleman this question, since he is talking about the committee bill.

Supposing the barge line is then taking a tow of gravel on the river up to Cairo, Ill., and he has a chance to take a coal barge back down the river, but he has no published rate. Then is this in the consumer's advantage, that the barge owner cannot take this coal back—and he can by this bill?

Mr. PICKLE. We have to make these things apply to all.

Mr. BLANTON. But it eliminates this competition.

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

Mr. Chairman, this bill was supported by the committee 18 to 6. We know it is a controversial bill, but it is the best that could be brought out. The bill will save the barge lines and it may help the farmers. They have been living under a cloud. They have been in the courts for 15 to 20 years. Finally, the courts ruled they were operating illegally.

The committee met. We asked the ICC not to invoke the law until we could act. We did that two or three different times. Finally we got a bill.

It has been said on the floor that this is a railroad bill. It is not a railroad bill in any sense of the word. The railroads used to fight the bill.

There is no 100 percent support for the bill. It is a controversial bill.

But when we speak of the little man that is going to be hurt—they are millionaires, the little men they are fighting for here. They are coal mine owners and sugarmill owners. These are the unregulated carriers.

But what we are asking to do is to have all carriers publish their rates—all of them. We are not asking the unregulated to be regulated. They do not want to be regulated. Now they do not want to publish. They do not want to do anything.

We are trying to bring out the best bill for the American public and to keep water traffic alive. The railroads are in trouble. If they do what they all want us to do, it will undermine all the railroads and ruin all the railroads' shipping of wheat along the waterways.

The amendment goes too far, and I am utterly opposed and bitterly opposed to both amendments. I would like to see the bill as brought out by the subcommittee and as passed by the full committee.

Mr. Chairman, I ask unanimous consent that all debate on these two amendments close at 5 o'clock.

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

There was no objection.

The CHAIRMAN. Members standing at the time the limitation was agreed to will be recognized for approximately 1¼ minutes each.

The Chair recognizes the gentleman from Wisconsin (Mr. THOMSON).

Mr. THOMSON of Wisconsin. Mr. Chairman, I rise in enthusiastic support of the Nelsen amendment. We do not need to fool anybody on this barge mixing bill. The purpose of the bill is to permit the regulated carriers to mix their tows, and that is what the Nelsen amendment does.

The unregulated carriers did not ask to file rates, and the Nelsen amendment does not require them to file rates.

We have had too much worry here about the consumers and shippers who might be injured by this. Let me tell the Members that every consumer and every shipper on the upper Mississippi River wants the Nelsen substitute for this bill, and no other amendment to the bill. The consumers and the shippers know what they have had, and they want to continue it in the same manner.

I have some 250 miles of the Mississippi River as the west boundary of my district. In my district we have the biggest cooperative generating plant in the United States, the Dairyland Power Co., that furnishes electricity to all the farm families in Wisconsin, northern Illinois, Iowa, and Minnesota. They want the Nelsen amendment to this bill. They generate electricity with coal brought by barge.

The Farmers Union wants the Nelsen amendment to this bill.

The Members talk about the great grain shippers. The Farmers Union, at its Grain Terminal Association in Minneapolis, is one of the biggest shippers of grain that there is in America. They want the Nelsen amendment.

The Nelsen amendment is a consumer's bill as well as a shippers' bill. The shippers want it. The consumers want it. The Congress should give it to them.

The CHAIRMAN. The Chair recognizes the gentleman from Illinois (Mr. ANDERSON).

Mr. ANDERSON of Illinois. Mr. Chairman, I join my friend from Wisconsin who just addressed the Committee in reaffirming my enthusiastic support for the amendment offered by the gentleman from Minnesota (Mr. NELSEN).

I have listened to a great deal of this debate this afternoon, and I share the feelings of others. I believe it is unfortunate that the wholly desirable objective of mixing had to be encumbered with this extraneous issue of posting tariffs.

I am a little bemused by the fact that some of the very same people who spoke here who are customarily railing against price-administered industries in this country now stand before us and warn us against cut-throat competition. I had been led to believe that competition was a very healthy thing, that this was what kept down rates for shippers and therefore prices for consumers in this country.

I happen to represent two counties which lie along the Mississippi River, and I have some interest in the inland waterway system of our country. I find no demand whatever for the suggestion principally coming from the Democratic side of the aisle that to have fairness and equity we have to introduce the posting of rates or the posting of tariffs by the shippers.

I find that the farm organizations which represent the farmers in my district want the Nelsen amendment.

The bulk transportation exemption has played a vital role in reducing transportation costs on farm products, fertilizers, coal, and other bulk commodities. Competition under this exemption has led to lower costs of food, electricity and other vital consumer items.

In the Rules Committee I voted against a rule for the committee version of H.R. 8298. The committee had not held any hearings on the regulatory features of the bill as amended, and the original bill did not contain these regulatory features. Such a fundamental change in policy should not be considered without a full opportunity for hearings. The Nelsen amendment properly limits the bill to the orignal purpose of the bill; namely, to solve the mixing problem. If the Nelsen substitute is adopted, it will be my intention to support the bill.

It is incumbent on this body not to increase the cost of bulk transportation. Unless the Nelsen amendment is adopted the benefits of mixing will be more than offset by the increased costs incident to regulation of the small carriers and the elimination of unregulated carriage as a vital competitive factor.

The Nelsen amendment in the form of a substitute to H.R. 8298 will provide a fair and equitable solution to the barge mixing problem. The Nelsen amendment will preserve the status quo with respect to the vigorous water carrier competition which exists today. It will serve the best interests of consumer transportation services by water. It will preserve the opportunity for communities along the river to continue to profit from low-cost barge transportation. It will not change the competitive situation among modes of transportation which is an important factor in today's uncertain situation with respect to certain segments of some of our modes.

I urge your support of the Nelsen amendment offered for H.R. 8298.

The CHAIRMAN. The Chair recognizes the gentleman from Texas (Mr. BROOKS).

Mr. BROOKS. Mr. Chairman, I believe both these amendments are undesirable.

The large and insurmountable objection to the Nelsen amendment is that it does nothing at all. The Nelsen substitute says, in effect, let those who mix regulated and unregulated commodities publish minimum rates. Those who mix can do that today and have not done so and will never, under the present law, do so because they would be placed in a completely impossible position versus their bulk exempt competitors for the bulk exempt traffic.

Assume for a minute that you are an exempt barge operator. Your rates are secret under the present law and under the Nelsen amendment. You can change your rates at a moment's notice under the present law and under the Nelsen amendment.

Now suppose you compete against a carrier which is forced by the present interpretation of the law, now temporarily suspended by the ICC, and under the Nelsen amendment to publish all his rates and is unable to change them except on 30 days' notice. As an exempt carrier you would have an overwhelming and unfair advantage. The certificated competition would be a "sitting duck." All you would need to do is reduce your rate a few pennies and run off with the traffic. The certificated carrier would never know what your rate actually was, so he could never successfully match you and, in addition, he would always be 30 days behind.

In 1940, when some of the water carriers were brought under regulation, that unfair advantage was duly noted and the exemption applied so that both exempt and regulated carriers could compete on an even basis.

The Nelsen amendment is equivalent of leaving the law as it is and killing mixing.

The committee's recommendation, adopted by an overwhelming bipartisan vote, is one that makes sense. It preserves mixing. It goes a step further and creates a fair climate for railroad competition for this traffic by requiring the publication of rates on dry bulk commodities by all carriers. Clearly all water carriers must publish or none can.

If we are to tell the railroads that we cannot bring them a step closer to equity in competitive opportunity, then the only way to save mixing is by eliminating the publication provision altogether. The Nelsen amendment is a nullity.

Secret rates on federally financed waterways are totally inconsistent with any fair evaluation of benefits to the public from the expenditure of millions and millions of dollars in waterway improvements.

The CHAIRMAN. The Chair recognizes the gentleman from Ohio (Mr. DEVINE).

Mr. DEVINE. Mr. Chairman, I yield to the gentleman from Kentucky (Mr. SNYDER), for a unanimous-consent request.

Mr. SNYDER. Mr. Chairman, I rise in support of the committee bill and against the amendments to the bill.

Mr. DEVINE. Mr. Chairman, in order to add to the confusion here, I intend to vote against the Kuykendall amendment and for the Nelsen amendment and, if it prevails, for the bill.

The CHAIRMAN. The Chair recognizes the gentleman from Tennessee (Mr. BLANTON).

Mr. BLANTON. Mr. Chairman, it is rather amazing, the difference between the bill introduced by myself and some other people to allow a simple commodity mixing of regulated and unregulated freight. I want to say to this House that I am very proud my name is not on the present bill. I would accept it if we had the Nelsen amendment passed. I was amazed at the position of the distinguished chairman of the committee. I know he is a champion of all the Members of the House and a great gentleman, and I appreciate him very much. But I was amazed by his statement that the railroads object to this bill. They did object to it in its original form, but they are not objecting to it now.

I want to set the record straight. When we talk about little barge owners we are not talking about people who own sugar mills or coal mines. Tennessee barge owners wear overalls and work on tugboats and manage these things themselves. They work on their little 2- or 3-barge operations. They do not own sugar mills or coal mines. But they are being put in a position of having to publish rates that bind them for 30 days. They cannot change prices to bring a product back and cannot give the consumer the advantage of this procedure.

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

The CHAIRMAN. The Chair recognizes the gentleman from Tennessee (Mr. KUYKENDALL).

Mr. KUYKENDALL. Mr. Chairman, I yield back my time.

The CHAIRMAN. The Chair recognizes the gentleman from Texas (Mr. PICKLE).

Mr. PICKLE. Mr. Chairman, this bill does not regulate the small shipper. It simply requires the publication of a rate. Within 30 days' time, if he wants to raise rates up or down, he can change that rate. The reason why this bill is not in the exact form it was when it was introduced is that it is just as normal as any bill that comes before the Congress. The bill before you now is the recommendation of the Interstate Commerce Commission.

Let me remind you, if you let either one of these two amendments prevail or specifically if you do not take any action, then I must tell you all exemptions that these little fellows have been enjoying over the years will be lost. Everybody, regulated and nonregulated, will be regulated. Do you want that? I do not think you do, because the intent of the bill was to allow the mixing of the commodities. We provide that in this bill. What we are doing here in addition is doing away with these secret rates. Up and down the rivers, different Members of the House want to have secret or hidden rates. I can understand that, but it is not in the public interest. That is why the Interstate Commerce Commission asked us to have the 2-year temporary bill put in to continue the exemptions, allow the mixing of commodities, and the publication of rates. At the end of that time let us see what the ICC will recommend.

I ask you to vote against the amendments.

The CHAIRMAN. The Chair recognizes the gentleman from Pennsylvania (Mr. FULTON).

Mr. FULTON of Pennsylvania. Mr. Chairman, I favor the bill H.R. 8298 as reported out of the Interstate and Foreign Commerce Committee by an overwhelming majority on a bipartisan basis. This committee has given months of study to this controversy and has come up with a fair and equitable solution, which the House should adopt.

The truth of the matter is that many people would rather have secret barge rates that do not have to be published. That is the real argument here. We should call this bill the "truth in barging" bill, because it makes public the minimum rates to be charged. We used to have in the old days secret and preferential rates, and secret rebates on the railroads where certain people got preferences and low rates, while others paid higher rates for the same service.

I represent a river district, a producer district, and a consumer district. As is well known around the House, I vote to protect the consumers and working people. This bill will keep low prices on our river barge lines by encouraging fair competition. Modern technology has increased the size of the tows and increased the size and power of the riverboats that power the barge flotilla. Therefore, Congress should not limit the size of these barge flotillas, by putting into effect the Nelsen amendment.

It is more economical to have the large barge flotillas that operate on our U.S. river systems from up in Pittsburgh clear down to Louisiana and then over to Texas. The greatest economy and best efficiency means lower costs for transportation, and lower prices for the consumer.

This bill will permit the mixing of various products and commodities in barge flotillas, which will actually help the smaller barge operator, by having his barges added on to larger barge flotillas already making the trip in the river direction that he wants his cargo to be carried. Let me emphasize again, that this bill is not a regulatory bill, and prices for barge transport can be published and changed at the choice of the owner, on 30 days' notice.

We should remember that this bill provides a 2-year-time limit, so that the situation can be checked as to how this legislation is working out. In contrast, the Nelsen amendment has no time limit, and is a final commitment forever for the method proposed. I strongly oppose the Nelsen amendment as a well intentioned but mistaken approach, both in its method and results.

The CHAIRMAN. The Chair recognizes the gentleman from Indiana (Mr. ADAIR).

Mr. ADAIR. Mr. Chairman, I rise in support of the amendment offered by the gentleman from Minnesota (Mr. NELSEN).

The complexities of the legislation before us—H.R. 8298—have been discussed in detail, and the difficulties it creates are obvious.

In my opinion, Mr. NELSEN's amendment performs an invaluable service to both producers and consumers in this period when low-cost, efficient transport is so essential in the fight against inflation.

His amendment would promote the efficiency of barge transportation by recognizing the right of regulated carriers to mix in a single tow both regulated and unregulated commodities.

It would preserve the vital flexibility of movement for unregulated carriers that now exists, enabling products to move from point to point at less cost than would be the case if 30 days' notice for rate changes were required as is the case with barge transportation of regulated commodities.

And, Mr. NELSEN's amendment would enable carriers and shippers to continue to negotiate rates in the best interests of both producers and consumers.

Mr. Chairman, I urge that this amendment be adopted.

The CHAIRMAN. The Chair recognizes the gentleman from Minnesota (Mr. NELSEN).

Mr. NELSEN. Mr. Chairman, I hope that the gentleman from Maryland (Mr. FRIEDEL) will give me the names of those millionaire bargeline operators in Minnesota that he referred to earlier.

But may I say that the ICC did not recommend this bill that is before us today. If you will read the hearings, you will find a statement by counsel that they did not recommend the bill as presented by the committee.

Now, it may be that the impression has been left that the unregulated carriers are getting something new under the provisions of this bill. The unregulated carriers have operated in the manner that they now operate since 1940, and what we are trying to do is save that transportation system, or mode of transportation, that has served the agricultural areas of the United States of America. And I have no objection if the regulated carriers get the right to mix, they have that right under my bill, and they are required only to post a minimum rate above which they can negotiate. And they themselves have agreed to that type of an approach in their own statement, in their own letter to all Members of the Congress, and I took them in good faith, and I assume that they meant what they said. But now they have been moving in to change this bill.

I have had no interference, as far as my amendment is concerned, with the railroads. They have not interfered in any way. But I may say that we have talked with the unregulated carriers. I hope the amendment offered by the gentleman from Tennessee (Mr. KUYKENDALL) will be set aside, and that my amendment will be adopted.

The CHAIRMAN. The Chair recognizes the gentleman from Minnesota (Mr. KARTH).

Mr. KARTH. Mr. Chairman, I wish to join in support of Representative ANCHER NELSEN's substitute amendment to the water carrier mixing rule bill, H.R. 8298.

Because my district is on the Mississippi River, inland water transportation is of special concern and interest to me. Many businesses in my district utilize the Mississippi River for receiving and shipping commodities. The St. Paul port in 1969 handled 1,908,150 tons of coal, 902,685 tons of grain, 150,000 tons of fertilizer and 30,000 tons of salt. The river has been of great benefit to my district because of the inherent economic advantages of low cost water transportation.

The basic purpose of H.R. 8298 is to obtain relief from an order of the Interstate Commerce Commission which was upheld by the Supreme Court in 1967 whereby water carriers can no longer haul both regulated and nonregulated commodities in the same tow.

The entire water carrier industry, both the carriers themselves as well as shippers, were in agreement that mixed tows were in the best interest of the industry, and certainly in the best interest of the country as it permitted lower cost shipping on the inland waterway system. For this reason both regulated and nonregulated carriers and the shippers themselves joined in supporting H.R. 8298 as originally introduced which would amend the Interstate Commerce Act so as to permit mixed tows.

However, as my colleagues well know, what started out as a noncontroversial proposal has become a highly controversial piece of legislation that is vigorously opposed by the vast majority of inland water carriers, practically all shippers by water, various farm organizations, and by the Department of Transportation itself. H.R. 8298 was amended by the Subcommittee on Transportation and Aeronautics to require that all water carriers transporting dry bulk commodities must file rates on such commodities with the Interstate Commerce Commission. The amended bill also provides that such rates cannot be changed except upon 30 days' notice to the ICC.

So what happened was that a bill designed to permit the continuation of mixed tows, and it should be noted that only 14 water carriers of the some 1,700 inland water carriers in the United States use mixed tows to any extent, has become a bill which for the first time subjects to a form of rate regulation carriers of bulk commodities.

I think it is significant that outside of the regulated water carriers themselves who benefit by mixed tows, and, as I say, this is only 14 large regulated common carriers, the railroads are the only ones supporting H.R. 8298 in its present form.

Most significant is the fact that not only the overwhelming majority of the inland water carriers vigorously oppose this bill, but shippers who use the waterways have joined in the opposition to it. They share the definite opinion that H.R. 8298 as amended will impair the flexibility of barge line transportation and barge service to shippers—shippers of grain, chemicals, coal, fertilizers, and ores.

My colleague from Minnesota, Representative ANCHER NELSEN, a member of the House Interstate and Foreign Commerce Committee, has taken the lead in seeking to arrive at a fair solution whereby mixed tows may be continued, but not at the expense of the shipping public and of the hundreds of inland water carriers who only haul bulk commodities. Mr. NELSEN's substitute amendment will preserve the status quo with respect to the transportation of dry bulk commodities and permit the regulated common carriers to have mixed tows. The Nelsen amendment has the unqualified support of a wide spectrum of organizations made up of water carriers, shippers, and farm groups. To name but a few who support the Nelsen amendment, the American Waterways Operators, the National Coal Association, the Fertilizer Institute, the Grain Terminal Association, the American Farm Bureau, the National Industrial Traffic League, Pillsbury Co., Archer Daniels Midland Co., Cargill, the National Council of Farmer Cooperatives, and the National Association of Wheat Growers.

Mr. Chairman, I urge my colleagues to support the Nelsen amendment as a fair and equitable way of resolving what has become a very volatile and controversial issue. The Nelsen amendment will permit mixed tows, but it will not penalize the vast majority of water carriers who do not even have the right to haul mixed tows, and more importantly it will not work a hardship on the shipping public. The Nelsen amendment is a fair and practical solution and I urge that it be approved.

Mr. ZWACH. Mr. Chairman, I am in full support of the amendment offered by my able colleague from Minnesota, ANCHER NELSEN.

The producers in my district are currently facing the problem of moving grain to make room for this year's crop. With the shortage of boxcars, this is a grave problem.

The interest of farmers in this issue is substantial since grain is the most important agricultural commodity transported by barge. Competition in the inland waterway industry provides a much more effective protection of shippers' interests than regulation. Comprehensive rate regulations would impose unnecessary costs, restrictions and inefficiencies on barge operators. Since such a huge volume of grain moves by barge in bulk, farmers want strong competition rather than regulation for setting rates on bulk commodities. This will permit farmers to enjoy the benefits of low-cost water transportation on the inland waterways.

Under the Nelsen amendment, all that the certificated common carriers would be required to do in order to transport all commodities at the same time is to file minimum rates on the nonregulated commodities—the so-called dry bulk commodities. This amendment properly puts the requirement for barge mixing where is belongs, on the regulated 10 percent of the carriers who can mix and transport all commodities at the same time. H.R. 8298, as amended, puts the reporting and rate-filing requirement in the wrong place—on the unregulated water carriers who cannot transport all commodities and therefore cannot mix anyway.

The Nelsen amendment is a fair and equitable solution to the barge mixing problem and I urge my colleagues to accept this amendment.

The CHAIRMAN. The Chair now recognizes the gentleman from Maryland (Mr. FRIEDEL) to close debate.

Mr. FRIEDEL. Mr. Chairman, I rise in opposition to both the Kuykendall and the Nelsen amendment.

I am asking all Members to vote for the committee amendment.

This is a bill that is in the public interest.

We have included language that the Interstate Commerce Commission asked us to insert. We conferred with the ICC and we have language in the bill which was suggested by the ICC.

As I said earlier, this is in the public interest. This bill will benefit the shippers and if the shippers benefit, then the consumers benefit.

I am sure all of my colleagues are very well aware of the way that transportation rates on all other modes of transportation have gone up and are going up. But the rates on bargelines have been held down. With their new technology, they can tow 50 or 60 barges and can haul them much cheaper.

All the committee is asking is that they publish their rates.

Mr. Chairman, this is a very good bill and I hope the amendments are defeated.

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

All time has expired.

The question is on the amendment offered by the gentleman from Tennessee (Mr. KUYKENDALL) to the amendment of the gentleman from Minnesota (Mr. NELSEN).

The amendment to the amendment was rejected.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Minnesota (Mr. NELSEN).

Mr. NELSEN. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chairman appointed as tellers Mr. NELSEN and Mr. FRIEDEL.

The Committee divided, and the tellers reported that there were—ayes 87, noes 61.

So the amendment was agreed to.

The CHAIRMAN. The question is on the committee amendment, as amended.

The committee amendment, as amended, was agreed to.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair,

Mr. GRAY, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee having had under consideration the bill (H.R. 8298) to amend section 303(b) of the Interstate Commerce Act to modernize certain restrictions upon the application and scope of the exemption provided therein, pursuant to House Resolution 930, he reported the bill back to the House with an amendment adopted in the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

Is a separate vote demanded on the amendment to the committee amendment in the nature of a substitute?

Mr. FRIEDEL. Mr. Speaker, I demand a separate vote on the so-called Nelsen amendment.

The SPEAKER. The Clerk will report the amendment on which a separate vote has been demanded.

The Clerk read as follows:

Amendment: Strike out everything after the enacting clause and insert:

"That section 303(b) of the Interstate Commerce Act, as amended (49 U.S.C. § 903 (b)), is amended by deleting the first sentence thereof and substituting in lieu thereof the following new sentence: 'Nothing in this part shall apply to the transportation by a water carrier of commodities in bulk when the cargo space of the vessel in which such commodities are transported is being used for the carrying of not more than three such commodities, except that, when a water carrier transports commodities in bulk (as defined in this subsection) concurrently and in the same vessel with commodities moving at rates otherwise lawfully filed under this part, it shall establish and observe, subject to the penalties provided in sections 316 and 317, schedules of minimum rates and charges for transportation of the commodities in bulk, which schedules shall be filed with the Commission in accordance with the procedures specified in section 306(e), but such schedules shall not be subject to suspension or investigation by the Commission upon protest, complaint or upon the initiative of the Commission.'"

The SPEAKER. The question is on the amendment.

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

The yeas and nays were ordered.

The question was taken; and there were—yeas 181, nays 194, not voting 54, as follows:

[Roll No. 274]

YEAS—181

Abernethy	Andrews, N. Dak.	Beall, Md.
Adair	Arends	Belcher
Albert	Ashbrook	Bell, Calif.
Alexander	Ayres	Bennett
Anderson, Ill.	Blackburn	Betts
Blanton	Gross	Obey
Blatnik	Gubser	O'Konski
Boggs	Gude	Patten
Bow	Haley	Perkins
Brinkley	Hall	Pettis
Broomfield	Halpern	Pirnie
Brown, Calif.	Hamilton	Poff
Brown, Mich.	Hammer-schmidt	Quie
Broyhill, Va.	Hansen, Idaho	Quillen
Burke, Fla.	Harsha	Railsback
Burlison, Mo.	Harvey	Reid, Ill.
Burton, Utah	Hastings	Rhodes
Button	Heckler, Mass.	Robison
Byrnes, Wis.	Hogan	Rogers, Fla.
Camp	Horton	Roth
Carter	Hosmer	Rousselot
Cederberg	Hungate	Ruppe
Chamberlain	Hunt	Ruth
Chappell	Hutchinson	Sandman
Clausen, Don H.	Jarman	Schadeberg
Clawson, Del	Karth	Scherle
Cleveland	Kastenmeier	Schmitz
Collier	Kee	Schwengel
Collins	Keith	Scott
Conable	Kleppe	Sebelius
Conte	Kuykendall	Shriver
Corman	Kyl	Sikes
Coughlin	Landgrebe	Sisk
Crane	Langen	Slack
Culver	Latta	Smith, Calif.
Daniel, Va.	Lujan	Smith, N.Y.
Davis, Wis.	McClory	Springer
Dellenback	McClure	Stafford
Denney	McDade	Stanton
Dennis	McDonald, Mich.	Steiger, Wis.
Derwinski	McEwen	Stubblefield
Devine	McKneally	Symington
Dowdy	MacGregor	Talcott
Downing	Mann	Teague, Calif.
Duncan	Marsh	Thompson, Ga.
Edmondson	Martin	Thomson, Wis.
Erlenborn	May	Vander Jagt
Esch	Mayne	Wampler
Evins, Tenn.	Melcher	Watts
Findley	Michel	Whitehurst
Flowers	Miller, Ohio	Whitten
Ford, Gerald R.	Minshall	Widnall
Foreman	Mizell	Wilson, Bob
Fraser	Montgomery	Winn
Frelinghuysen	Morgan	Wold
Frey	Morse	Wright
Fulton, Tenn.	Morton	Wylie
Gibbons	Mosher	Wyman
Gray	Myers	Yatron
Griffin	Nelsen	Zion
		Zwach

NAYS—194

Adams	Edwards, Ala.	Jones, N.C.
Addabbo	Edwards, Calif.	Jones, Tenn.
Anderson, Calif.	Eilberg	Kazen
Anderson, Tenn.	Eshleman	Kluczynski
Andrews, Ala.	Evans, Colo.	Koch
Annunzio	Farbstein	Kyros
Ashley	Fascell	Landrum
Aspinall	Feighan	Leggett
Biaggi	Flood	Lennon
Biester	Foley	Lloyd
Bingham	Ford, William D.	Long, Md.
Boland	Fountain	Lowenstein
Bolling	Friedel	McCloskey
Brademas	Fulton, Pa.	McFall
Brasco	Fuqua	Macdonald, Mass.
Brooks	Galifianakis	Madden
Brotzman	Gallagher	Mahon
Brown, Ohio	Garmatz	Mathias
Broyhill, N.C.	Gaydos	Matsunaga
Buchanan	Gettys	Meeds
Burke, Mass.	Giaimo	Mikva
Burleson, Tex.	Gilbert	Miller, Calif.
Burton, Calif.	Goldwater	Mills
Bush	Gonzalez	Minish
Byrne, Pa.	Green, Oreg.	Mink
Cabell	Green, Pa.	Mize
Carey	Griffiths	Mollohan
Casey	Grover	Monagan
Celler	Hagan	Moorhead
Clancy	Hanley	Moss
Clark	Hanna	Murphy, Ill.
Cohelan	Hansen, Wash.	Murphy, N.Y.
Corbett	Harrington	Natcher
Cowger	Hathaway	Nedzi
Daniels, N.J.	Hawkins	Nichols
Davis, Ga.	Hays	Nix
de la Garza	Hechler, W. Va.	O'Hara
Delaney	Helstoski	Olsen
Dent	Henderson	O'Neill, Mass.
Dickinson	Hicks	Patman
Dingell	Holifield	Pelly
Donohue	Howard	Pepper
Dorn	Jacobs	Philbin
Dulski	Johnson, Calif.	Pickle
Dwyer	Johnson, Pa.	Pike
Eckhardt	Jonas	Poage
	Jones, Ala.	Podell

Preyer, N.C.	Scheuer	Van Deerlin
Price, Ill.	Schneebeli	Vanik
Price, Tex.	Shipley	Vigorito
Pucinski	Smith, Iowa	Waldie
Purcell	Snyder	Watson
Randall	Staggers	Whalen
Rees	Steed	Whalley
Reid, N.Y.	Steiger, Ariz.	White
Reuss	Stephens	Wiggins
Riegle	Stokes	Williams
Rivers	Stratton	Wilson,
Roberts	Stuckey	Charles H.
Rodino	Taft	Wolff
Roe	Taylor	Wyatt
Rooney, Pa.	Teague, Tex.	Wydler
Rosenthal	Thompson, N.J.	Yates
Roybal	Tiernan	Zablocki
St Germain	Udall	
Saylor	Ullman	

NOT VOTING—54

Abbitt	Fallon	Passman
Baring	Fish	Pollock
Barrett	Fisher	Powell
Berry	Flynt	Pryor, Ark.
Bevill	Goodling	Rarick
Bray	Hébert	Reifel
Brock	Hull	Rogers, Colo.
Caffery	Ichord	Rooney, N.Y.
Chisholm	King	Rostenkowski
Clay	Long, La.	Roudebush
Colmer	Lukens	Ryan
Conyers	McCarthy	Satterfield
Cramer	McCulloch	Skubitz
Cunningham	McMillan	Sullivan
Daddario	Mailliard	Tunney
Dawson	Meskill	Waggonner
Diggs	O'Neal, Ga.	Weicker
Edwards, La.	Ottinger	Young

So the amendment was rejected.

The Clerk announced the following pairs:

On this vote:

Mr. Colmer for, with Mr. Rooney of New York against.

Mr. Flynt for, with Mr. Fallon against.

Until further notice:

Mr. Rostenkowski with Mr. Mailliard.
Mr. Waggonner with Mr. Reifel.
Mr. Hull with Mr. Fish.
Mr. Daddario with Mr. Meskill.
Mr. Bevill with Mr. Goodling.
Mr. Caffery with Mr. Cunningham.
Mr. Passman with Mr. Cramer.
Mr. Long of Louisiana with Mr. Pollock.
Mr. Barrett with Mr. Skubitz.
Mr. Edwards of Louisiana with Mr. Brock.
Mr. Rarick with Mr. Berry.
Mr. Rogers of Colorado with Mr. McCulloch.
Mr. Hébert with Mr. Bray.
Mrs. Sullivan with Mr. King.
Mr. Ryan with Mr. Diggs.
Mr. McCarthy with Mr. Clay.
Mr. Tunney with Mr. Dawson.
Mr. Ottinger with Mr. Powell.
Mr. Pryor of Arkansas with Mr. Lukens.
Mr. McMillan with Mr. Roudebush.
Mr. Abbitt with Mr. Weicker.
Mr. Young with Mr. Baring.
Mr. Fisher with Mr. Satterfield.
Mr. Conyers with Mrs. Chisholm.

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

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

The result of the vote was announced as above recorded.

The SPEAKER. The question is on the committee amendment in the nature of a substitute adopted by the Committee of the Whole.

The amendment was agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time and was read the third time.

MOTION TO RECOMMIT

Mr. NELSEN. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. NELSEN. I am in its present form, Mr. Speaker.

The SPEAKER. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. NELSEN moves to recommit the bill H.R. 8298 to the Committee on Interstate and Foreign Commerce.

The SPEAKER. Without objection, the previous question on the motion to recommit is ordered.

There was no objection.

The question is on the motion to recommit.

The question was taken; and the Speaker announced that the noes appeared to have it.

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

The yeas and nays were ordered.

The question was taken; and there were—yeas 141, nays 230, not voting 58, as follows:

[Roll No. 275]

YEAS—141

Abernethy	Downing	Minshall
Adair	Duncan	Mizell
Albert	Edmondson	Montgomery
Alexander	Erlenborn	Morgan
Anderson, Ill.	Esch	Morse
Andrews, N. Dak.	Findley	Morton
Arends	Foreman	Myers
Ashbrook	Frelinghuysen	Nelsen
Ayres	Frey	O'Konski
Beall, Md.	Fulton, Tenn.	Patten
Belcher	Gibbons	Pettis
Blackburn	Gray	Pirnie
Blanton	Griffin	Poff
Blatnik	Gubser	Quie
Bow	Gude	Quillen
Brinkley	Haley	Railsback
Broomfield	Hall	Randall
Brown, Calif.	Hansen, Idaho	Reid, Ill.
Brown, Mich.	Harsha	Robison
Broyhill, N.C.	Harvey	Rogers, Fla.
Broyhill, Va.	Hastings	Roth
Burke, Fla.	Hogan	Rousselot
Burlison, Mo.	Hosmer	Ruppe
Burton, Utah	Hunt	Ruth
Button	Hutchinson	Sandman
Byrnes, Wis.	Jarman	Schadeberg
Camp	Karth	Schmitz
Carter	Kee	Schwengel
Cederberg	Kleppe	Scott
Chamberlain	Kuykendall	Sebelius
Clausen, Don H.	Kyl	Sisk
Clawson, Del	Landgrebe	Smith, Calif.
Cleveland	Langen	Smith, N.Y.
Collins	Lujan	Springer
Conable	McClory	Steiger, Wis.
Conte	McClure	Stubblefield
Coughlin	McDonald, Mich.	Thompson, Ga.
Crane	McEwen	Thomson, Wis.
Daniel, Va.	McKneally	Vander Jagt
Davis, Wis.	MacGregor	Wampler
Dellenback	Marsh	Whitehurst
Denney	Martin	Whitten
Dennis	May	Wilson, Bob
Derwinski	Mayne	Wold
Devine	Melcher	Wright
Dingell	Michel	Wyman
	Miller, Ohio	Zion
		Zwach

NAYS—230

Adams	Brasco	Corman
Addabbo	Brooks	Cowger
Anderson, Calif.	Brotzman	Culver
	Brown, Ohio	Daniels, N.J.
Anderson, Tenn.	Buchanan	Davis, Ga.
	Burke, Mass.	de la Garza
Andrews, Ala.	Burleson, Tex.	Delaney
Annunzio	Burton, Calif.	Dent
Ashley	Bush	Dickinson
Aspinall	Cabell	Donohue
Bell, Calif.	Carey	Dorn
Bennett	Casey	Dulski
Betts	Celler	Dwyer
Biaggi	Chappell	Eckhardt
Biester	Chisholm	Edwards, Ala.
Bingham	Clancy	Edwards, Calif.
Boggs	Clark	Eilberg
Boland	Cohelan	Eshleman
Bolling	Collier	Evans, Colo.
Brademas	Corbett	Evins, Tenn.
Farbstein	Koch	Riegle
Fascell	Kyros	Rivers
Feighan	Landrum	Roberts
Flood	Latta	Rodino
Flowers	Leggett	Roe
Foley	Lennon	Rooney, Pa.
Ford, Gerald R.	Lloyd	Rosenthal
Ford, William D.	Long, Md.	Roybal
	Lowenstein	St Germain
Fountain	McCloskey	Saylor
Fraser	McDade	Scherle
Friedel	McFall	Scheuer
Fulton, Pa.	Macdonald, Mass.	Schneebeli
Fuqua		Shipley
Galifianakis	Madden	Shriver
Gallagher	Mahon	Sikes
Garmatz	Mann	Slack
Gaydos	Mathias	Smith, Iowa
Gettys	Matsunaga	Snyder
Giaimo	Meeds	Stafford
Gilbert	Mikva	Staggers
Goldwater	Miller, Calif.	Stanton
Gonzalez	Mills	Steed
Green, Oreg.	Minish	Steiger, Ariz.
Green, Pa.	Mink	Stephens
Griffiths	Mize	Stokes
Gross	Mollohan	Stratton
Grover	Monagan	Stuckey
Halpern	Moorhead	Symington
Hamilton	Mosher	Taft
Hammer-schmidt	Moss	Talcott
	Murphy, Ill.	Taylor
Hanley	Murphy, N.Y.	Teague, Tex.
Hanna	Natcher	Tiernan
Hansen, Wash.	Nedzi	Udall
Harrington	Nichols	Ullman
Hathaway	Nix	Van Deerlin
Hawkins	Obey	Vanik
Hays	O'Hara	Vigorito
Hechler, W. Va.	Olsen	Waldie
Heckler, Mass.	O'Neill, Mass.	Watson
Helstoski	Patman	Watts
Henderson	Pelly	Whalen
Hicks	Pepper	Whalley
Holifield	Perkins	White
Horton	Philbin	Widnall
Howard	Pickle	Wiggins
Hungate	Pike	Williams
Jacobs	Poage	Wilson, Charles H.
Johnson, Calif.	Podell	
Johnson, Pa.	Preyer, N.C.	Winn
Jonas	Price, Ill.	Wolff
Jones, Ala.	Price, Tex.	Wyatt
Jones, N.C.	Pucinski	Wydler
Jones, Tenn.	Purcell	Wylie
Kastenmeier	Rees	Yates
Kazen	Reid, N.Y.	Yatron
Keith	Reuss	Zablocki
Kluczynski	Rhodes	

NOT VOTING—58

Abbitt	Fish	Powell
Baring	Fisher	Pryor, Ark.
Barrett	Flynt	Rarick
Berry	Goodling	Reifel
Bevill	Hagan	Rogers, Colo.
Bray	Hébert	Rooney, N.Y.
Brock	Hull	Rostenkowski
Byrne, Pa.	Ichord	Roudebush
Caffery	King	Ryan
Clay	Long, La.	Satterfield
Colmer	Lukens	Skubitz
Conyers	McCarthy	Sullivan
Cramer	McCulloch	Teague, Calif.
Cunningham	McMillan	Thompson, N.J.
Daddario	Mailliard	Tunney
Dawson	Meskill	Waggonner
Diggs	O'Neal, Ga.	Weicker
Dowdy	Ottinger	Young
Edwards, La.	Passman	
Fallon	Pollock	

So the motion to recommit was rejected.

The Clerk announced the following pairs:

On this vote:

Mr. Colmer for, with Mr. Rooney of New York against.

Mr. Flynt for, with Mr. Fallon against.

Until further notice:

Mr. Rostenkowski with Mr. Mailliard.
Mr. Waggonner with Mr. Reifel.
Mr. Hull with Mr. Fish.
Mr. Daddario with Mr. Meskill.
Mr. Bevill with Mr. Goodling.
Mr. Caffery with Mr. Cunningham.
Mr. Passman with Mr. Cramer.
Mr. Long of Louisiana with Mr. Pollock.
Mr. Barrett with Mr. Skubitz.
Mr. Edwards of Louisiana with Mr. Brock.

Mr. Rarick with Mr. Berry.
Mr. Rogers of Colorado with Mr. McCulloch.
Mr. Hébert with Mr. Bray.
Mrs. Sullivan with Mr. King.
Mr. Ryan with Mr. Diggs.
Mr. McCarthy with Mr. Clay.
Mr. Tunney with Mr. Dawson.
Mr. Ottinger with Mr. Powell.
Mr. Pryor of Arkansas with Mr. Lukens.
Mr. McMillan with Mr. Roudebush.
Mr. Abbitt with Mr. Weicker.
Mr. Young with Mr. Baring.
Mr. Fisher with Mr. Satterfield.
Mr. Conyers with Mr. Byrne of Pennsylvania.
Mr. Thompson of New Jersey with Mr. Teague of California.
Mr. Ichord with Mr. Hagan.
Mr. O'Neal of Georgia with Mr. Dowdy.

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

Messrs. BOLLING, VAN DEERLIN, WIDNALL, WYATT, CHAPPELL, and BENNETT changed their votes from "yea" to "nay."

The result of the vote was announced as above recorded.

The SPEAKER. The question is on the passage of the bill.

The bill was passed.

A motion to reconsider was laid on the table.

LEGISLATIVE PROGRAM FOR THE BALANCE OF THE DAY

(Mr. ALBERT asked and was given permission to address the House for 1 minute.)

Mr. ALBERT. Mr. Speaker, following the disposition of the bill which is still pending on which the vote was put over, we will call up the conference report on the Defense Production Act, which will be the last order of business today.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate by Mr. Arrington, one of its clerks, announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 3302) entitled "An act to amend the Defense Production Act of 1950, and for other purposes."

The message also announced that the Senate disagrees to the amendments of the House to the bill (S. 3637) entitled "An act to amend section 315 of the Communications Act of 1934 with respect to equal-time requirements for candidates for public office, and for other purposes," agrees to a conference requested by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. MAGNUSON, Mr. PASTORE, Mr. HARTKE, Mr. SCOTT, and Mr. BAKER to be the conferees on the part of the Senate.

CONFERENCE REPORT ON S. 3547, THE NARROWS UNIT, MISSOURI RIVER BASIN PROJECT

Mr. ASPINALL submitted the following conference report and statement on the bill (S. 3547) to authorize the Secretary of the Interior to construct, operate, and maintain the Narrows unit, Missouri River Basin project, Colorado, and for other purposes:

CONFERENCE REPORT (H. REPT. 91-1415)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 3547) to authorize the Secretary of the Interior to construct, operate, and maintain the Narrows unit, Missouri River Basin project, Colorado, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows: That the Senate recede from its disagreement to the amendment of the House to the text of the bill, and agree to the same with an amendment as follows: In lieu of the matter inserted by the House amendment insert the following:

That the Narrows unit, heretofore authorized as an integral part of the Missouri River Basin project by section 9 of the Flood Control Act of December 22, 1944, as amended and supplemented, is hereby reauthorized as a unit of that project for the purposes of providing irrigation water for one hundred and sixty-six thousand acres of land, flood control, fish and wildlife conservation and development, public outdoor recreation, potential future municipal and industrial supplies, and for other purposes. The construction, operation, and maintenance of the Narrows unit shall be subject to the Federal reclamation laws (Act of June 17, 1902, 32 Stat. 388, and Acts amendatory thereof or supplementary thereto). The principal features of the Narrows unit shall include the Narrows Dam and Reservoir, fish hatchery and rearing ponds, acquisition and development of the existing Jackson Lake Reservoir, including some rehabilitation of Jackson Lake Dam, for public outdoor recreation and fish and wildlife enhancement, and other necessary works and facilities to effect its purpose.

The Narrows unit shall be operated in such manner that identifiable return flows of water will not cause the South Platte River to be in violation of water quality standards established by the State of Colorado and approved by the Secretary of the Interior pursuant to the Water Quality Act of 1965 (79 Stat. 903).

SEC. 2. The conservation and development of the fish and wildlife resources and the enhancement of recreation opportunities in connection with the Narrows unit shall be in accordance with provisions of the Federal Water Project Recreation Act (79 Stat. 213).

SEC. 3. The Narrows unit shall be integrated physically and financially with the other Federal works constructed under the comprehensive plan approved by section 9 of the Flood Control Act of December 22, 1944, as amended and supplemented: *Provided*, That repayment contracts for the return of construction costs allocated to irrigation will be based on the irrigator's ability to repay, as determined by the Secretary: *Provided further*, That the terms of such contracts shall not exceed 50 years.

SEC. 4. For a period of ten years from the date of enactment of this Act, no water from the unit authorized by this Act shall be delivered to any water user for the production on newly irrigated lands of any basic agricultural commodity, as defined in the Agricultural Act of 1949, or any amendment thereof, if the total supply of such commodity for the marketing year in which the bulk of the crop would normally be marketed is in excess of the normal supply as defined in section 301(b)(10) of the Agricultural Adjustment Act of 1938, as amended, unless the Secretary of Agriculture calls for an increase in production of such commodity in the interest of national security.

SEC. 5. To the extent that project water constitutes a supplemental irrigation supply, the provisions of the Act of June 16, 1938, relating to the Colorado-Big Thompson project in Colorado are hereby made equally applicable to the Narrows unit.

SEC. 6. The interest rate used for purposes of computing interest during construction and interest on the unpaid balance of the capital costs allocated to interest-bearing features of the project shall be determined by the Secretary of the Treasury, as of the beginning of the fiscal year in which construction is initiated, on the basis of the computed average interest rate payable by the Treasury upon its outstanding marketable public obligations, which are neither due nor callable for redemption for fifteen years from date of issue.

SEC. 7. There is hereby authorized to be appropriated for construction of the Narrows unit as authorized in this Act the sum of $68,050,000 (based upon January 1969 prices), plus or minus such amounts, if any, as may be justified by reason of ordinary fluctuations in construction costs as indicated by engineering costs indexes applicable to the types of construction involved herein. There are also authorized to be appropriated such additional sums as may be required for operation and maintenance of the unit.

And the House agree to the same.

WAYNE N. ASPINALL,
JAMES A. HALEY,
HAROLD T. JOHNSON,
JOHN P. SAYLOR,
CRAIG HOSMER,
Managers on the Part of the House.

CLINTON P. ANDERSON,
FRANK CHURCH,
QUENTIN BURDICK,
GORDON ALLOTT,
LEN B. JORDAN,
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 3547) to authorize the Secretary of the Interior to construct, operate, and maintain the Narrows unit, Missouri River Basin project, Colorado, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

SUMMARY EXPLANATION

The Senate conferees agreed to recede from disagreement with language in the House amendment concerning pollution abatement and water quality enhancement and agreed to the same with an amendment in the nature of substitute language.

The Senate conferees agreed to recede from disagreement with language in the House amendment clarifying the repayment period for the return of reimbursable irrigation costs.

The House conferees agreed to accept language in the Senate version of the bill with respect to applicability of acreage limitation provisions of Reclamation law.

DETAILED EXPLANATION

The House version of the bill, which is in the nature of an amendment to S. 3547, contains a proviso to Section 1 requiring that all identifiable return flows of water from the project be treated to abate pollution and enhance water quality as determined by the Secretary. The substitute language adopted by the conferees requires that the project be operated in such manner as to not cause the South Platte River to be in violation of applicable water quality standards. The agreed upon language has the effect of introducing and setting forth precise water quality standards within which the Secretary of the Interior must operate the project, as such standards have been proposed by the State of Colorado for the South Platte River pursuant to the Water Quality Act of 1965 (79 Stat. 903), and have been approved by the Secretary of the Interior.

The House version of S. 3547 also contains a provision requiring that water user con-

tracts extend for a full term of 50 years if necessary to accomplish irrigation repayment. The Senate conferees accepted this provision.

The House version does not contain language that is in the Senate bill which would apply the same criteria for administration of the acreage provisions of Reclamation law to the Narrows unit as now pertain to the adjacent Colorado-Big Thompson project. The House conferees agreed to accept the Senate language which provides that, to the extent that Narrows unit water supplies are used for only supplemental service to presently irrigated lands, acreage limitation statutes of existing law will not apply. The agreed upon language thus allows equality of treatment among all water users of the Northeastern Colorado Water Conservancy District.

WAYNE N. ASPINALL,
JAMES A. HALEY,
HAROLD T. JOHNSON,
JOHN P. SAYLOR,
CRAIG HOSMER,
Managers on the Part of the House.

HEART DISEASE, CANCER, STROKE, AND KIDNEY DISEASE AMENDMENTS OF 1970

The SPEAKER. The unfinished business is the question on the passage of the bill H.R. 17570.

The Clerk read the title of the bill.

The SPEAKER. The question is on the passage of the bill.

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

The yeas and nays were ordered.

The question was taken; and there were—yeas 365, nays 0, not voting 64, as follows:

[Roll No. 276]

YEAS—365

Abernethy	Burton, Utah	Eckhardt
Adair	Bush	Edmondson
Adams	Button	Edwards, Ala.
Addabbo	Byrnes, Wis.	Edwards, Calif.
Albert	Cabell	Eilberg
Alexander	Camp	Erlenborn
Anderson, Calif.	Carey	Esch
	Carter	Eshleman
Anderson, Ill.	Casey	Evans, Colo.
Andrews, Ala.	Cederberg	Evins, Tenn.
Andrews, N. Dak.	Celler	Farbstein
	Chamberlain	Fascell
Annunzio	Chappell	Feighan
Arends	Chisholm	Findley
Ashbrook	Clancy	Flood
Ashley	Clark	Flowers
Aspinall	Clausen, Don H.	Foley
Ayres		Ford, Gerald R.
Beall, Md.	Clawson, Del	Ford, William D.
Belcher	Cleveland	
Bell, Calif.	Cohelan	Foreman
Bennett	Collier	Fountain
Betts	Collins	Fraser
Biaggi	Conable	Frelinghuysen
Biester	Conte	Frey
Bingham	Corbett	Friedel
Blackburn	Corman	Fulton, Pa.
Blanton	Coughlin	Fulton, Tenn.
Blatnik	Cowger	Fuqua
Boggs	Crane	Galifianakis
Boland	Culver	Gallagher
Bolling	Daniel, Va.	Garmatz
Bow	Daniels, N.J.	Gaydos
Brademas	Davis, Ga.	Gettys
Brasco	Davis, Wis.	Giaimo
Brinkley	de la Garza	Gibbons
Brooks	Delaney	Gilbert
Broomfield	Dellenback	Goldwater
Brotzman	Dennis	Gonzalez
Brown, Calif.	Dent	Gray
Brown, Mich.	Derwinski	Green, Oreg.
Brown, Ohio	Devine	Green, Pa.
Broyhill, N.C.	Dickinson	Griffin
Broyhill, Va.	Dingell	Griffiths
Buchanan	Donohue	Gross
Burke, Fla.	Dorn	Grover
Burke, Mass.	Downing	Gubser
Burleson, Tex.	Dulski	Gude
Burlison, Mo.	Duncan	Hagan
Burton, Calif.	Dwyer	Haley
Hall	Mayne	St Germain
Halpern	Meeds	Sandman
Hamilton	Melcher	Saylor
Hammer-schmidt	Michel	Schadeberg
	Mikva	Scherle
Hanley	Miller, Calif.	Scheuer
Hanna	Miller, Ohio	Schmitz
Hansen, Idaho	Mills	Schneebeli
Harrington	Minish	Schwengel
Harsha	Mink	Scott
Harvey	Minshall	Sebelius
Hastings	Mize	Shipley
Hathaway	Mizell	Shriver
Hawkins	Mollohan	Sikes
Hays	Monagan	Sisk
Hechler, W. Va.	Montgomery	Slack
Heckler, Mass.	Moorhead	Smith, Calif.
Helstoski	Morgan	Smith, Iowa
Henderson	Morse	Smith, N.Y.
Hicks	Morton	Snyder
Hogan	Mosher	Springer
Holifield	Moss	Stafford
Horton	Murphy, Ill.	Staggers
Hosmer	Myers	Stanton
Howard	Natcher	Steed
Hungate	Nedzi	Steiger, Ariz.
Hunt	Nelsen	Steiger, Wis.
Hutchinson	Nichols	Stephens
Jacobs	Nix	Stokes
Jarman	Obey	Stratton
Johnson, Calif.	O'Hara	Stubblefield
Johnson, Pa.	O'Konski	Symington
Jonas	Olsen	Taft
Jones, Ala.	O'Neill, Mass.	Talcott
Jones, N.C.	Patman	Taylor
Jones, Tenn.	Patten	Teague, Tex.
Karth	Pelly	Thompson, Ga.
Kastenmeier	Pepper	Thomson, Wis.
Kazen	Perkins	Tiernan
Kee	Pettis	Udall
Keith	Philbin	Ullman
Kleppe	Pickle	Van Deerlin
Kluczynski	Pike	Vander Jagt
Koch	Pirnie	Vanik
Kuykendall	Poage	Vigorito
Kyl	Podell	Waldie
Kyros	Poff	Wampler
Landgrebe	Preyer, N.C.	Watson
Landrum	Price, Ill.	Watts
Langen	Price, Tex.	Whalen
Latta	Pucinski	Whalley
Lennon	Purcell	White
Lloyd	Quie	Whitehurst
Long, Md.	Quillen	Whitten
Lowenstein	Railsback	Widnall
Lujan	Randall	Wiggins
McClory	Rees	Williams
McCloskey	Reid, Ill.	Wilson, Bob
McClure	Reid, N.Y.	Wilson, Charles H.
McDade	Reuss	
McDonald, Mich.	Rhodes	Winn
	Riegle	Wold
McEwen	Rivers	Wolff
McFall	Roberts	Wright
McKneally	Robison	Wyatt
Macdonald, Mass.	Rodino	Wydler
	Roe	Wylie
MacGregor	Rogers, Fla.	Wyman
Madden	Rooney, Pa.	Yates
Mahon	Rosenthal	Yatron
Mann	Roth	Zablocki
Marsh	Rousselot	Zion
Martin	Roybal	Zwach
Matsunaga	Ruppe	
May	Ruth	

NAYS—0

NOT VOTING—64

Abbitt	Fallon	Passman
Anderson, Tenn.	Fish	Pollock
	Fisher	Powell
Baring	Flynt	Pryor, Ark.
Barrett	Goodling	Rarick
Berry	Hansen, Wash.	Reifel
Bevill	Hébert	Rogers, Colo.
Bray	Hull	Rooney, N.Y.
Brock	Ichord	Rostenkowski
Byrne, Pa.	King	Roudebush
Caffery	Leggett	Ryan
Clay	Long, La.	Satterfield
Colmer	Lukens	Skubitz
Conyers	McCarthy	Stuckey
Cramer	McCulloch	Sullivan
Cunningham	McMillan	Teague, Calif.
Daddario	Mailliard	Thompson, N.J.
Dawson	Mathias	Tunney
Denney	Meskill	Waggonner
Diggs	Murphy, N.Y.	Weicker
Dowdy	O'Neal, Ga.	Young
Edwards, La.	Ottinger	

So the bill was passed.

The Clerk announced the following pairs:

Mr. Colmer with Mr. Goodling.
Mr. Rooney of New York with Mr. Fish.
Mr. Fallon with Mr. Mailliard.
Mr. Flynt with Mr. Reifel.
Mr. Thompson of New Jersey with Mr. Cunningham.
Mr. Daddario with Mr. Meskill.
Mr. Hull with Mr. Cramer.
Mr. Bevill with Mr. Pollock.
Mr. Waggonner with Mr. Skubitz.
Mr. Caffery with Mr. Brock.
Mr. Passman with Mr. Berry.
Mr. Long of Louisiana with Mr. McCulloch.
Mr. Barrett with Mr. Bray.
Mr. Rostenkowski with Mr. King.
Mr. Ryan with Mr. Diggs.
Mr. McCarthy with Mr. Clay.
Mr. Tunney with Mr. Stuckey.
Mr. Ottinger with Mr. Powell.
Mr. Byrne of Pennsylvania with Mr. Conyers.
Mr. Edwards of Louisiana with Mr. Lukens.
Mr. Rarick with Mr. Roudebush.
Mr. Rogers of Colorado with Wr. Weicker.
Mr. Hébert with Mr. Teague of California.
Mrs. Sullivan with Mr. Dowdy.
Mr. Pryor of Arkansas with Mr. Anderson of Tennessee.
Mr. McMillan with Mr. Satterfield.
Mr. Abbitt with Mr. Baring.
Mr. Young with Mr. Ichord.
Mr. Fisher with Mr. O'Neal of Georgia.
Mr. Leggett with Mr. Denney.
Mr. Dawson with Mr. Mathias.
Mrs. Hansen of Washington with Mr. Murphy.

The result of the vote was announced as above recorded.

The title was amended so as to read: "A bill to amend title IX of the Public Health Service Act as to extend and improve the existing program relating to education, research, training, and demonstrations in the fields of heart disease, cancer, stroke, and other related diseases, and for other purposes."

A motion to reconsider was laid on the table.

GENERAL LEAVE TO EXTEND

Mr. STAGGERS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks on the two bills just passed, H.R. 17570 and H.R. 8298.

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

There was no objection.

CONFERENCE REPORT ON S. 3302, AMENDMENTS TO THE DEFENSE PRODUCTION ACT OF 1950

Mr. PATMAN. Mr. Speaker, I call up the conference report on the bill (S. 3302) to amend the Defense Production Act of 1950, and for other purposes, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

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

Mr. HALL. Mr. Speaker, reserving the right to object, may I inquire as to when permission was gained to file this report on August 8?

Mr. PATMAN. Last Thursday, Mr. Speaker.

Mr. HALL. Mr. Speaker, was that per-

mission gained after the House had gone into special orders and was it by unanimous consent?

Mr. PATMAN. It was by unanimous consent.

Mr. HALL. Mr. Speaker, I renew my query. Was it after the general business of the House was done and other business heretofore entered into in the form of special orders?

Mr. PATMAN. It was during the session of the House.

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

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

Mr. GROSS. Mr. Speaker, I insist on an answer to the question, if the gentleman can answer. When was the unanimous consent granted?

Mr. PATMAN. I beg the gentleman's pardon?

Mr. HALL. Mr. Speaker, I object.

The SPEAKER. Will the gentleman from Missouri withhold his objection? The gentleman is making a serious inquiry and the Chair wants to cooperate I am sure the gentleman from Texas wants to cooperate.

Mr. HALL. That is correct, Mr. Speaker, but I did not get a serious reply.

The SPEAKER. We will not go into that.

Mr. HALL. We will.

The SPEAKER. The Chair is seeking information.

Mr. HALL. Mr. Speaker, I will be glad to withhold the objection at the request of the Speaker.

The SPEAKER. The Chair understands from the information that has been given to him that the gentlewoman from Missouri (Mrs. SULLIVAN) asked unanimous consent and that the gentleman from New Jersey (Mr. WIDNALL), and this is the information that has been given to the Chair, called on the minority leader and informed him. My further information is the request was made after special orders had been entered into.

Mr. HALL. That is the information I sought, Mr. Speaker. I appreciate the forthrightness of the Chair.

I will say for the Speaker's information that prior to departing from the floor that day, I had inquired of the responsible leadership, in my opinion, as to whether or not there was any further business. I was told that there would be no further legislative business, and for that reason I object, Mr. Speaker.

Mr. GERALD R. FORD. Mr. Speaker, will the gentleman yield?

The SPEAKER. Does the gentleman from Missouri reserve the right to object?

Mr. HALL. Mr. Speaker, I further reserve the right to object, and will yield to the distinguished minority leader.

Mr. GERALD R. FORD. Let me clarify and amplify the statement made by the Chair.

At the conclusion of the regular business that day, which I believe was on Thursday, I went to my office. We were in the special order period.

While in the office, I received a call, I believe, from the gentleman from New Jersey or from someone on his behalf asking me whether I had any objection to the filing of the conference report. On the basis of the request that was made, I indicated that I had no objection. I believe that is the full story so far as I know.

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

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

Mr. WIDNALL. Mr. Speaker, I want to confirm what has already been said by the Speaker—that the House was in the process of the special orders and, actually, the regular order of the House had finished when the gentlewoman from Missouri (Mrs. SULLIVAN) came over with the conference report and wanted to get permission to file the conference report.

I personally saw no objection to filing the conference report and stated that it was necessary to have the leadership notified in cases like this. The minority leader, the gentleman from Michigan (Mr. GERALD R. FORD) was notified and he agreed to the filing of the report.

That is the situation so far as I know of it. I believe the same permission had been received from the leadership on the other side of the aisle.

Mr. HALL. There is no question in my mind, Mr. Speaker, but what permission was given. But the fact remains that this is an unusual request to file on a day when the House was not in session. The fact further remains that I had made inquiry as to whether there would be further legislative business. I understand it was not cleared with the majority leader, who ordinarily schedules such things as that. It shows in the RECORD that it was one of the last items of business prior to the extensions of remarks, August 6, 1970, page 27675. The principle involved here is that we are not going to be able to depend on when legislative business is concluded and special orders start within the House, and we are all going to have to stay here the rest of the session until all business is completed at the end of day and we adjourn until the next day at the appointed hour.

For this reason I still object, Mr. Speaker.

The SPEAKER. Objection is heard. The Clerk will read the conference report.

The Clerk proceeded to read the statement.

(For conference report and statement, see proceedings of the House of August 10, 1970.)

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that the conference report be considered as read and that further proceedings on it be postponed until after consideration of the veto messages tomorrow.

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

There was no objection.

PRESIDENT MADE CHOICE IN HIS VETOES

(Mr. STEPHENS asked and was given permission to address the House for 1 minute, to revise and extend his remarks, and include extraneous matter.)

Mr. STEPHENS. Mr. Speaker, yesterday President Nixon vetoed the independent offices and housing appropriation bill.

In the veto message delivered to Congress, he declared that he exercised the veto power because the bill included funds for urban development which exceeded his budget request by $541 million. He failed to mention that the vetoed bill included, under housing, $500 million for aid in obtaining water and sewer lines by local, small communities which cannot afford them. It reached this sum because I added by amendment an increase of $350 million for those purposes. It was approved by both Houses.

In the same message the President announced that he had also vetoed the appropriation bill for the Office of Education passed by both the House and Senate because it was $453 million over his budget request. He stated further:

> In addition, I have committed myself to ask the Congress for an extra $350 million to fully fund the school desegregation program as soon as the Congress provides authorizing legislation.

My amendment was overwhelmingly adopted. It added $350 million to the bill. My amendment provided that from the "Cradle of Liberty" at Concord and Lexington to the new White House at San Clemente, Americans would have an additional sum of $350 million for 50-percent grants to their local governments for a simple project: pipelines for pure water and pipelines for adequate sewage disposal.

I need not point out that these facts focus a spotlight on the conclusion that President Nixon has made a fateful choice of priorities.

In this choice Mr. Nixon has decided that the $350 million I added for water and sewer lines should not be spent on these essentials but should be spent instead "to fully fund the school desegregation program."

This decision means that unwittingly, but undoubtedly, the President has chosen as follows:

Rather than spend $350 million to try and save the lives of countless numbers of American children of all races who die from polluted water, he would prefer that the survivors of our polluted environment go to a desegregated school.

Can such a conclusion be escaped when to the very penny the $350 million I added for water and sewer lines is proposed by Mr. Nixon to be spent "to fully fund the school desegregation program"?

Keeping the President's own words in mind as to how he would use the $350 million, we, as Members of the House, cannot help but know that when voting to sustain or override the vetoes of these bills that we are really voting on this choice:

Shall your child go to a desegregated school or shall your child be one who may die of drinking polluted water?

Or, the choice might be explained to a parent this way:

Your child may be dead at age 13 from polluted water but by then he will have had this privilege of attending a desegregated school before he died.

As a final thought, remember this remark made Tuesday night on television by the President in support of his veto.

He said he had made the veto because it affected everybody's pocketbook.

That is true. I do not dispute it. But, when legislation affords a choice between the possible death of children and pocketbooks, I choose children.

As I explained these bills are bound together so I will vote to override the President in his vetoes of both bills. He has his priorities mixed up. I urge my colleagues to vote also to override the vetoes.

PROPOSED SELECT COMMITTEE TO INVESTIGATE ACTIVITIES OF ASSOCIATE JUSTICE WILLIAM O. DOUGLAS

(Mr. WYMAN asked and was given permission to address the House for 1 minute, to revise and extend his remarks, and include extraneous matter.)

Mr. WYMAN. Mr. Speaker, I am today requesting the distinguished chairman of the Rules Committee (Mr. COLMER) to grant a rule on House Resolution 922 and companion resolutions, to establish a select committee to investigate the activities of Associate Justice William O. Douglas.

This matter has languished in the tender hands of Chairman EMANUEL CELLER for more than 3 months, not in response to the more than one-quarter of the Members of this body, but pursuant to a resolution of impeachment introduced by the gentleman from Indiana (Mr. JACOBS) which was a notorious subterfuge in the first instance, Mr. JACOBS having introduced this resolution while I was speaking on the floor in support of House Resolution 922 which calls for a bipartisan select committee.

The Celler subcommittee has not called a single witness, nor held a single hearing, nor taken a single word of testimony under oath. To call its work an investigation of these serious complaints is to make a joke of the solemn responsibilities of this House.

I include in the RECORD at this point my request to the chairman of the Rules Committee:

HOUSE OF REPRESENTATIVES,
Washington, D.C., August 12, 1970.

Hon. WILLIAM M. COLMER,
Chairman, Rules Committee,
House of Representatives,
Washington, D.C.

DEAR MR. CHAIRMAN: I respectfully request that a Rule be granted on referenced resolutions.

It is now more than three months since the Celler Subcommittee purportedly investigating the activities of Associate Justice William O. Douglas was activated and I am informed that this Subcommittee has not yet called a single witness, nor taken a single word of testimony under oath, nor held a single hearing. Further, I strongly suspect the Subcommittee will not request a further extension of time, which means it will expire on August 20th which is while this Body is in Recess.

I think it can fairly be concluded that the necessary objective investigatory policy to discharge the responsibilities of the House of Representatives in these circumstances has not prevailed in the Celler Subcommittee, which is confirmatory of the recorded fact that it was conceived in subterfuge in the first place.

It is difficult to see how any member of the House could call the work of the Celler Subcommittee an investigation in any meaningful sense of the word.

In these extraordinary circumstances there is a continuing responsibility of the House to conduct a thorough and complete investigation of the serious charges contained in referenced resolutions. I sincerely hope that you will act promptly and favorably on this request, including a directive that all the books, papers, records, documents and information heretofore assembled by the Celler Subcommittee be transferred to the Select Committee provided for by H. Res. 922, upon its establishment.

Cordially,

LOUIS C. WYMAN,
Member of Congress.

MEAT IMPORTS

(Mr. ST GERMAIN asked and was given permission to address the House for 1 minute, to revise and extends his remarks and include extraneous matter.)

Mr. ST GERMAIN. Mr. Speaker, the meat import quota law of 1964 is causing most unreasonable restrictions on meat imports, with the result that prices for hamburgers and frankfurters have jumped at a time when all consumers are deeply concerned about inflation.

With all that, we find some cattle interest in the United States still pressing and manipulating to further restrict imports of meat.

The most recent effort is to use the appeal of health and sanitation to try to make imports of cheap lean meat impossible.

Every consumer should be aware of this gigantic, phony effort. All of us should oppose the patent attempts to drive up prices for the profit of a few.

Instead of devising devious routes to restrict this supply of needed meat, Congress should ask the President of the United States—and he has the fullest authority to act—to insure a continuing supply of imported lean meat.

I call to the attention of my colleagues an editorial commentary written for the Christian Science Monitor by Roscoe Drummond. Mr. Drummond's comments are a serious disclosure about the devious means being used to try to satisfy the greed of a few at the expense of the many—the consumers.

The editorial follows:

POLITICS AND PROTECTIONISM

(By Roscoe Drummond)

WASHINGTON.—The extent to which protectionist policies in an election year are pushing Congress to extreme and indefensible measures is almost unbelievable.

The most vivid example is the Senate bill which uses a health and sanitation coverup as a device to bar processed and canned meat products from the American market.

The Mansfield-Hruska measure doesn't even breathe a word about closing off the United States market to benefit the livestock producers. With all the innocence of being against sin, the bill simply directs the Secretary of Agriculture to take special steps, carefully stipulated in the legislation, "to prevent the entry of any disease or the distribution of any unwholesome products."

Fair enough?

No. It's a fake. It's a deception.

Here is the testimony of Raymond A. Ioanes, administrator of the Foreign Agricultural Service of the U.S. Department of Agriculture: "Inspection procedures for imported meats are comparable to those provided for meat produced domestically."

Here is the supporting testimony of Dr. H. M. Steinmetz, assistant deputy administrator for Consumer and Marketing Service of the Department of Agriculture:

"Meat prepared in foreign countries for importation into the United States is equivalent to that produced under federal inspection in our country with respect to wholesomeness, sanitary quality, and freedom from disease and adulteration."

But Senators Mansfield and Hruska and their allies do not want the same inspection of imported food products which the U.S. applies to its own food products. They want something additional, and that is the purposeful catch. They want all imported meat products—including frozen and chilled—thawed and reinspected piece by piece at the port of entry.

There's no mystery as to what Mansfield and Hruska and some others are up to. By requiring that imported meats be inspected piece-by-piece—which is not the way the U.S. Government inspects domestic meats—they want to set up inspection requirements that are so onerous that no one could comply with them and offer their products at a price consumers would pay. And it would be the American consumer in the lowest income brackets who would be most penalized, because the imports the Mansfield-Hruska bill are trying to keep out are mainly ingredients for hamburger and sausage.

And what of the effect of such a discriminatory measure on the mounting sales of U.S. agricultural products abroad? This bill, as Mr. Ioanes testified for the administration, "would introduce a clear-cut risk in U.S. agricultural exports, which are now at an all-time high in terms of commercial sales."

The risk would be great because U.S. farmers exported a near record $6.6 billion in farm commodities, an outlet essential to maintain our agricultural plant at its present level. Of this total, at least $5.6 billion were commercial exports for dollars—a new all-time high.

If we start to choke off the food imports from our trading partners, understandably they will do the same to their imports from the U.S.—and both will suffer.

As to the vigor of our own livestock industry, these are the words of Aled P. Davies, vice-president of the American Meat Institute:

"The meat industry now finds a market in foreign countries of a half billion dollars yearly for its meat and livestock products. While the advocates of protection for U.S. livestock producers are endeavoring to build a fence around this country to keep foreign products out, they will discover that fences stop trade in both directions."

The need today is to keep expanding trade in both directions as the U.S. and most of the free world have been doing for the past 35 years.

THE TRUTH PRESERVATION ACT: A RIGHT OF ACCESS TO THE PRESS

(Mr. FEIGHAN asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. FEIGHAN. Mr. Speaker, today, with six cosponsors, I have introduced H.R. 18941, the Truth Preservation Act, a bill which would impose upon newspapers of general circulation an obligation to afford certain members of the public an opportunity to publish editorial advertisements and to reply to editorial comment.

The first amendment has been categorized as the cornerstone of democracy. This amendment is predicated upon the belief that the members of a free society can make judgments that direct the path of society and assure the viability of the democratic process only by the Supreme Court:

It is the purpose of the First Amendment to preserve an uninhibited marketplace of ideas in which truth will ultimately prevail. (Red Lion Broadcasting Co. v. F.C.C., 395 U.S. 367, 390 (1969)).

The framers of the first amendment were clearly of the opinion that a free marketplace of ideas could be guaranteed merely by prohibiting governmental restraint. However, it has become apparent that the laissez faire approach to freedom of expression no longer can assure the maximum dissemination of information to the public. The first amendment must be viewed as providing a forum for free expression as well as protecting it from infringement once in the public domain.

Regulations by the Federal Communications Commission serve to impose upon the broadcast industry certain obligations. No such obligations are imposed upon the press. The press may personally attack the reputation or character of an individual, even if libelous, without affording an opportunity for reply. Newspapers can charge disproportionately high rates for editorial advertisements or can refuse to print editorial advertisements with which they disagree. Moreover, the press may editorially present a completely distorted view of an individual or organization with impunity.

The sharp decline in competition in the newspaper industry has significantly increased the necessity for increased social responsibility. By the beginning of 1968, only 45 cities of approximately 5,000 cities having populations of at least 2,500, had two or more competing newspapers. Twenty-two cities had separate newspapers which were jointly operated.

The broadcast industry has certain statutory obligations primarily because the supply of airwaves is limited. Economic and technological factors reducing the number of newspapers have resulted in rendering the press even less competitive than the broadcast media. The newspaper industry is just as much a limited access media as the broadcast industry.

The proposed bill is limited in scope and merely gives to members of the public the right of access to the press—the positive dimension of the first amendment. The Supreme Court has recently observed the FCC's fairness doctrine and personal attack rules enhance this Amendment (395 U.S. at 375). This bill would enhance the freedom of the press and speech protected by the first amendment in the same manner.

In summary, the bill would impose three obligations upon each newspaper of general circulation:

First, to publish all editorial advertisements;

Second, to publish editorial advertisements at rates not exceeding those for commercial advertising; and

Third, to provide a right of reply to any organization or individual that is the subject of a comment of an editorial nature.

I believe that enactment of this bill will help to make the first amendment a truly dynamic document.

TREATY BETWEEN GERMANY AND THE SOVIET UNION

(Mr. MINSHALL asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. MINSHALL. Mr. Speaker, on August 6 West Germany and the Soviet Union agreed on a draft treaty renouncing the use of force and affirming the inviolability of the present European borders. As a member of the Subcommittee on Defense Appropriations, I feel that this treaty could lead to a reduction in the numbers of U.S. troops in Germany and a subsequent reduction in the defense budget.

It would appear that the treaty reflects a lessening of tensions in Western Europe. Certainly, the treaty marks a change in the overall political situation in Western Europe. The extent of the change remains to be seen.

We have more than 330,000 personnel in Europe. It costs approximately $2.9 billion in annual operating costs to maintain these forces in Europe. Other related costs add substantially to the total cost. The spending of U.S. dollars in Germany adversely affects our balance of payments and "goldflow." I hope that this administration will make an immediate and thorough evaluation of the possibilities for troop reductions in Europe resulting from the new treaty.

MR. CLAUDE L. FLY, A HOSTAGE IN URUGUAY

(Mr. HAMMERSCHMIDT asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. HAMMERSCHMIDT. Mr. Speaker, we have all been highly distressed over these past few days by a series of tragic events in Uruguay.

First, on July 31, there was the news of the kidnaping of an American official, Mr. Dan A. Mitrione, an AID public safety officer assigned to the American Embassy in Montevideo. On the same day, a Brazilian diplomat, Aloysio Mares Dias Gomide, was also kidnaped. On August 7, a second American citizen working in Montevideo, Dr. Claude L. Fly, was kidnaped by the same band of terrorists. And then, on August 10, the hemisphere was stunned by reports of the brutal murder of Mr. Mitrione. Public opinion here in Uruguay and around the world has reacted strongly against this tragic violence, but Dr. Fly and the Brazilian remain captive.

Dr. Claude Fly's brother, Mr. William A. Fly, of Lockesburg, Ark., resides in my district. Numerous Arkansans share Bill Fly's pride in and admiration for Claude Fly, who has dedicated his whole life to the development of agricultural science.

Dr. Fly was awarded his Ph. D. degree at Iowa State University in 1931, nearly 40 years ago, and throughout his long career in the field of agriculture, he has continuously sought to upgrade his own vast knowledge as well as devoting his efforts during this period to impart that knowledge to others. He has always been one of our country's finest examples of a technician, using those talents and skills not only at home but abroad as well.

After completing his doctorate, Dr. Fly became Oklahoma State soil scientist for the U.S. Department of Agriculture in the Soil Conservation Service for nearly 20 years. He later served as Agricultural Administrator and Research Soil Scientist, USDA Agricultural Research Service, Soil and Water Conservation—Research Division, at Fort Collins, Colo. Since 1963, he has worked as a private consultant and contractor in agricultural development of soil and water resources. His service during these years included assignments with the Food and Agriculture Organization, a United Nations agency, that took him to nearly every continent. When he was kidnaped this month in Uruguay, he was working on a soil implementation project in Montevideo under a contract signed between the International Development Services, Inc. and the Uruguayan Ministry of Livestock and Agriculture on December 9, 1969. The contract is financed from an AID agricultural sector loan signed in 1968.

Indeed, Dr. Fly is a specialist in soil and water resources. He has been a teacher of this science and a practitioner who often has gone into the field to work as a counselor and instructor on specific tasks. The talents of Dr. Fly were also brought to bear on many special water conservation projects and flood control in the United States.

During his long career, Mr. Fly authored more than 60 professional papers on a wide range of subjects including plantology, irrigation, soils, and land and water resources development. He has been a member of numerous national boards and commisisons, such as the Natural Resources Board in 1936, the Soil Conservation Committee in 1964, and the Soils Land Use and Economy Surveys in 1950, to name only a few of many.

Among the numerous scientific publications which carry Dr. Fly's biography are "American Men of Science," "Leaders in American Science," and the "American Society of Agronomy."

Mr. Speaker, here is a man who has given much of himself in the cause of dedicated service, not only for this Nation but for others as well. He has a distinguished record of constant and vigorous pursuit of excellence in agriculture for the good of his fellow man.

I am sure that all the Members of the House prayerfully join his family and friends in the hope that he will be released unharmed and returned to us.

DISCLOSURE OF FINANCIAL INTERESTS

(Mr. BEALL of Maryland asked and was given permission to address the House for 1 minute and to revise and ex-

tend his remarks and include extraneous matter.)

Mr. BEALL of Maryland. Mr. Speaker, it is my belief that the people who hold or seek public office should make the public aware of their financial interests. Consistent with this belief, I am disclosing herewith my assets and liabilities as of December 31, 1969. A listing of these follows:

ASSETS

Cash in banks:	
Checking accounts	$2,004.76
Savings accounts	9,333.26
Total	11,338.02
Cash surrender value of life insurance	10,466.00
Share of Beall, Garner, and Geare profit-sharing retirement plan	15,173.21
Securities:	
279 First National Bank & Trust Co. of Western Maryland	12,405.00
200 U.S. F & G	13,650.00
100 Canadian Export Oil and Gas	425.00
50 Fidelity Bank	1,000.00
17 Kaiser Aluminum (Common)	639.63
8 Kaiser Aluminum (Pfd.)	628.00
5 Cumberland Fair Assoc	250.00
30 3-M	3,288.75
39 Beall-Garner-Geare, Inc. (Common)	50,235.12
260 Beall-Garner-Geare, Inc. (Pfd.)	26,000.00
Total	108,521.50
Equity in Beall, Garner & Geare Realty Co. (co-Partnership)	8,615.15
Home and furnishings—Frostburg, Md	55,000.00
1969 Oldsmobile	3,095.00
Total	212,208.88

LIABILITIES

Mortgage on home	21,514.08
Note payable First National Bank & Trust Co	6,000.00
Total	27,514.08
Net worth, Dec. 31, 1969	184,694.08

As important as the total amount of an individual's assets is the source of his annual income. It is necessary if we are going to really disclose our financial interests that officeholders make public the amounts of their annual income as well as the sources. Such action encourages the confidence of the voters in the integrity of their elected officials.

The following is a list of my income for the calendar year 1969:

INCOME

U.S. Government	$36,708.00
Beall, Garner and Geare and other business interests in Allegany County, Md	17,500.00
Dividends	806.00
Interest	723.00
Directors Fees	1,850.00
Total	57,787.00

I also paid the following income taxes for 1969:

Federal Income Tax	$16,305.00
State and Local Income Tax	3,289.00
Total	19,594.00

FLAG OFFICER OR GENERAL OFFICER RANK NEEDED FOR DIRECTOR OF ARMED FORCES INSTITUTE OF PATHOLOGY

(Mr. HALL asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. HALL. Mr. Speaker, the Armed Forces Institute of Pathology is one of the outstanding scientific institutes of its kind in the world. Its research efforts reach not only the military of this country, but are spread internationally throughout the entire spectrum of government, civilian medical practice, and academic medicine.

The position of director of this institute was created over 100 years ago by the U.S. Army. At certain intervals during this time span several U.S. Army Medical Corps officers have served as the institute's director with the rank of brigadier general or with the rank of major general. U.S. Naval and Air Force medical officers have also served as director of the institute.

Mr. Speaker, I think it would greatly enhance not only the position of director, but the institute itself, if Congress would establish a Navy flag officer or Army and Air Force general officer position for the director. This proposal is supported by the scientific advisory board of the Armed Forces Institute of Pathology and I am today introducing a bill that would do just this. I hope that the House Committee on Armed Services will expedite this proposed legislation as soon as possible.

REALISTIC CONSUMER PROTECTION

(Mr. PURCELL asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. PURCELL. Mr. Speaker, in the field of consumer legislation, much as in the consumer marketplace itself, attractive labels often cover inferior merchandise. The hurried housewife who buys the label but does not examine the package is often disappointed in her purchase. The same can be said of a legislative body that acts in haste in considering proposals which will affect millions of American consumers.

There is a difference, of course. When the individual housewife makes a mistake in a purchase, she has several remedies. In the case of some products, she may even take advantage of a money-back guarantee. But a lawmaking body which approves a legislative package that does not live up to its label cannot rectify its error so easily. Legislation once enacted, good or bad, assumes a life of its own. And when it has raised public expectations in a given area of public concern, but does not deliver what it has promised, the inevitable result is increased public disillusionment in the system.

It is, therefore, vitally important that in considering consumer legislation Congress should carefully examine the contents of the package beneath the legislative label. Attractive titles are not enough. We must ask ourselves:

What does this legislation really do? Will it help remedy the problem? Or will it simply create greater problems for the consumer, while failing to achieve its stated objective?

As we know, the growth of the consumer movement in recent years has focused attention on and helped to remedy a number of ills in our complex, modern consumer economy. Consumerism today is therefore accepted on all sides as a significant force in our society, a movement that has made for increased industry sensitivity and responsiveness to the wants and needs of our consuming public.

Much has been accomplished by way of strengthening and benefiting consumer rights and interests in the marketplace. More needs to be done in this area. This job will not be completed overnight, however, for the issues and problems which fall into the consumer category are not of a kind to be solved easily or quickly.

We are dealing, after all, with the problems of an ever-changing consumer economy. The very success of that economy—the development and seemingly infinite variety of products and services being offered our people—render impossible any fixed and absolute legislative or regulative answers to consumer problems.

There are those critics, of course, who argue that the country has neglected problems in the consumer area for too many years. These critics call for wholesale action, legislation-by-the-bushel, so to speak, to make up what they believe to be lost time.

Thus, as often happens when the legislative pace quickens in a particular area of social or economic concern, there is now the danger that we may try to make up for alleged lost time by striving for quantity rather than quality in enacting consumer legislation.

Let me phrase this another way: We must move, energetically and efficiently, to develop and implement remedies for the ills of the consumer marketplace. But it will hardly benefit the consumer if, out of misdirected zeal or for any imagined short-range political advantage, the Congress should rush into the pharmacy of legislative proposals to buy, without examining the contents beneath the label, any and all panaceas and nostrums that may be placed on the shelves.

In my opinion, many bills now pending before the Congress which bear the label "consumer interest legislation" fall into the category I refer to—that of inferior merchandise covered up by attractive labels.

My purpose today is to discuss the contents inside one of these legislative packages—the proposal that bears the attractive label "consumer class action."

At the outset, let me say that I agree with the sponsors of this legislation as to the need to strengthen consumer rights and protection against fraud and deception in the marketplace. I agree with their stated objective of developing improved methods by which consumers can

find redress against fraudulent and deceptive operators and practices in the marketplace.

The question, however, is whether the remedy proposed by class action legislation would be an effective means of helping the American consumer—or would it, if enacted, do more harm than good?

According to its sponsors, the ostensible purpose of class action legislation is to provide individual consumers the right to band together as a legal class in order to bring suit collecitvely for any damages suffered as a result of fraud and deception in the marketplace.

By way of making their case in the court of public opinion, supporters of the bill have held out the promise that under its provisions—to cite their examples—the housewife whose washing machine, toaster, or oven does not work properly would be able to collect legal damages for the cost of the equipment and any loss incurred as a result of the purchase. All that would be necessary, claim class action supporters, is for proof to be supplied that fraudulent, deceptive practices were involved in the promotion and sale of the merchandise.

So goes the theory of consumer class action legislation. It sounds easy enough, and attractive enough. But unfortunately, like the very consumer problem it purports to cure, class action is being sold to the public in a way that can only result in consumer disappointment and dissatisfaction with the product, should it be enacted into law.

For like the washing machine, toaster, and oven that class action advocates use in illustrating their case, the legislation they propose will simply not perform as advertised. Worse yet, it will create untold new problems, not only in the consumer field, but in our judicial system—a judicial system already strained to the crisis point as a consequence of a heavy backlog of pending cases.

The enactment of consumer class action legislation would, of course, result in a tremendous new caseload for our courts. In this respect, it would shift a major part of responsibility for action in the consumer field from the executive and legislative branches of Government to the judicial. Were such a shift to result in the expeditious remedy of consumer ills, it would be justified by the benefits it might bring to consumers. However, considering the heavy current case backlog in Federal courts throughout the country—in some districts the median time between the filing of complaints and the actual opening of a trial runs from 40 to 77 months—it is hard to see how the individual consumer can receive the quick, easy remedy promised by class action advocates.

As a lawyer and a former judge, I appreciate full well the difficulties encompassed in the forming and the filing of a class action suit. The theory of class action in itself is not new, of course. But the application of Federal class action procedures as a solution to problems of the consumer marketplace is an approach that embraces a multitude of unanswered questions.

I do not propose here to go into the many and complex questions of judicial procedure which remain unanswered by class action proponents. Nevertheless, these unanswered questions bear directly upon the inadequacy of class action as a solution to individual consumer problems and complaints concerning products or services.

In this regard, I would recommend that those concerned about the constitutional ramifications of class action legislation carefully read the testimony submitted to the Senate Commerce Committee by Prof. Charles Alan Wright of the University of Texas School of Law. Provisions of pending class action legislation would force State courts to apply Federal law or procedure to class action cases filed under State laws—even if such Federal law or procedure is contrary to State public policy. In Professor Wright's opinion, these provisions are unconstitutional infringements on State jurisdictions.

Apart from its procedural difficulties, however, there is the problem of costs to the consumer. Class action supporters have also failed to point out the potential cost of filing of class action suits.

According to Richard McLaren, Chief of the Antitrust Division of the Department of Justice, the complexity and length of class action litigation could result in preliminary court costs of $1 million—even before a class action case came to court for trial. And in the event the consumer class group that files a suit should lose its case, Mr. McLaren estimates that the costs to consumer litigants would be at least $25,000, not including lawyers' fees.

Although this information is not on the class action legislative label, it is nevertheless very much a part of the class action package. Those who are promoting and advertising this legislative package without full disclosure of its negative aspects are therefore doing the consumer cause a great disservice.

Who then would benefit from enactment of this legislation? In a recent article published in the Washington Evening Star, syndicated columnist James J. Kilpatrick makes the point that consumer class actions, however little they may accomplish for litigant consumers, would—and I quote—"open a happy hunting preserve to ambitious lawyers with a quick eye for the plump bird."

I do not believe that Mr. Kilpatrick means to reflect on the overwhelming majority of lawyers throughout the country. There is no denying however, that class action suits are an invitation to possible abuse of the judicial process by some few practitioners. Yet another critic of the consumer class action concept, Caspar W. Weinberger, has been outspoken on the possibility of such abuse. Mr. Weinberger speaks from a position of experience and responsibility in the consumer interest area, inasmuch as he was formerly Chairman of the Federal Trade Commission and is now a White House economic adviser. In a recent speech on the subject of class action and general consumer legislation, Mr. Weinberger had this to say—and again I quote:

> There is currently a fad in Washington that the one thing that is absolutely required to protect the consumer is the class action legislation.

Mr. Weinberger also said:

> Well, this bill, in one sense, is a rather technical, legal, formal procedure. In another sense, it is quite a far-ranging and rather awe-inspiring technique.
>
> What it involves is that if one individual or two or three come up with a product that is not up to standard, or has some serious defect, or is not safe, they can sue. But they can sue not only for themselves—for their own $75 or $100 damages—they can join, involuntarily, everyone in the country that happens to be in the same position.
>
> If they do so and recover damages, theoretically such damages are payable to everyone in the country that suffered similarly from what might have been a bad production run or some other kind of honest mistake on the part of a manufacturer.

The former Federal Trade Chairman then concludes that this kind of legal process would inevitably lead to—and I quote:

> An invitation to somewhat less than responsible practitioners to try to put together other groups of this kind because of the tremendous vulnerability of anyone who happens to be named a defendant.

So again, we ask: Who will benefit from enactment of a Federal class action law?

We do not have to speculate on this subject, but instead can refer to the experience of consumers in States which have previously enacted their own consumer class action remedies.

Mr. Weinberger, in fact, cites a most interesting case involving a particular consumer class action suit filed against the Playboy Clubs. After years of litigation, the case was resolved in favor of the complaining consumers. The consumer litigants won their case—but the plaintiffs each received credit slips in the amount of $8.75—for use at any Playboy Club. To quote Mr. Weinberger:

> The lawyers got a comparatively modest fee of $275,000.

There are many similar examples of consumer class action suits, filed under State law, which brought no tangible results to consumer litigants. From these examples, it is fair and reasonable to infer that the enactment of this legislation on a national level would more likely prove a boon to what Mr. Kilpatrick terms "ambitious lawyers" than to millions of American consumers, with legitimate complaints, who seek and deserve protection and redress against fraudulent, deceptive operators and practices in the marketplace.

Toward this objective, what is needed, in my opinion, is a strengthening of the arm of the Federal Trade Commission to fulfill the function of consumer protector for which it was originally created. This can be achieved in two ways:

First, the FTC should be granted power by Congress to seek preliminary injunctions against deceptive practices in the marketplace. Furnishing the Commission with this authority will mean that consumers will be afforded quick and effective protection against the fraudulent, fly-by-night kind of operator who preys on those consumers most in need of protection—the poor person of limited

education who is lured by unscrupulous means into purchasing inferior merchandise.

Second, FTC's operations should be expanded and improved at the regional, grassroots level. Congress should take whatever action is necessary to make the Commission a true protector of consumer interests at the local, community level.

Let us remember that the original concept of the Federal Trade Commission was to provide individual consumers a means of governmental action against fraud in the marketplace other than the cumbersome method afforded by the courts. It would seem, therefore, that advocates of consumer class action, rather than moving forward, are in fact turning back the clock in this area.

In conclusion, Mr. Speaker, I would therefore urge that Members of Congress, in considering class action and the many other consumer proposals now pending, take care not to be guilty of the very abuses which we seek to protect against in the economic marketplace.

We must not mislead—or be misled—by attractive legislative labels.

We must not promise the American consumer that which cannot be delivered. We must not ourselves accept, contents of the package unexamined, any legislation which would radically affect the Nation's consumer marketplace simply to benefit a small, favored few, be they a handful of attorneys or advocates of a special interest.

REPORT OF THE VOLUNTEERS FOR VIETNAM

The SPEAKER pro tempore (Mr. ZABLOCKI). Under a previous order of the House, the gentleman from Iowa (Mr. SCHWENGEL) is recognized for 45 minutes.

Mr. SCHWENGEL. Mr. Speaker, today Congressman WILLIAM COWGER and I have taken this time to present the report of the Volunteers for Vietnam made upon its return from a June 1970, trip to Vietnam.

The trip was not made at Government expense, but at private expense. All of the team members who went to Vietnam in 1970 made the same trip in 1967.

The trip in 1970 was made at the suggestion of President Nixon. Yesterday at the White House, the report of the Volunteers for Vietnam was given to the President for his consideration. This followed the pattern set in 1967, when the team's report was given to President Johnson.

Mr. Speaker, we present the report to the Congress today with the hope that it will help the Congress and all Americans better understand the situation. It is also presented with the hope that its recommendations will be carefully and seriously considered by this administration.

We feel strongly that while the situation is much improved over 2 years ago, there are serious problems remaining. We feel the recommendations made in the report can help overcome the most significant of these problems.

With these words of introduction, we present the report:

PROLOGUE: WHAT IS PAST

(By Congressman FRED SCHWENGEL)

The war in Vietnam is the longest war in our nation's history. The Revolutionary War lasted about eight years and five months, from April 1775 to September 1783. It has been more than eight and a half years since the first American soldier was killed in open combat in Vietnam, in December 1961.

Next to World War II—and that, let us remember, was a global war in which the future of all that we call civilization was at stake—it is the most expensive war in our history. The $100 billion which it is estimated to have cost as of mid-1970 is more than the combined costs of the Revolutionary, 1812, Mexican, Civil, Spanish-American, and First World Wars all together.

It has divided our nation as no other event or circumstance has divided it since the tragic Civil War. To many Americans our war aims have never been clear. Honest and patriotic citizens of all political persuasions, seeing the casualty figures mounting—about 43,000 Americans killed and 284,000 wounded in Indochina fighting to this date—ask what these sacrifices are for.

While the United States has been making such a heavy investment of blood and material resources in this small corner of Asia, the Soviet Union and Communist China, the two powerful nations which have been assumed all along to be the real threats to U.S. security, have had the satisfaction of watching us get bogged down at relatively modest expense and no damage to themselves. (The USSR's Vietnam War costs were $1,600 million and China's were $620 million for the three years 1967–1969; our costs for this period totaled $80 billion.)

Much more could be said about the price we've paid—material, moral, political, and psychological—for our Vietnam involvement. But the aim of this report is to examine what can be done to improve our present prospects in Vietnam, not to dwell on past mistakes.

Nevertheless, a quick look at certain too-often-forgotten events of the past may serve both to explain some of our national confusion and to lend perspective to this study of the present. To borrow briefly from a detailed background study, "The War in Vietnam," which was published in the *Congressional Record* for May 9, 1967:

The 30 million inhabitants of North and South Vietnam are an ancient people who—having been invaded by the Mongols, the Chinese, the Thais, the French, and the Japanese—have a strong common tradition of fighting outsiders.

From the Vietnamese viewpoint, the most oppressive occupation was that of France—a white, western, Christian, capitalist, colonial power. Regardless of motives—of whether we genuinely seek self-determination for the Vietnamese, or a balance of power which will insure peace in Asia, or both—America is inescapably associated in the Vietnamese mind with French colonial domination.

Both the U.S. and Nationalist China recognized Ho Chi Minh as leader of the free Indochina movement during World War II; we supplied the Vietminh with arms and advisors. Because of the Atlantic Charter and outspoken U.S. opposition to colonialism, the Vietminh—who had, after all, fought on our side against both Japan and Vichy France—had reason to expect U.S. support for their claim to independence following World War II. Instead, in the words of General MacArthur, the United States acquiesced in "the most ignoble kind of betrayal"—the use by the British and French in 1945 of defeated Japanese troops to reestablish French colonialism in Vietnam and "to reconquer the little people we promised to liberate."

In 1946 the French recognized the Republic of Vietnam as a "free state" within the French Union, with a government headed by Ho Chi Minh and a capital at Hanoi, and agreed to permit a referendum to determine whether all of Vietnam should become a unified, independent state within the Union; following disagreements with Hanoi about these arrangements, the French in 1949 established in Vietnam and recognized a puppet government headed by Bao Dai.

In February 1950, in a world atmosphere of increasing cold war polarization, the U.S. recognized the Bao Dai government of Vietnam and announced that aid would be provided to restore "security" and develop "genuine nationalism" in Indochina. U.S. aid was stepped up with the outbreak of the Korean War in June 1950. Thus for the first time we were officially committing American arms, money, and military advisors to a colonial war on the side of a colonial power. It is true that during this period and earlier we did urge France to grant independence to the Indochinese people, as we had to the Filipinos, but since France was vital to the success of NATO and was a permanent member of the United Nations Security Council, we found it inappropriate to press the matter very hard.

By 1954 our aid program had totaled over $1 billion. As the French military collapse accelerated, we were underwriting a high percentage of the cost of their war. However, when the U.S. could not get satisfactory assurances from France that it would grant independence to the peoples of Indochina, the U.S. Government refused to intervene militarily to save the French colonial regime. The collapse of the latter, signalled by the military disaster of Dien Bien Phu, came on the eve of the Geneva Conference, which resulted in the internationally recognized partitioning of Vietnam and the formalization of French withdrawal.

The rest is more recent and slightly more familiar history. When the new government of South Vietnam, under President Diem, formally requested U.S. assistance, President Eisenhower responded affirmatively but with strong emphasis on the self-help principle. Our greatest and most costly mistake was to depart from that principle later on and to take over the burden of fighting the war for the South Vietnamese. We did not so, of course, as a result of a simple decision; many historical circumstances contributed, and so, doubtless, did the American character itself. As the perceptive and sympathetic student of that subject, D. W. Brogan, writes in the introduction to his book entitled "The American Character":

"The hopeful American plunges rather than strides forward. After all, said Cromwell, no man goes as far as the man who does not know where he is going."

In Vietnam, despite the monstrous proportions which our military buildup and actions eventually assumed, it is not really fair to say that we plunged—many agonizing appraisals and much restraint were involved along the way—but it does seem clear enough that we did not really know where we were going.

We know somewhat better now. Under the Vietnamization program, formally instituted as of July 1, 1969, the South Vietnamese are gradually taking over the management of their own military as well as political and economic affairs, and steady progress is being made in the phased withdrawal of U.S. military forces.

But *how* the South Vietnamese are taking over is both a matter for skeptical concern and a question of critical importance. It is to this question that the present report is addressed.

INTRODUCTION

It is a very difficult task to write a comprehensive, yet comprehensible report on the situation in Vietnam. Almost every part of any one effort is closely related and affects

any other one or more projects or programs. It is not easy to draw lines for analytical purposes, or even to fit everything into even the broadest outline or framework.

In this report, the team has done its best to organize the material in a logical and readable format. Recommendations and conclusions are scattered throughout the report. We have tried to summarize them as briefly as possible at the end.

In the report, we examine the Government of South Vietnam, politics and election, and its administration. We discuss pacification and the military situation. Finally we examine the American involvement.

The report is not exhaustive. It attempts to cover those areas on which the team was able to concentrate to become familiar with the problems.

Much of this report will reveal real progress and improvement.

Much of it will point up remaining problems that are difficult and will require the best of our intelligence and much patience.

Much of the report is given over to suggestions on what should be done to aid and abet our objective and goals for Vietnam.

BACKGROUND NOTE ON THE VOLUNTEERS FOR VIETNAM AND THE PRESENT REPORT

In 1967, when the debate over United States involvement in Vietnam was increasingly taking the form of highly emotional demonstrations and counter-demonstrations, inflammatory speeches, and draft-card burnings, the Volunteers for Vietnam Association was formed to try to bring a greater degree of rationality to the discussion of the war and American involvement in it.

The Volunteers are a group of people representing the broad spectrum of American life. They have sought to study the war and the political, economic, and social problems of Vietnam objectivity and in some depth.

To this end, a team assembled by Congressman Fred Schwengel, organizer of the Association, went to Vietnam in November 1967 for an on-the-spot look at the situation. Upon their return they recommended a change in military strategy from search and destroy [1] to one which they described in their report as "clear and hold." They also called for implementation of an effective land reform program. Especially important was their call for a change in American policy which would increase the responsibility of the South Vietnamese people and government in the war effort.

It is a matter for deep satisfaction that these major recommendations are being carried out now.

Two and a half years later it was apparent that a need still existed to bring a greater degree of rationality and objectivity to the Vietnam debate. Acting on the suggestion of President Richard Nixon, Congressman Schwengel reactivated the 1967 team for a return visit.

Underlying the decision to respond to the President's suggestion was the brief that a sufficient time had elapsed since November 1967 to make possible a realistic evaluation of changes in the situation and in U.S. policy. We went back to try to measure those changes and to determine whether the situation had in fact improved, as often claimed, or whether there was more truth in the counter-allegations that no real progress was being made in the war effort.

As in 1967, the Volunteers for Vietnam went at non-government expense. However, we gratefully acknowledge the help and cooperation received from U.S. and Vietnamese officials while we were in Vietnam.

Team members who went to Vietnam in 1970—all of whom had made the 1967 trip—are as follows:

Congressman Fred Schwengel, serving 7th term in U.S. Congress from the First District of Iowa. Organized Volunteers for Vietnam in 1967.

Congressman William Cowger, serving 2nd term in U.S. Congress representing the Third District of Kentucky.

Dr. Ernest Griffith, Washington, D.C. Retired Dean of School of International Service American University. Served 18 years as Director of Legislative Reference Service, Library of Congress.

Robert Henry, Springfield, Ohio. Former Mayor of Springfield.

Rev. Heinz Grabia, Davenport, Iowa. Pastor of the First Baptist Church; past President of Scott County Ministerial Association.

Vernon Shepard, Muscatine, Iowa. Farmer. Has traveled to Japan as member of trade mission. Chairman of Muscatine County Board of Supervisors.

Mrs. Harold Day, Des Moines, Iowa. Service officer for Veterans Administration.

Allan Schimmel, Washington, D.C. Administrative Assistant to Congressman Fred Schwengel.

The Volunteers for Vietnam left San Francisco on the evening of June 8 and arrived at Saigon on the morning of June 10. They left on June 19 after spending ten days making exhaustive studies and traveling extensively throughout South Vietnam.

They prepared themselves for the trip as they did in 1967. Extensive reading about Vietnam was done before leaving. Some members of the team were briefed in Washington by the Agency for International Development, the Department of Defense, and the National Security Council as well as Ambassador Ellsworth Bunker. Upon arrival in Saigon the team was given up-to-date briefings before spreading out in the countryside of South Vietnam.

All four Corps areas were visited by team members. In the Delta or IV Corps the team was in An Gian, Kien Hoa, Kien Phong, and Phong Dinh Provinces. In III Corps team cisco on the evening of June 8 and arrived in members were in Tay Ninh, Gia Dinh, Bien Hoa, and Long Khanh. In II Corps team members were in Phu Yen. In I Corps, just south of the DMZ, team members visited Thua Thien and Quang Nam Provinces. Principal cities visited by team members, other than Saigon, were Hue, Da Nang, Vung Tau, Tay Ninh, Can Tho, Long Xuyen, Bien Hoa, and Nha Trang. Three members of the team also visited the famed "Street Without Joy" in Thua Thien Province.

Among the high-ranking Vietnamese officials who met with the team were Ministers of Social Welfare, Veterans Affairs, Information and Chieu Hoi. Deputy Ministers of the Foreign Ministry and Agriculture also met with team members, as did the Mayor of Saigon.

Members of South Vietnam's House and Senate also met with the team. The presiding officers of both bodies and the chairmen of most major committees discussed the situation in Vietnam with team members.

More significant, perhaps, is the fact that team members met with a large number of Vietnamese province, village, and hamlet officials and many Vietnamese people outside the government, including Buddhist and Catholic leaders and student leaders.

The team also met with Ambassadors Bunker and Colby and with USAID Director Dan McDonald, as well as with members of their Saigon staffs. Here again, the team felt that at least as important were the discussions and visits with the "working-level" people—American advisory personnel at the province, district, and corps levels.

From the outset it was the aim of the Volunteers both to evaluate where we stand in Vietnam now and to try to project the wisest courses for American policy to follow in the future. We went as compassionate skeptics—compassionate in the sense that we were moved by the human tragedies of the war and also by the tremendous responsibility involved in bringing it to a constructive end; skeptical in that we were determined to put to the test, in the field, every statement of purpose made by the briefers in Washington and Saigon. Thus the team actively sought information from a wide diversity of people with different outlooks. International volunteer groups in Vietnam were consulted as well as Vietnamese and Americans. Newspaper correspondents also were contacted for their views.

The Volunteers for Vietnam were not content to accept the usual briefings as the whole story. We were there to see for ourselves.

THE GOVERNMENT OF SOUTH VIETNAM

In 1967 we posed the questions; Can Vietnam become a stable nation and does the Government of Vietnam have the ability to win the confidence of its people?

We answered these questions by pointing to important "ifs", *if* quality leadership is found, *if* corruption is controlled, *if* province chiefs are elected, and so on.

We can report that some of the "ifs" can be removed from the list, having been realized. Others remain, however, and new ones must be added.

Generally, the situation in South Vietnam is more stable. It is obvious that more people have confidence in the Government of South Vietnam (GVN), and virtually everyone assumes it will succeed in maintaining its independence. However, we cannot state with finality that South Vietnam is a stable nation and that the GVN has now acquired the degree of confidence of the people needed to remain stable. There has been progress, but serious problems remain. As the United States military presence continues to decline there will be increased pressure on the GVN. As the North Vietnamese and Viet Cong continue to regroup and return to the "protracted war" strategy, the GVN's ability to maintain internal security and the confidence of the people will be severely tested. The extent to which it succeeds in enlisting popular cooperation, including the recruiting for the retention of the Regional and Provincial Forces and the Peoples Self-Defense Forces is crucial.

For analytical purposes we will first examine the Government of South Vietnam as an institution, including the matters of politics and elections, and administration and operation. We will also comment on economic and social development pacification and the military situation. Finally, we will try to answer the question: Is Vietnam a nation?

GVN—POLITICS AND ELECTIONS

When the Volunteers for Vietnam made their first trip in November, 1967, the first elections provided for under the new constitution promulgated on April 1, 1967, had just been held.

The first series of elections for village councils had been held in 984 villages. Additional elections were to be carried out as security permitted. As of May 1, 1970, over 2,000 out of a total of 2,552 villages have elected governments in place. In 1970 there have been elections for the first time in over 60 additional villages. Re-elections were scheduled for 1,043 villages this year. Over 909 of the re-elections have already been held.

South Vietnam has 13,821 hamlets, of which 10,552 are so-called "active" hamlets. As of now almost 9,800 hamlets today have elected governments in place. Re-elections are scheduled in 3,762 hamlets during 1970. Elections will be held for the first time this year in 229 hamlets. In May and June of 1967 when hamlet chiefs were first elected under the new constitution, 4,476 were chosen. Here too, other elections were held as security permitted.

The story of elections at the village and

[1] As far as the inhabited hamlets and villages were concerned.

hamlet levels is encouraging. One measure of the increased security in South Vietnam is the increased number of villages and hamlets which now have elected their own officials and the much larger average population of those under GVN control as compared to the contested and VC controlled units.

It is interesting to note that nearly 50% of the officials elected in the village and hamlet re-elections are new people. There is a public awareness of local political personalities and of local issues.

Before elections were held at the village and hamlet levels, local officials were appointed by, and took their orders from, Saigon. Under President Diem, in particular, a great effort was made to centralize control over local government. The French tradition was all pervading.

Recently, the GVN, with U.S. prodding, has started to reverse the situation. A conscious effort based on the recognition that the stability of the GVN itself depends in no small measure on the strength of its local government is under way to broaden the authority of local officials and to give them more responsibility. The New England town meeting and U.S. village government are prototypes

The Village Self-Development Program gives considerable autonomy to village councils. Depending on the size of a village, funds are made available to each village to spend on local development projects. In succeeding years, the subsidy from the GVN will be reduced and village councils will be required to raise more funds from local taxes. At the present time, there is virtually no central taxation of rural areas, nor is any presently contemplated for central government purposes. Present programing calls for giving villages more control over revenues they can raise locally. Obviously, the objective is that of developing a tradition of self-support and self-government.

The Team observed several Village Self-Development projects. It was impressed with the obvious pride in the projects held by local village officials. There are to be sure weaknesses in this program. First is its current dependence on the United States for funding. Secondly, while theoretically each village can set its own priorities, there are a myriad of GVN restrictions which inhibit true flexibility. Projects costing over a certain amount must be approved by province officials, projects costing still more require approval by officials in Saigon.

Basic to the program to reestablish popular local government is the effort to make it self-sustaining. The Local Revenue Improvement Project could be the most significant development in local government, next to the elections. It is our understanding that this project, which potentially can produce a 10 billion piaster increase in local revenue by 1975, is now in the process of being implemented.

It is especially significant in relation to the current proposals to turn the elementary school system over to local government. Traditionally, control over all education has been in Saigon. However, if village government can generate the tax revenue needed, they may be able to gain control of the elementary schools within their boundaries.

It is clear that local government in Vietnam in 1970 is more viable than it was in 1967. In no small measure it is the backbone of the GVN; however, it doesn't appear that the GVN fully appreciates this. A proposed piece of legislation once called Lower House Bill 84, does lay out the duties and responsibilities of village councils, village chiefs, and hamlet chiefs. It formalizes the power of the village council. However, numerous loopholes appear in the draft of the bill and give the GVN in Saigon sufficient veto authority over local government activity to make improbable the great increase in local government autonomy from this bill as some have predicted.

The Volunteers for Vietnam Team strongly supports present efforts to strengthen local government. More should be done. The emphasis on developing local revenue must continue and even be stepped up. We should do what we can to free the villages from the excessive restrictions on their activity imposed upon them by Saigon. As it is, the bureaucracy slow things down, sometimes to a halt. Getting a response on a project proposal can take months.

Elections for positions on 44 province councils and six city councils were held on June 28, shorty after the team left Vietnam. Originally, scheduled for 1968, they were postponed as the result of Tet offensive. Provincial councilors and city councilmen holding office prior to the June 28, 1970, elections had been in office since elected in 1965. So the elections this year are the first for province and city councils under the 1967 constitution.

The province council elections were heralded by Vietnamese and Americans alike as a major step toward democratizing Vietnam. No doubt they are significant, but this enthusiasm should be tempered with the knowledge that the Viet Minh held similar elections in 1945 and 1946. To at least part of the Vietnamese, the GVN is still playing a "catch-up" game with what others had done long ago. Nevertheless, the Team does consider the provincial council elections as an important step, particularly if they are followed soon by the election of province chiefs. It is worthy of note that province council members were elected from regions within the province in order to lessen the near-monopolistic control of the council by capital cities which would have resulted from at large elections.

Vietnamese and Americans at the province level placed great emphasis on the importance of electing province chiefs at the earliest possible date. At the present time, all province chiefs are still appointed and all are military officers. As such, they serve two masters. They fall in the military line of command under the ARVN CORPS commanders. In addition, they are responsible for the civilian operations in their province and therefore also serve the various ministries in Saigon.

In November of 1967 we were informed that elections for some province chiefs would be held within 3 or 4 months. The 1968 Tet offensive, of course, changed that. However, it is now two years after Tet and elections still have not been held. It was obvious, too, that American and Vietnamese officials in Saigon were not as convinced as their counterparts at the provincial level that province chiefs should be elected at this time. The Constitution of the Republic of Vietnam states that the President may appoint province chiefs during his first term in office. This means that the Constitution clearly intends that province chiefs are to be elected after the Presidential election is held in 1971. It was disturbing to note that officials in Saigon were talking about delaying these elections past this point. The Team feels it is imperative that province chiefs be elected soon. We strongly feel that the province level of government must be made more responsive to the people. Given the present power structure in which province chiefs now find themselves, it is difficult for them to be as truly responsive as they would be if their constituency was the people of the province instead of the GVN and the ARVN. Such elections should also greatly inhibit the corruption attendant upon the existing appointment system.

The draft bill which defines the powers, authority and responsibility of province councils and province chiefs also calls for the popular election of province chiefs; however, no time table is established for these elections.

As is the case for village councils, the draft law, while appearing to give substantial authority to province councils contains the same "loopholes" allowing stringent GVN control from Saigon. For instance, decisions concerning the "construction plans and programs of public interest, the level and value of which will be fixed by a Prime Minister decree" must be approved by the Prime Minister before they can be executed. There are 13 additional specific areas where a provincial council decision must be approved by the Prime Minister or a GVN minister before it can be executed.

It appears to the team that too much power and authority is left to the GVN in Saigon under the new draft law. It is our hope that the Vietnamese National Assembly will tighten some of these loopholes before the draft bill, drawn by the GVN Ministry of the Interior, is adopted. If decentralization of government power and authority really is the goal, the new draft bill does not go far enough towards meeting it.

City government is also covered in the new draft law. The provisions for city government are quite similar to those proposed for village and province councils. The Capitol City of Saigon is given special status as a prefecture. There are five additional autonomous cities, Da Lat, Hue, Vung Tau, Da Nang, and Nha Thrang. Autonomous city councils are directly responsible to the GVN in Saigon. They have the same status as provincial councils. Other cities have status similar to that of village councils and are responsible to the province chief as well. Can Tho, the largest 'city' in the Delta is divided into three villages with little or no coordination between them.

Again, the point must be made that too great a potential remains for stringent GVN control of these units of government. In our view these units of government should have more real power rather than having so many of their decisions subject to either ratification or disapproval by the GVN in Saigon. Commensurate taxing power may be a corollary.

At the national level of government, half of the Senate seats are up for election. Next year all of the Lower House seats will be up for election and, of course, there will be an election for the Presidency as well.

In order to avoid what happened last time when he found himself a minority president even though he had 35% of the vote, President Thieu is proposing that there be a runoff election between the two top candidates in the first go round. This is probably very important in the event that the National Liberation Front decides to negotiate a way of contesting these elections. Because of the unity and organizing ability of the Communists, they might find themselves first in the field of 15 candidates! As yet, the progress toward a system of political parties leaves much to be desired. Potentially, at least some of the non-Communist opposition elements might get together and form a ticket which would profit from popular discontent, especially in cities and in some of the provinces where the chiefs are particularly corrupt. The farmer-laborer party has a certain potential. It is fairly clear that President Thieu plans to base his campaign largely upon the civil service, the army, and the rural areas. If, as seems likely, the Paris negotiations get nowhere, it is probable that the quality and results of the presidential election will be crucial in the eyes of the world as regards the legitimacy of the government which emerges from them.

President Thieu has made a definite attempt to broaden the base of his government through the appointment of a more representative cabinet. In this his success was distinctly limited. Two leaders of other

parties who were offered cabinet positions each insisted upon being appointed prime minister, and a third insisted on the part of minister of the interior because of the patronage it would make possible for him. As matters stand, the cabinet is predominantly a one of reasonably competent men, broadly representative of different regions of the country. Many of its members are not too well known but seem to be competent and honest. Unlike the members of the Loc government under President Ky, they are predominantly of southern origin. Of the thirty present members, twenty-three are from the South, and seven are refugees from the North. Of the twenty-three from the South, seven are from the Saigon area and its suburbs, while sixteen are from the other provinces. Two are Montagnards.

President Thieu seems to be making some effort to operate constitutionally, although in certain instances he has placed interpretation on the constitution contrary to that of the Supreme Court. In these instances, he has either obtained legislative sanction or modified his subsequent behavior.

The National Assembly appears to be operating in a substantive sort of way. It clearly has factions, both pro and anti-Thieu. It has forced the Government to back down on proposals when it felt strongly about them. The Khiem Government apparently has a much better rapport with the National Assembly than did its predecessor.

Some general observations about political development may be in order. As yet, there are no real national political parties as yet. This fact reflects a lack of national consciousness in Vietnam. The loyalty of a Vietnamese goes first to his family and then to his village. Elections for provincial council and chiefs will help broaden political perspectives. Another round of Senate and National Assembly elections and another Presidential election will have the same effect. However, a caveat should be expressed. A broadened political perspective can be a two-edged sword. It will help create a greater national consciousness and cohesiveness, but it also will create a greater awareness of where real power lies and should the GVN not be as responsive as it ought to be, it might well find itself overthrown.

The team noted with interest that some candidates for province and city council places seemed to be jostling to be in a position to run for the Senate or Lower House in the forthcoming national elections.

It is likely that political parties will become more prevelant in the years to come. Undoubtedly they will be in large measure religiously oriented. The Buddists, even with all of their factions, are powerful. Of course, the Catholics have strength out of proportion to the numbers because of their rather tight organization and cohesiveness. Also interesting were reports of attempts to form a coalition among segments of Buddists, the Cao Dai and Hoa Hao. Temporary coalitions may well precede the development of firm national political parties.

The team found itself uneasy by the not infrequent references by some of the most perceptive Americans to the ARVN as "an Army of occupation." So far as we could judge the inference was that power, however disguised, was chiefly with the military, a coterie of generals and other officers who shuffle in and out of military and civilian assignments. Thieu and Ky belong to this group as does General Cao Van Vien, the head of the Armed Forces, whose wife takes advantage of his power to engage in shameful monopolistic economic practices. Thieu's power structure rests in part on the group of Army officers whom he has appointed provincial and district chiefs to exercise largely civil functions, which contain numerous lucrative opportunities. General Tri, the hero of Cambodia, had just been caught in flagrant graft when his military exploits saved him.

Will those of this group who use their office for private profit give up without a struggle if and when peace comes or elected civilians take over most of the civil affairs decision? This is a major crisis for tomorrow.

GVN ADMINISTRATION

One of the most difficult problems faced in Vietnam is that of the administrative efficiency of the Government of South Vietnam. In 1967 it was atrociously bad. In 1970 it is still very bad.

It is not hard to ascertain why the situation has not improved very much. Salaries of civil servants remain outrageously low and are cut more each day by inflation. Many of the brightest and most able civil servants have been drafted and are serving in the army. The bulk of the Vietnamese civil service is still French-educated and French-trained. Unless they are strongly prodded their perspective seldom goes beyond the city limits of Saigon. But another and more disturbing reason for a noticeable lack of improvement is the organization of our own advisory effort. This will be dealt with in more detail later on in the report.

There are some developments which are encouraging. However, there is no doubt that time is of the essence.

One of the most hopeful aspects is the series of training programs for the village officials and the civil servants. The persons in charge of these, Dr. Bong and Colonel Be, respectively, are really first-class.

The training of middle and upper levels of the civil service is conducted by the National Institute of Administration under Doctor Bong. Programs exist here at the university level, at the post-university or experienced level, and as in-service, training. There are also evening classes for those who may wish to take them. The principal program is a three-year one at the university level. About 80 students complete the course each year out of a hundred that are very carefully selected to undertake it.

The second year of the training is spent in internships in the rural areas. The first placement of almost all of the 80 is as a deputy district or province chief and a few assigned to corresponding positions in Saigon. These young men and women are of very high caliber.

In 1970, as in 1967, we visited the training center at Vung Tau under the direction of Colonel Be. He is one of the most inspiring people we met among the Vietnamese. Whereas his earlier function was to train revolutionary development cadres for the hamlets and villages—people were assigned to other than their own. The present assignment is much better built into the structure of the society and government. His principal task now is to train the village officials, the hamlet and village chiefs and councils, and any others who may be officials of the village. In addition, he trains a small group to go into the villages to help organize cooperative projects, security, etc. President Thieu speaks at the graduate exercises of each group about their nation and their responsibilities.

The program at Vung Tau recently has been expanded. Classes are now being held at Vung Tau for civil servants working in the Ministries in Saigon. Obviously, it is thought that the Vung Tau experience will give civil servants a better knowledge of and appreciation for the nature of the rural development program.

As mentioned earlier one of the problems the GVN has today is the lack of trained and highly motivated civil service officials. This problem has been exacerbated by the drafting of many of the young and better trained civil servants into the army. The procedures do exist for returning these people back to their civil posts, but they are infinitely difficult. It appears there would be some merit in making this transfer less difficult.

Inflation has created much unrest among civil servants. It certainly is understandable. Underpaid to begin with they see their wages are cut daily by inflation. Most civil servants must hold two jobs in order to support their families. This situation also greatly increases the problem of corruption which traditionally has plagued Vietnam. While in Vietnam we were told that it now would be considered inflationary to raise the pay of government employees at this time. This may be, but on the other hand, the CVN cannot afford to do otherwise. For its own stability, it badly needs a higher quality, better trained and more seriously motivated civil service. Present policy militates again this important development.

Corruption, though perhaps less in 1970 than in 1967, remains a serious problem. It is encouraged not only by low salaries of civil servants, but also by the present development programs which deal in the commodity business, i.e., cement building material, etc. The powers given the military hierarchy as province and district chief also fuel the corruption problem.

Corruption has long been assumed to be a way of life in Asia. Corruption appears in Vietnam to become an issue only when an official takes more than a polite amount—i.e., makes a business of it. Efforts are "under way" to deal with the problem—but they have been "under way" for well over three years.

Corruption at the village and hamlet level appears to be minimal. Receipts and expenditures at these levels are posted for all to see.

At the province and district level, the problem is more serious. As long as commodities are furnished by the GVN in Saigon to the lesser levels of government and routed by way of the provinces and district the amount of corruption will remain high. A realistic approach to the problem is to make direct money grants to the villages and then allow them to purchase the supplies they need on the open market.

It is our understanding that the U.S. government last year was about to end its commodity grant program, but that it was finally deferred again on the premise that direct money grants would aggravate the inflation problem. Nevertheless, it would be advisable to end the commodity program as soon as possible. Corruption would not disappear, but it could be markedly reduced.

The District level of government is troubling to us. It has no standing as far as the Constitution is concerned. It is purported to be an administrative unit. The district chief is always a military officer, appointed to that position. He is theoretically responsible to the province chief. As does the province chief, he has both civil and military responsibilities.

The proposed legislation concerning the organization of province and village government does contain provisions concerning district government. It is termed an administrative unit. District chiefs are to be selected from a list of public officials experienced in local administration. However, the appointment is to be made by the Prime Minister in consultation with the province chief.

The team is wary of this arrangement. While termed as administrative unit, the district is a very important link in the GVN governmental structure. Presently it is a level where much of the corruption takes place because all commodities for villages must pass through district headquarters. It has, even under the draft bill, a large measure of power over village affairs.

Consideration should be given to eliminating the district level of government as far as civil operations are concerned. It could

remain as an internal security level in a military chain of command. However, it seems unlikely that this step will be taken. Therefore, we feel that district chiefs should be appointed by elected province chiefs in consultation with village and hamlet officials in the district concerned.

Of crucial importance to the team is decentralization of power within the GVN and the separation of civil from military affairs. The election of province chiefs will be most helpful, taking that office out of CORPS chain of command. However, the provisions concerning the district are not comparably reassuring.

The GVN Ministry of Interior has instituted a local government training program to augment the training received at Vung Tau. The training is organized at the provincial level as well as in four of the cities. In 1969 over 37,000 village and hamlet officials were trained in Province Training Centers. In 1970 over 39,000 such officials will be trained. This is an important program that should be emphasized. It is necessary to raise a pertinent point here. Better trained and educated village and hamlet officials will increase the quality of local government; however, if the GVN in Saigon refuses to give these newly-elected and rerently-trained officials the power and responsibility needed to be effective, all the training programs in the world will not help.

Before we leave our discussion of the GVN Administration, tax collection must be mentioned. Given the condition in Vietnam, it is not surprising that tax collection is woefully inadequate. However, significant progress is being made. Internal tax collections have grown from 6.2 billion piasters in 1964 to 27.3 billion piasters in 1969. There was a 50% increase in 1969 over 1968. The Directorate General of Taxation has been especially hard hit by the drafting of many of its best employees. There still is widespread tax evasion and considerable corruption in tax collection. Again, increased salaries for civil servants would help, as would the return from the army of more specialized and skilled people.

ECONOMIC AND SOCIAL DEVELOPMENT

The war in Vietnam is complex. To the dismay of many it has been and is being fought without any front lines. In the type of war being fought in Vietnam one cannot so easily segment the military, economic, political and social aspects. They are inexorably intertwined.

We have discussed the political situation, including the GVN administrative structure. Now we propose to examine substantive topics such as the economy, agriculture and the rural areas, the cities, education, refugees, industrial development, public health and the like. Obviously, pacification (a misleading and inadequate term) relates to all of these areas together. While each topic area will be examined separately, we shall attempt to pull things together in a final discussion on pacification.

In 1967 the team stated it was concerned that insufficient attention was being paid to the economic and social development in Vietnam. Generally, the situation in these areas has vastly improved since 1967. This fact is due in no small measure to better U.S. understanding the nature of the war.

a. The Vietnamese economy

There is universal agreement among Vietnamese and Americans that the problems with the Vietnamese economy are now more critical than those associated with security. Inflation is a striking example. Its effect on the morale of civil servants has been discussed.

It should be borne in mind that approximately 1,200,000 of the South Vietnamese men in their most productive years, are or will shortly be, in uniform and serving full time in either the Army, the Regional, and Provincial Forces, or the police.

Proportionately, this number would be the equivalent of some 18,000,000 under arms in the United States. However, Vietnam has no margin of manufacturing or export with which it can pay for the luxury of the war. When the Americans withdraw, the amount of money which they are presently bringing in through the expenditure of the troops and other personnel, will of course, be lacking in terms of potential foreign exchange. As matters stand, Vietnam is importing about $800,000,000 a year and exporting only about $20,000,000. There is no possibility of closing the gap of this magnitude in the immediate future. It can, however, be lessened considerably. Meanwhile, inflation continues with all its disrupting aftermath.

Manufacturing is actually declining, but the time is approaching at which it can be resumed and developed. The immediate problems are twofold—labor shortage and insecurity for investment. The labor shortage should be at an end or at least alleviated with the withdrawal of the Americans, but as long as the Vietnamese have to maintain the number of men under arms which they do, this will remain an inhibiting factor.

The security problem in factories being blown up, etc., is likely to remain as long as the Communists continue to rely upon terror of one sort or another. We feel that there is only one possible answer to this, pending the restoration of complete security. This is for the government to insure the investor against risks of this type. Domestic and foreign capital should be available for the investment itself, and it is quite possible that the country of the investing foreign nationals might be ready to assume some or all of the costs of the insurance. As matters stand at present, these would be largely Japan, Australia, the United States, and western Europe.

The Lilienthal Report has been very thorough in its projection of the post war potential of Vietnam. In general, it would seem that the development of industries should be such as to lessen imports and increase exports. Under the first heading examples would be sugar refining and textiles. Under the second heading would be plywood, paper and pulp.

It should be borne in mind that Vietnam, because of the war and because of the aid of the States, will be entering a postwar period with its infra-structure virtually complete in the form of highways, harbors, and communications. Moreover, it will have a very considerable supply of skilled labor, carpenters, plumbers, mechanics, etc.—all largely a byproduct of the war and the American presence. Were it not for the war, it would be much nearer the takeoff point for self-support than almost any other developing nation.

In addition to manufacturing, it should be borne in mind that the fisheries are potentially a very great economic asset, as regards both domestic consumption and export. Timber supplies are ample for export purposes, and the Japanese would take any amount of timber that might be harvested. The problem is security, inasmuch as the forests are a principal base of Communist terror activities. It may be a long time before these are actually cleared and exploited on a sustained yield basis. As regards agriculture, the potentials on the side of the exports of rubber are considerable. The possibilities for producing to replace imports for increased domestic consumption are also considerable. Coconuts and sugar will serve as examples. Furthermore the Vietnamese like chickens and pork, and the production of both of these is going ahead rather rapidly. This would imply also an increased growth of sorghum.

The position of organized labor is encouraging. The CVT, the largest of the federations of unions, claims 600,000 members. Its leader, Mr. Buu, is a responsible, democratic trade unionist. What has happened to the unions in South Vietnam seems to be adequate in general to keep organized labor in the democratic tradition. In addition to the normal labor functions, they have taken a considerable lead in social welfare among their own members and in organizing self-help projects. The largest single component group is that of the tenant farmer; what will happen when there are no more tenant farmers is uncertain. Mr. Buu is engaged in forming a farmer labor party which seems to be one of the few political parties that has any real chance of a national constituency.

A great economic crisis will emerge as the Americans withdraw. As the Vietnamese take over their defense, their cost will go up, although it is only a small fraction of our cost perhaps only 1/15 of ours. On the other hand, it is perfectly evident that if a major crisis with widespread disorder, employment and chaos is to be avoided there must continue to be very considerable financial aid to the nation so long as such a large fraction of its population is preempted by defense needs. That these will remain considerable is suggested by the fact that it takes from five to ten regulars to contain one guerrilla.

b. Agriculture

Agriculture is and will continue to be the most important part of the Vietnamese economy. While over 40% of the population now lives in communities of 20,000 or more, at least 70% of the population depends on agriculture to make a living.

The "Green Revolution" is underway in Vietnam. The new miracle rice strains, IR–8, IR–5, IR–20, IR–22, are being used in Vietnam. IR–8 is used more than the others. It is expected that over 500,000 hectares of IR–8 rice will be planted in 1970. This planting will almost double that of IR–8 rice in 1969.

Next year South Vietnam will again achieve self-sufficiency in rice. This will be a mixed blessing for the Vietnamese. The export market it once had for rice no longer exists to the extent it once did. Diversification is, therefore, of utmost importance. Sorghum, fruits, and vegetables, and sugar cane appear to be some of the best prospects for diversification. Livestock production must also be increased.

Poultry and swine industries are being expanded. Several swine and poultry farms were visited by the team. There is considerable promise for increased activity in these areas.

Problems such as adequate feed mills, technical expertise, and capital must be overcome.

The question of marketing is crucial. We witnessed the rivers teeming with commerce and the highways with trucks loaded with produce for the markets. This is a dramatic change from two and a half years ago.

The rural economy is healthy. Farmers are prosperous. As a result, mechanization is increasing. Pumps, roto-tillers and even tractors are not uncommon. Mechanization must be watched carefully. If pushed too hard and too fast, it can create severe displacement problems in the economy.

Perhaps the single most important need in agriculture is the development of more technical expertise and research capability. The Vietnamese have demonstrated an amazing aptitude for picking up new developments. They suffer greatly from a lack of trained agriculture experts. Programs in this area must be accelerated. Disturbing to the team was the news that the American advisory effort in agriculture is being reduced. The opposite should be true. We do possess the capacity to train and educate the Vietnamese in agriculture. As agriculture becomes more sophisticaed, a higher degree of expertise will be needed. IR–8 rice needs careful fertilization. Diversification requires planning assistance. Feed mill development means that technical knowledge is essential.

An expanded agriculture education program is under way, though it is not as extensive as it might be. Continued emphasis on agricultural education is of the utmost importance. More about this will be found in the part of this report dealing with education.

Research is the other indispensable component of advancement of agriculture in Vietnam. Agricultural research is virtually non-existent in South Vietnam. We feel it is imperative that a national research center, located out of Saigon, be created. The need is clear. Diversification will require data on what crops can be grown where and with what kind of results. Fertilizer testing under a variety of conditions is needed. Research on new uses of rice should be undertaken.

Ideally, a new agricultural university and research center would perform long range planning. It could help anticipate future problems and make plans to deal with them.

Land reform is closely tied to agriculture. Today Vietnam has one of the highest rates of absentee land ownership of any country in the world. But at long last land reform is nearing reality. Almost all of the French expropriated land has been distributed. The new Land-to-Tiller law has been passed and early in June the implementing decree was issued. Under this decree, now being circulated in rural areas, farmers no longer need to pay rent. Rather than wait until chaotic land titles are cleared up before giving the tenant his land, he can continue to farm rent-free until this is accomplished.

Under the land reform law, a landlord may retain 15 hectares of land, provided he cultivates it himself. The government purchases the other land with payment to be made over a specified period of time.

It is expected that the new land reform law will become operational by fall. Within three years 900,000 hectares out of 1.3 million hectares will be distributed.

The war has facilitated land reform. The main purpose is primarily political and secondarily economic. It is closely tied to pacification and the appeal to the countryside. Nothing must stand in its way. With the farmers no longer forced to pay rent, they will be in a position to tax themselves for local improvements, schools, etc., in their self-government.

c. Cities

The prospect in the cities is not as encouraging as in the rural areas. About 250,000 people are employed directly or indirectly by the Americans who are leaving. The cities are terribly crowded. In Saigon, probably 50% of the dwellings are shacks and makeshifts. The re-housing which is taking place is pitifully slow and entirely inadequate to meet the continued growth in the population. The municipal services of Saigon are materially improved from what they were two and a half years ago. Garbage is being collected, streets at least the main ones are fairly well paved. Cooperative projects for the minor streets and alleys are progressing slowly, with the government issuing the necessary materials and the people in the area doing much of the work. The Saigon Water Purification and Pumping Station is a four year old facility as modern as could be found anywhere. Approximately two and a half million people in the greater Saigon area now receive potable water on a 24-hour basis as a result of the service provided by the Saigon Metropolitan Water Service. Formerly, as many as 20 families often shared water from one metered source, with the meter owner often charging his neighbors excessive rates. Requests for individual house connection are being received at a rate four times greater than that of a year ago. The average connection cost is 13,000 piasters. An engineering study to develop a master sewerage and drainage plan for the Saigon Area is scheduled for completion in November 1970. Both water and sewer projects were accomplished with USAID assistance.

The nation as a whole, and the cities in particular, have a full employment economy, and the average family has at least two people working. Many of the men hold down two jobs, moonlighting to supplement their incomes. Women and children are of course working, although the great majority of the children of elementary school age are in school for part of the day. While unemployment, especially in the Greater Saigon area, is virtually non-existent, underemployment is chronic. There is marginal employment particularly among ex-refugees, especially those too old for job retraining. There is much unrest in the cities, although, this will be more dangerous in the future than it is at the present moment, because of the rather drastic economic readjustments which sooner or later must take place.

The governing machinery of the city of Saigon, on the surface, seems somewhat akin to that of our own Washington, D.C. The Mayor is an appointee of the National Government. Operating funds for the city budget comes from the National level. The simple act of hiring additional street sweepers or any other city employees must be approved and funded by the National Government before being accomplished. Four or five weeks is usually considered speedy action. The City of Saigon has a fire department composed of about 250 men operating out of one location. Area volunteer brigades are being organized to augment the inadequate fire department.

The situation in other large cities such as Da Nang is similar to that of Saigon. Public utilities remain the biggest problem. Most of the people who have moved to the cities are not classified as refugees and do not get the provision given to other refugees. Development programs have been aimed at the rural areas because they have provided the base for VC opposition. No training program exists for urban development cadre.

In the process, however, the problems of the cities have been overlooked. A determined effort must be made to provide assistance to the cities. Our own advisory effort for urban areas is pitifully weak. We have fine people as urban advisors, but they are too few in number. We have no advisory effort on urban problems at the national level that is worth talking about.

The most serious political problems faced by the GVN today lie in urban areas. Certainly the upgrading of the quality of life in the cities would help mitigate these problems.

To sum up, urban problems have been very seriously neglected in Vietnam, by both the Vietnamese and Americans. No time should be lost in correcting this mistake. The glamour of development work in the cities is not nearly as great as in the countryside, but today it is of more importance. Housing is the number one priority.

d. Education

Elementary, secondary, technical, and university education are all increasing, but the picture is a ragged one. Dropouts in the elementary and secondary schools are a serious problem. This is partly a product of the poor teaching, which is in itself a product of a hastily put together program. The heavy concentration of American aid in the field of education has in fact resulted in very extensive American influence, counterbalancing the old French system. In the end the Vietnamese are likely to pick and choose, and introduce elements of their own culture as they are already doing.

Figures alone tell a tremendous story. Over 2.3 million children, 83% of the total, attend elementary schools. Over 500,000 youngsters attend secondary schools, ten times the number in 1955. In 1955 there was one university with only 2,900 students. Today there are five universities with 40,000 students.

The development of a sound education system does not come overnight. The training of teachers, strengthening of curriculum, textbook production and the like take time. This is one area where it appears the Vietnamese are moving with determination.

Vocational education is still largely lacking. Because of the influence of the French classical educational program, vocational education still is not held in very high regard. Changing this attitude is not easy. But progress is being made. However, emphasis must continue. New skills will be essential as the war ends, industrialization begins in greater earnest, and agriculture diversifies.

Training of teachers should be stepped up, if possible. The quality of instruction, especially at the elementary level, leaves much to be desired.

Agricultural education must be accelerated. The number of secondary schools of agriculture has grown. The number of vocational and agricultural teachers is increasing. But the Directorate of Agriculture in the GVN Ministry of Education is allotted 1.3% of the budget. Not nearly enough is being done to produce skilled and trained manpower for the rural sector of the economy. We have mentioned about the changes needed in agriculture—changes essential to economic prosperity and well-being. Those changes will occur only if a sufficient number of trained agriculturalists are available to lead the way.

e. Refugees

An indication of the improved situation in Vietnam is the progress being made in resettling refugees. The number of refugees has been reduced to about 325,000. Of some alarm, however, is the indication that new refugees chiefly from Cambodia are being generated at a higher rate in 1970 than was the case in 1969.

Nevertheless, large numbers of refugees are being resettled. No better example of this development is the resettlement taking place on the "Street Without Joy" near Hue. Thousands of refugees are moving back into villages and hamlets which some of them left as long as five years ago.

Problems of resettlement are great. Elephant grass, untillable with water buffalo or roto-tillers, can be turned over only with a powerful tractor and disc. Not enough of these tractors are available to till the ground fast enough.

The Cambodian operation has generated a large number of new refugees, many of them families of Viet Cong. For the most part, the task of caring for the refugees was done expeditiously, and primarily by the Vietnamese.

So far as the effort with people defined as refugees is concerned, the program has been reasonably successful. As mentioned earlier, there are thousands of people who do not meet the definition of refugees, but who in fact are refugees.

They are clogging the cities, living in shanties and are barely able to get by. Many are older and have no skill which is marketable in an urban community. Adult education is not widespread, so retraining or even education itself is not readily available.

It would be advisable to recognize officially the refugee status of thousands of the urban poor who have left the insecurity of the countryside for the havens of the cities. Programs should be established to provide decent housing. Job training and other social welfare programs must be instituted. It may be possible to persuade some of these refugees to move back to their villages. To our knowledge, however, no resettlement program for unofficial refugees exists.

f. Industrial development

Industrial development was discussed earlier in connection with the Vietnamese

economy. However, mention must be made of the Bien Hoa Industrial Park, located on Route 1 about a half-hour drive northeast of Saigon. Over twenty plants are in operation. Others are being planned.

Long range planning for industry is needed. As farmers become more efficient and mechanized, a large segment of the present work force will have to be utilized away from the farm. By planning now for the location of agriculture-related industries, feed mills, fertilizer plants, etc., near principal farming areas, another wave of migration to the already overpopulated cities can be reduced.

Rubber is one of the most likely exportable items for Vietnam, and a rubber industry can be developed. Many of the rubber plantations are in contested areas, making production difficult. A shortage of manpower also hinders operation. In addition, most rubber plantations are French owned, which means that the Vietnamese do not benefit as much from this operation as might be the case. The fishing industry needs more encouragement, since it holds great potential for export. Emphasis on new technology is badly needed. New equipment should be made available. Even the crudest refrigeration equipment would be extremely helpful.

The lumber industry is running at only a fraction of its potential. Given the present security conditions, this is not surprising. The areas still unsecure are generally the forest areas. Until that situation changes, it is unlikely that lumber, timber, and related industries will experience much growth. Apparently there are three paper mills now owned by the government which are not being operated. We were led to understand that the natural resources are available to make these plants operational. However, the GVN has not moved. The best alternative would seem to be for the GVN to sell the plants to private entrepreneurs who might then be able to get them going.

One pressing need is for a more complete inventory of the natural resources of Vietnam. At Hue, for instance, we found there are ore and lime deposits which hold great industrial potential, but officials in Saigon apparently were not aware of their magnitude or importance. Other minerals such as tungsten may well exist in quantity.

Industrial expansion will be slow. Skilled manpower is not available in large numbers. Investment of private capital will remain at a low level until the security situation becomes more stable. However, careful planning will help avoid some of the mistakes other nations, including our own, have made while in the process of industrializing.

g. Public health

Dramatic improvement in public health is apparent. There is no apparent undernourishment. A severe shortage of trained personnel prevents more progress, but new schools for medical schools and increased enrollment will help overcome this handicap.

We have been able to shift our effort from one of augmentation to advisory although we continue to participate heavily in a construction program for health facilities.

One of the most encouraging developments is the joint utilization program. Under this program GVN military and civilian hospitals and medical personnel have been merged. This has resulted in more efficient use of personnel and facilities. Joint utilization is in effect in about one-half of the provinces in Vietnam. In some of the areas visited by the team, officials were not overly optimistic about joint utilization being accomplished on schedule. The problems of merging civilian and military are not easily overcome.

There are two great difficulties with the public health program. First is the procurement and maintenance of equipment. Since personnel are stretched thin it is difficult to keep facilities and equipment in good shape.

The second problem is that of high enough salaries for medical personnel, particularly doctors and nurses. Most can do much better in the private sector of the economy. Salaries must be raised if the public health program is going to stay on its feet.

PACIFICATION

So far we have discussed different aspects of economic and social development. When put together along with political and security developments, you have what is termed pacification.

Before going further, it is our strong feeling that the use of the word pacification is ill-advised. In 1967, we said pacification could be more aptly described as "stability and progress for people." Another term, "self-sufficiency" would also be preferable to pacification. However, since pacification has become so deeply embedded in our Vietnam vocabulary, we will reluctantly use the term as well.

Pacification is said to be built on a base of political support and combined with security and development. That is why we feel that while the pacification program looks very good from the surface, we are still not sure of the foundation.

Political support is something that cannot be easily measured. We sensed a greater loyalty to something other than the Viet Cong as compared with 2½ years ago. But that is distinct from support for the GVN. Our impression is that while the support for the Viet Cong has decreased, firm support for the GVN has not increased markedly. As a result you have a larger "middle group" now than was true in 1967.

This is an improvement and in no small measure due to the accelerated pacification effort last year. The 1968 Tet offensive seriously impaired the ability of the Viet Cong to wage its war in South Vietnam. This along with the realization that our commitment was not open-ended, spurred the GVN to take the initiative in pacifying the countryside.

Of crucial importance to the pacification is security. As noted, Viet Cong strength was drastically reduced in the Tet offensive, 1968. This made it possible for the GVN to extend security over the countryside to the highest level since Diem. By the end of 1968, the Hamlet Evaluation System showed 92.7% of the population of South Vietnam to be in reasonably secure areas.

The Hamlet Evaluation System (HES) has been subject to considerable ridicule. Its accuracy has been challenged. Presently, the input is completely American; however, the Vietnamese accept the ratings as reasonably accurate. The team was pleased to learn that soon the input will include data and information from the Vietnamese as well. Theoretically, at least, this should improve HES accuracy.

In any case, HES standards were revised earlier this year. In essence, higher standards were set for rating hamlets. This caused a drop in the overall HES ratings, but undoubtedly resulted in a more accurate picture of the situation.

If 1969 was a year of great advances, 1970 is a year for consolidation. In our opinion this will be more difficult.

First, the efforts in 1969 did in some areas lead to over-extension. We probably went further than we could reasonably expect to hold.

Second, the Viet Cong and the North Vietnam Army have had a chance to regroup and map new strategy. It is clear that they have returned to the strategy of "Protracted war." This means small unit attacks, kidnappings, assassinations, terrorism, and the like. Here is where the real battle will be fought. And here is where the responsibility lies most directly on the Vietnamese. Territorial security is in their hands. They must be able to identify and ferret out the Viet Cong. They must be able to provide the security for the development work underway.

While a more complete discussion of the GVN's military forces comes later in the report, it should be said now that we found a greatly improved situation in this area as compared in 1967.

In 1967 the Regional and Popular Forces were treated as something of a joke when it came to evaluating their effectiveness as a fighting force. This is no longer true. They have shown dramatic improvement and are primarily responsible for territorial security in the provinces for pacification. Equipping them with improved weapons is an important factor.

The Peoples Self Defense Forces (PSDF) is a relatively new force. While it, too, will be mentioned later in the report, it should be noted that it does play a role in pacification. Essentially, it means the creation of an indigenous village self defense force made up of older men, women, and young boys to whom weapons are given to defend their villages. The VC view this as important enough of a threat to have begun assassinating PSDF leaders.

Terrorist incidents in Vietnam, however, are at their highest level since 1968. Rumors abound about a Viet Cong and NVA offensive in late summer or early fall. The testing has begun. It is too early to evaluate the results.

Of course, the quality of the development effort also plays an important role. If the "breather," which existed during 1969, really did produce meaningful development work, then the Viet Cong should no longer be able to depend on support or help from the local population.

The new land reform law, progress in agriculture, an increase in educational opportunities, improved opportunities to market products, the growth and maturing of local government, refugee resettlement, better public health facilities, etc., have had their effect. One of the greatest difficulties, however, is projecting to the Vietnamese in the countryside that the GVN has helped make this possible. The information program is the weakest link in the pacification program, and probably one of the most important.

As stated earlier, the Vietnamese have a traditional loyalty to their family and village. There is a traditional antipathy towards the big cities, especially Saigon. Since the GVN is considered so largely synonymous with Saigon, this makes the task of the VIS (Vietnam Information Service) difficult.

Nevertheless, it is our opinion that not enough stress has been placed on informing the rural population in Vietnam of the development efforts which are underway. One of the main weaknesses of the 1969 pacification program was the inability or lack of will on the part of GVN officials in Saigon to explain the program to lower level officials.

There should be a closer relationship between the province and the village. This is why the district administrative unit of government, without any electing constituency, is troubling. It is also the reason why province chiefs should be elected as soon as possible. Elected province chiefs simply are going to feel a stronger responsibility to be responsive to their people and are going to be more aggressive and demanding of the GVN in Saigon in obtaining needed assistance for their people.

As an interim step we strongly recommend a higher priority be given to information dissemination. Basically, it appears to us there are two ways to do this. First of all, provide more resources and technical assistance to the VIS. The GVN should be strongly advised to upgrade this program. Here is one area where we found American advisors still in an operational rather than advisory role,

simply because their counterparts were receiving so little assistance from Saigon.

One thing which the VIS has done which is having impact is the distribution of television sets. The aim is to have one operating in each hamlet. These are popular and effective. But it can only be a part of an overall information program. Radio broadcasting is probably more important because there are thousands of radios for every TV set. Again, the situation here can be improved. The strongest and most accessible radio wave length in South Vietnam is Radio Hanoi.

The impact of the revolution in communications in this country caused by electronic mass communication has been the subject of considerable discussion and debate. However, its impact has never been denied. Vietnam is also experiencing great changes in this area. We cannot afford to be insensitive to the changes, especially when such a great potential exists for the use of electronic mass communications in informing the people of what is being done.

Secondly, the GVN could do more to emphasize the importance of information dissemination to its own officials, especially the province chiefs and service officers. Since these are the people administering the development programs they should be encouraged to explain them. We could not help but feel that the GVN in Saigon was not pressing its people in the provinces hard enough on this point.

Our recommendations in the other substantive parts of pacification are found earlier in this section. Since the pacification program is largely our creation, we will discuss its organization and efficiency when talking about the American role in Vietnam. Suffice it to say now, there still are considerable problems.

One last goal of pacification which has not been mentioned up to now is reconciliation. The Chieu Hoi program is aimed at encouraging the Viet Cong to "rally" to the side of the GVN. In 1969 the number of ralliers was 47,023, one and a half times the number in 1968. The rate this year, while ahead of 1968, is considerably behind that of last year. However, the Cambodian operation did cause a spurt in the number of Chieu Hoi. Closely allied with the Chieu Hoi program is the controversial Phoenix program. This program is aimed at neutralizing the Viet Cong Infrastructure (VCI). It has had limited success. There is difficulty in making positive identification of the members of the VCI and finding them is even more difficult. Each province is given a monthly quota for neutralization. There are grounds for the statement that significant numbers of the VCI reported as killed are in fact not part of the VCI. Too often, when there is the opportunity, civilians or other war victims are identified as VCI. One American advisor is known to be pressing for a change in the criteria for neutralization. He would count only the captured VCI or those who rallied as true neutralizations. It would be advisable in our view to make this change. It should also be noted that responsibility for the Phoenix program is being shifted from the military to the GVN national police.

On the whole, the pacification picture is much better than it was in 1967. Perhaps, the most important change is that the government of South Vietnam is now a functioning government for over 90% of the population. Another 9% is contested, and 1% only, remains under the immediate VC control. On the military front, the action in South Vietnam has changed from occasional mass attacks to a campaign of terror. In other words, the Communists have slipped back from stage three to stage two in their proposed takeover. But if we have learned anything from Vietnam, it is the danger of being too optimistic. There are problems, considerable in number and serious in nature.

Very serious is the fact that the fabric of culture of the people has broken loose, involving what many consider to be a disastrous decay in morals and in the lack of respect of children for parents, etc. This is part of the process of modernization of any developing nation, but it is tremendously increased by the war and by some of the less fortunate aspects of the American presence.

There is no doubt that the nation suffers from excessive bureaucracy, but it is not alone in this. On the other hand, Vietnam can afford this less well than most any nation in the world, involving as it does almost intolerable delays in making decisions, many of which are used as a basis for receiving "speed money".

Most serious of all is the question as to the extent to which a war weary nation can sustain the levels of terror which are imposed by the present strategy of the Communists. The geography of the country is such that the prevalence of relatively inaccessible sanctuaries, both within and outside the nation create a presumption that terror will continue for a long time to come. The cleaning out of the sanctuaries in Cambodia will help greatly in the lower half of the nation which holds 75% of the population, but Laos and the demilitarized zone remain, and even if these backfire, there will be the forest and the mountains in Vietnam itself. At the present time, the civilians suffer an average of 4,000 killed, wounded or abducted a month, the majority of which are the upshot of this terror. About 800 of these on an average are assassinations or senseless killings through rocket attacks or otherwise.

This fragility may be summarized by saying that South Vietnam is still a long distance from becoming a unified nation. Village culture and village life are being restored and hopefully this will make for larger loyalties and larger inter-relationships, or at least for hostility toward the Viet Cong. Meanwhile, an economic crisis of the first magnitude is facing the nation, together with the campaign of terror. Add to this the political problem of the students and the veterans and guarded optimism is the best you can do.

What all this points to is the inevitable truth, that regardless of our best laid plans, our well-intentioned assistance, it is still up to the Vietnamese to make the substantive progress. If their bureaucracy continues to be relatively unresponsive; if they cannot cope with increased Communist terror; if they cannot maintain territorial security; if they do not possess the will to carry out the development programs, our efforts will not and can never be effective.

Does South Vietnam have the will and determination to get the job done? To a greater extent than it did in 1967? To the extent where success is in sight? We can not say.

THE MILITARY SITUATION

When the team went to Vietnam it disclaimed any great expertise in the military area. However, the team did make certain recommendations regarding military strategy. We did call for stepped-up efforts in equipping and training the armed forces of South Vietnam. And this is the single most important development militarily since we were in Vietnam in 1967.

In retrospect, it is clear that our initial military strategy failed miserably. In 1965 the United States, in effect, told South Vietnam's armed forces to "stand aside" and we would show them "how to win the war." This policy collapsed in ruins at the time of the Tet Offensive.

At that time Americans in command finally came to the realization that Americans could not win the war. Finally, we realized that the Vietnamese alone could accomplish this objective. Another aspect of military strategy was also changed along the lines the team suggested. Search and destroy, a policy which relied on the use of large American troop units, was finally discarded. It should never have been used. Our team recommended what we termed "clear and hold", the securing of areas and the maintaining of these areas. This was also implemented.

In any case, major policy changes took place. The dramatic results, it seems to us, vindicate the criticism of earlier policies.

There is no doubt that the ARVN (Army of the Republic of Vietnam) is considerably stronger than it was two and one-half years ago. It is better equipped and better trained. It performed well in the Cambodian operation. However, the quality of the ARVN units still varies greatly as does the competency and honesty of its officer corps. There are a significant number of ARVN main force units which are not "battle-tested".

Nevertheless, it does appear that American ground troops withdrawals can not only remain on schedule, but be accelerated. ARVN and GVN leadership seemingly responds best when made to realize that something we have been doing no longer may be done. The pressure of the knowledge that U.S. troop withdrawals will be accelerated should have the effect of spurring the ARVN to ready itself more quickly to take combat responsibility.

It does appear that the South Vietnamese Navy will be the first part of GVN armed forces to "be on its own." Steady progress is being made in turning over all responsibility within Vietnam to their own Navy.

One concern to the team is the fact that it does not appear that the Vietnamese Air Force is being up-graded fast enough. Unless training is accelerated, the U.S. Air Force will be in Vietnam longer than is desirable. The GVN should not be in a position of dependence on the U.S. for air power.

De-Americanization (a word much preferred by the Vietnamese to Vietnamization) is on schedule. As stated earlier, we feel it can and should be accelerated. A reluctance publicly to set a time table for complete withdrawal can be understood and defended. However, it is our opinion that a timetable for complete withdrawal should be presented to the GVN in confidence, emphasizing our determination to maintain the timetable.

The view of the team is that on the basis of existing trends and programs in prospect, complete withdrawal could take place by the end of 1972, with no combat units needed after the middle of 1971.[2]

Too often overlooked in discussions of de-Americanization are other essential elements of Vietnam's armed forces. Earlier, when talking about pacification, we noted that the quality of Regional and Popular Forces has improved significantly.

Efforts to continue to up-grade these units should be intensified. If the RF and PF can become wholly responsible for territorial security in the provinces, it will allow the ARVN more mobility in meeting enemy main force units. It will also make it possible for the ARVN to respond more quickly if enemy concentration appears in any one area.

Total strength of the RF–PF units is slightly over one-half million men. Almost all units still rely heavily on American advisors. This is why it is so important to intensify our efforts to make these units self-sufficient.

A relatively new unit in Vietnam is called the "People's Self-Defense Force" (PSDF). To date almost 2.1 million people are members of the PSDF. Slightly over a million have received some training. It is village-based. Composed of villagers of all ages, it is supposed to act as a patrol unit on the periphery of the village. Its efficacy is still questionable. No one considered it an effective fighting

[2] One team member questions this conclusion.

force, nor was it designed as such. Chiefly, it is supposed to deal with small scale terror and do patroling.

The organization of the PSDF was prompted by political considerations as much as anything else.

Over 350,000 weapons, most of them older models, have been distributed. Plans call for distribution of another 350,000 weapons by the end of 1970.

The purpose of the program is obvious: to try to instill in the villagers a loyalty and allegiance to the GVN. In no small measure, the distribution of weapons indicates the degree of confidence the GVN has in its position in the countryside.

The PSDF are under the control of the village chief.

One other aspect of internal security which has not been discussed is the National Police. In the past, it would have been proper to include it as part of a discussion on the military situation. Today, it is questionable whether it fits in this sort of framework. Nevertheless, we will make our observations on the National Police at this point.

Traditionally, national police in a situation such as Vietnam, perform not only what might be described as "normal" police activities, but also act as an important arm of the government in the maintenance of its political position. The National Police in Vietnam do not deviate from this tradition. While efforts were made to convince us that this is not the case, too much evidence to the contrary is available. Police control of the Phoenix program could make the situation even more dangerous unless its activities are closely monitored. The Phoenix program can and has on occasion been used as a means of oppressing political non-Communist opposition to the government.

Two things are important here. First, that only VCI captured alive and convicted be counted against province VCI quotas. This should discourage some abuse. Secondly, that those accused of being members of the VCI be tried in civil courts.

It must be mentioned that it was obvious to the team that National Police are taking positions in the countryside to a far greater extent than was true in 1967. At that time, most National Police were huddled in province capitols. Americans responsible for advising the National Police in the provinces reported to us that their efforts to change the role of the National Police were succeeding. It was felt that, at least at provincial levels, considerable stress was being placed on "normal" police activities as we know them, i.e., traffic control, investigation of robberies, identification of draft evaders, etc.

It is important that this trend continue and the team urges that we press our efforts in that direction.

A word about American units. As was the case in 1967, the team was greatly impressed with the high caliber of American fighting forces in Vietnam. Our young men are doing a tremendous job.

There are innumerable examples of how American soldiers, individually or by units, have taken on projects to help the Vietnamese. Orphanages have been built and supported. Furnishings for schools have been constructed. These are just a few of the things which American soldiers have done.

It should also be noted that the team noticed a distinct difference in attitude among high-ranking American officers in 1970 as compared to 1967.

To put it simply, the arrogance of power was gone. In 1967, it seemed it was an error of the highest order to admit that there were many problems. The attitude about future prospects was almost euphoric. Then came Tet, 1968. Apparently, it prompted a "new realism" on the part of our military leaders.

In 1970 the team found high ranking officers to be more responsive and more realistic in their appraisal of the situation. Optimism was guarded in nature. Problems were admitted, even pointed out.

As noted earlier the team strongly endorses the change in policy which discarded "search and destroy" as regards inhabited areas and instituted "clear and hold." The new policy has been successful and should be kept. There are, however, still some areas of concern. Bombing in South Vietnam still continues in some areas. There are indications that it is still done too indiscriminately. The results of saturation bombing are clearly evident when flying over Vietnam. Pot holes mar the countryside. Today there is no program to repair this sort of damage. One should be instituted.

Another concern is what still appears to be an indiscriminate use of artillery. As is the case with bombing, artillery attacks for the most part now are directed at VC areas, quite often forest land. On more than one occasion it was reported to the team that artillery units fire their guns needlessly in an effort to use up their monthly quota of ammunition. This should be investigated.

The effect of artillery on the forest areas is serious. At a lumber mill the team observed the problems of trying to cut up trees filled with shrapnel. Since the lumber industry is one touted as possessing great post-war potential it would seem we could be more judicious about how we abuse it.

To sum up, the military situation is improved over 1967. The ARVN, RF, and PF are more capable fighting units. De-Americanization is well-underway, on schedule, but can be accelerated. The U.S. military strategy now reflects the realities of the situation. Concerns over bombings and use of artillery remain.

One final point, the military strategy now employed in South Vietnam is now compatible with development programs. Perhaps, this is attributable in part to CORDS. This is largely responsible for the success over the past year and one-half. It took far too long for the United States to recognize the closer inter-relationship between the two.

NATION BUILDING IN VIETNAM—THE AMERICAN INVOLVEMENT

In 1967 the team said: "one of the major areas of interest of the Volunteers for Vietnam team was to determine the effect of American aid, and the organization of our efforts for its effective administration."

This remained an objective of the team in 1970.

There are four major components of our development effort in Vietnam: the U.S. Embassy, the Agency for International Development (USAID), Civil Operations for Rural Support (CORDS), and Military Assistance Command Vietnam (MACV).

Theoretically, Ambassador Bunker "runs" the entire mission, the Director of USAID is part of the Mission Council as is the tcp executive of CORDS and, of course, the Commanding Office of MACV is also a member. Organizationally, however, CORDS is part of MACV.

CORDS

The field advisory effort is known as CORDS. It utilizes both civilian and military personnel. Administered from Saigon, it maintains advisory staffs for the GVN at the Corps, province and district level. The top CORDS person in each Corps area is a civilian, however, half of all province senior advisors (PSA) are military personnel, most holding the rank of Colonel. Most District Senior Advisors (DSA) are military.

The great debate over the formation of CORDS, underway two and one-half years ago, has subsided, although it still flares on occasion. Before CORDS, the development advisory effort was under complete civilian control. The advent of CORDS brought MACV control. In 1967, strong feelings were expressed by most civilians against MACV control. The incompatibility of development goals and military strategy at that time undoubtedly heightened the tension. In 1967, it was apparent that our military goals and development goals conflicted, military consideration were always paramount, reflecting the attitude at that time, that we were waging primarily a military war in Vietnam. The realization that a political, economic and social battle was also necessary changed this situation. The change in military strategy, now in basic harmony with a development program along with the strong leadership of Ambassador William Colby, Deputy for CORDS, has resulted in a much better situation than existed in 1967.

When returning from Vietnam, we strongly recommended that all PSA's be civilians. We repeat that recommendation. The best development work is still done in provinces with civilian PSA's. Our military personnel are capable and experienced, but they simply have not had the training and background which gives them the expertise needed for PSA positions.

Obviously, CORDS is now well-established. Nevertheless, we feel it should be removed from under the egis of MACV. One of the salient reasons is the fact we are encouraging the GVN to "civilize" itself. The least we can do is make sure our advisory effort is also under civilian control. The organizational chart, so to speak, should show CORDS as being directly responsible to the U.S. Ambassador to Vietnam. In this situation, a military deputy would be appropriate. However, the U.S. Ambassador should make it clear that CORDS is to continue to have available to it the resources of MACV it has presently.

The principle of civilian control of civil and development work, is in the team's opinion of utmost importance. It should be the decisive factor in determining the nature of our organization in Vietnam. CORDS was created to promote better cooperation and coordination among all United States agencies, civilian and military, working in advisory roles in the field. The team does not argue with the single manager concept (as will be noted more extensively later). The team strongly feels that the single manager should be a civilian, and one who is not part of a military chairman of command.

The team was greatly impressed with the dedication and effectiveness of CORDS personnel. Working under many handicaps, they are doing an exceptional job. Given present conditions, the success which has been achieved is remarkable.

CORDS teams contain representatives from many government agencies. The USIA, USAID, Foreign Service Officer, and other State Department personnel along with MACV officers are part of CORDS.

In essence, American advisors act as counterparts to GVN officials. The CORDS agriculture advisor, for instance, many have two or more counterparts such as a one in animal husbandry, land reform, etc. CORDS personnel no longer are performing an operational role to the extent that was true in 1967. Reports on the increasing quality of GVN counterparts of CORDS personnel are encouraging.

CORDS personnel were very responsive to questions of the team. Answers were forthright and to the point.

One of the questions asked of CORDS personnel was "How soon can you work yourself out of a job?" The answers varied a good deal. But there are certain areas where the CORDS advisory team can be reduced. When counterparts have reached a level of competence which eliminates the necessity of an American advisor, the American advisor should be

withdrawn. This must be done carefully, and on a case by case basis.

It must be pointed out that there also are areas where the advisory effort needs additional personnel. Agriculture, education, and area development officers who work primarily at the district level, are in short supply. Of concern to the team is that reductions in these areas are taking place in advance of the situation where advisory assistance is no longer needed.

It should be kept in mind that the development challenge becomes even greater as security increases. What is also disturbing is that it appears a higher proportion of civilian advisory slots are being reduced as compared to military positions. To the team, this is going backwards full speed. If the military and security situation is improving as alleged, the need for more civilian advisors for development work should be obvious. Apparently it is not. A final note of concern. In talking to many advisors, it became apparent that one of their key roles remains that of asking through American channels that pressure be put on the GVN in Saigon to respond to its own people at the province and district level. This is worrisome. The GVN should be responding because it's the right thing to do, not because we are there to use our leverage.

Agency for International Development (USAID)

USAID has a long history in Vietnam. It was there long before American troops were present. The creation of CORDS was a blow to USAID's pride and prestige. It still smarts from the reorganization which cut USAID field personnel from USAID operational control.

About 950 USAID personnel are assigned to CORDS/MACV. The function of USAID in Saigon is to provide advisory assistance to GVN ministries in the Nation's Capitol. In theory, its plans and programs are coordinated with those of CORDS. The team is not confident that this, in fact, is reality. CORDS provides the advisory personnel to the Ministry of Rural Development which is the GVN Ministry which has charge of its pacification program. The advisory assistance provided to the GVN's Central Pacification and Development Council (CPDC) is also provided by CORDS.

The effect of this arrangement is obvious. USAID's impact on pacification under CORDS is seriously diminished. It provides people and money for CORDS. It provides advisory assistance to "main line" GVN Ministries.

Since the CPDC consists of all GVN Ministries, the contention is that there is harmony between the work of CPDC and the Ministries. As a result, no conflict between CORDS and USAID exists. In reality, this is not true. Conflicts do arise and the mechanism to resolve such conflicts is weak. (More about this later).

Communication between USAID personnel working in CORDS and USAID personnel in Saigon is weak by design. Contact between the two is discouraged. However, USAID personnel in Saigon are too isolated from what is going on in the countryside. This makes it more difficult competently to advise the GVN Ministries.

It is the team's belief that travel restrictions on USAID people in Saigon should be relaxed. USAID program directors and other technical advisors should be encouraged to travel, even if it is just staying overnight at a district or province headquarters. It seems to us that USAID advisory personnel in Saigon would be in a better position to give effective counsel if they had more of an appreciation of what their counterpart agency was doing at the province level.

Now that security has increased, the number of wives of U.S. advisory personnel allowed in Vietnam should be increased. A program to do this is underway and can be accelerated. As noted in our report in 1967, the length of a tour of duty for advisory personnel has not been long enough to give these people the opportunity to be as effective as they might be. By granting permission to wives to join their husbands, the duty tour can be extended, increasing the overall quality of our effort.

Overdue is a buildup of the urban advisory effort. While CORDS has SCAG (Saigon Civil Assistance Group), and does have advisors to the mayors of Vietnam's larger cities, the problems of the cities have been neglected. The emphasis has been on development in the countryside. This was needed, but in the process we seemingly forgot about urban problems. It is our understanding that USAID has only one urban advisor in Saigon. There is a need for technical expertise and city manager types. The urban advisory effort will be curtailed even more when some of the personnel from civil affairs military units are withdrawn.

The team recommends that a review of our urban advisory effort be made immediately. It will be clear that it is inadequate and steps should be taken to correct the situation. With over 40% of South Vietnam's population in the cities, more attention must be directed at development work there. Add to this the political problems the GVN has in the cities, and you find a crisis already upon us.

The American effort—coordinated?

In 1967 we reported:

"At the highest level on the American side, there seems literally no advance planning between the principal groups Military, State, USIA, CIA, AID, and now CORDS. Representatives of each of these groups should, at the very least, be able to sit down with the others at the formative planning stage of programs generated in any one of them. This is such an elementary practice in any good administration that even to ask if it is being done should be an insult—except for the reason it isn't being done."

After returning from Vietnam in 1967, we recommended that a person with the rank of Deputy Ambassador be assigned the task of assuring maximum coordination of efforts.

In the time which passed since our last visit the situation has improved, but only slightly. Perhaps, the very nature of our organization itself prohibits further improvement. If that is the case, we should be thinking about how our organizational structure can be improved.

Today with CORDS having field responsibility, but little ministry advisory obligation and with USAID and others carying the major responsibility for "ministry advising" but with no field obligation, poor coordination is built into the system. Our overall development effort is too fragmented. It confuses the GVN. It leads to waste and inertia.

Effective long range planning is outrageously difficult because of the fragmented responsibilities.

The organization of our development effort did not result from careful planning. The only hard organizational decision made in Vietnam was the creation of CORDS. In one respect, it did not go far enough, in another respect it went in the wrong direction.

Earlier we discussed the merits of a single manager system and its application in CORDS. The single manager concept should be extended to Saigon. A better link must exist between the ministry and provincial advisory systems. They should not be separate, but part of one organizational structure.

There are several obvious advantages. First, improved coordination of efforts and more effective planning. Another, not so obvious, is more leverage on the GVN. The lack of a solid organizational structure now seriously limits our influence with the GVN. Because our efforts are so divided, we do not affect GVN policy as effectively as we should.

Above all, however, the lack of a well-organized effort has left a serious deficiency in the area of comprehensive advance planning. Again, this results from the split advisory responsibility of CORDS and USAID.

If a single organization encompassed the field and ministerial advisory effort, meaningful advance planning for development would be possible. Today, USAID in Saigon is preoccupied with the challenge of stabilizing and reform of the GVN. It has neglected the area of technical assistance at the field level. It is not doing the kind of job it should in pushing GVN ministries to pursue development programs in the countryside or the cities. Again, given the nature of the organization of our effort this is not surprising.

On the other hand, CORDS does not have the appreciation of the problems encountered at the ministerial level. Seemingly it discourages contact between those who give advice at the provincial level and those who give advice at the ministerial level.

The team recommends that the President reorganize our advisory effort in development along the following lines:

1. Name a single agency, forming a new one if necessary which would be responsible for all American programs, personnel and financing of economic, political and social development in Vietnam.

2. Make it clear that all advisory personnel, at the ministerial and field levels are part of this agency.

3. Name a person with a good development background and solid administrative experience to run the program.

4. Remove all parts of the civil advisory program from MACV control, but making clear to MACV that it is to provide whatever support assistance may be required by the new agency.

It can be argued that it is "late in the game" to undertake this sort of change in Vietnam. However, if development is going to come as soon as possible, it is important that the changes outlined above be made.

An overall development plan must be formulated. Priorities must be set, province by province, area by area. Coordination between Saigon and the field is essential. Maximum use of leverage with the GVN is imperative.

Yet, today this is not occurring. It is not because we don't have dedicated and competent people. It is because we have a weak organizational structure.

There is still time to improve. There is still time to make the changes necessary. We should act before time finally runs out.

GENERAL OBSERVATIONS AND MAJOR RECOMMENDATIONS

Overall the team can report an improved situation in Vietnam in comparison with that of 1967. The Government of South Vietnam has become a more viable institution. The local government component is the most politically credible unit of the GVN. As reelections occur at other levels, a higher degree of credibility will be reached at those levels as well.

The Thieu-Ky Government does have many serious problems. Inflation is the most serious domestic problem, out-ranking security. Problems with students and veterans are so explosive. Dissatisfaction among civil servants and army officers will become a critical problem unless salaries are raised or inflation is controlled. With the growth of genuine democracy, army officers who are dishonest may find their prerequisites so curtailed as to attempt a coup d'etat.

Land reform, increased educational opportunities, the prospect of self-sufficiency in rice, better health services, and the local village economic development projects offer

encouragement for the future. There must be *no* faltering

It is clear that more attention must be paid to economic and social development programs now that a higher degree of security has been achieved. The problems of the cities are of particular concern to the team. Urbanization in Vietnam has been stimulated by the flow of large numbers of refugees to the cities. The refusal of the GVN to recognize the economic and social consequences of this migration is beginning to plague it now and will loom as an even more critical problem unless the present attitude is changed.

Comprehensive planning and the setting of development priorities is of the utmost importance. Both are lacking now, a fact due in no small measure to our lack of action in this area. Now that security has improved so that real development work can take place, it appears that we are ill-prepared to take full advantage of the situation. Pacification as we have known it in the past is not an adequate framework for a real development program. It is time to look beyond a program that helps establish government services in a recently secured area, builds schools, and helps local officials undertake a few self-help projects.

Pacification can sow the seeds of economic development and recovery, but the two are not synonymous. To consider them as such is a grave mistake and will hinder development progress. As one American advisor stated: "I wonder if having won the battle for security and emerging political participation, we may not lose the battle for the hearts and minds of the Vietnamese people by failing to keep their stomachs filled." This statement sums up what economic and social development is all about.

In the team's view, our development program now is a "glorified" pacification program that has no sense of true purpose. What are the goals of development? What are the priorities? What plans have been formulated that spell out our goals, the priority in which they are ranked and the steps which should be followed to reach them?

One of the most formidable obstacles to meeting the development challenge is the organization of the American advisory effort. Overly fragmented and unmanageable, it by its very nature discourages the kind of coordination and cooperation needed among Americans to help the GVN wage a more effective development campaign. Progress is taking place under the present program structure. However, it will take longer to exploit the progress potential, and risk the loss of valuable momentum, unless a reorganization of our own efforts is undertaken. The team does not believe we can afford unnecessary delay of our own making.

As noted in the prologue, recommendations have been made throughout the report. The major recommendations are listed here.

Concerning the Government of South Vietnam

1. Local government should be strengthened.
2. Loopholes in draft bill on local government which allows GVN excessive authority over local affairs should be closed.
3. Local government should be given more assistance in developing local tax revenue.
4. Province chiefs should be elected as soon as possible and separated from the military chain of command.
5. Training programs at Vung Tau for civil servants from GVN ministries should be accelerated.
6. The GVN should end its commodity program which breeds corruption.
7. The District unit of government should be abolished, or at a minimum district chiefs should be appointed by elected province chiefs, not the prime minister.
8. Training programs for elected village and hamlet officials should be continued and strengthened.
9. Salaries of civil servants must be increased.
10. More emphasis on effective GVN tax collection is needed.

Concerning economic and social development

1. Long range economic planning done by the Lilienthal Task Force should be implemented as soon as possible.
2. Preparation must be made now for diversification in agriculture, for South Vietnam soon will have a rice surplus when the world rice market is diminishing.
3. A Closer relationship between villages and the province would be desirable.

Concerning the American involvement

1. CORDS should be removed from the MACV chain of command.
2. All Senior Province Advisors should be civilians.
3. Civil development advisory positions should not be indiscriminately reduced.
4. Travel restrictions on USAID people in Saigon should be eased.
5. Advisory assistance on urban problems should be increased markedly.
6. Advance joint planning must be improved.
7. A single manager system should be employed in administering entire development and advisory program.
8. All development and civil advisory programs should be removed from MACV control.
9. It should be made clear to all concerned that eventually economic aid for the United States will be gravely jeopardized if army control of government administration is not progressively integrated into normal civilian democratic mechanisms. We have no desire to bolster a corrupt military dictatorship, if such ever seems to be developing.

Concerning the military situation

1. American troop withdrawals can be accelerated.
2. The GVN Air Force must be up-graded at a faster rate.
3. Efforts to up-grade Regional and Popular Forces should be accelerated.
4. Activities of the National Police should be directed more toward performing peacetime police functions.
5. Only Vietnamese captured and convicted should be counted toward Phoenix program quotas.

EPILOGUE

As in 1967, the team did not address itself to the question of whether or not the United States should have become involved in Vietnam. This is a legitimate question for historians and those concerned with foreign policy formulation. We, however, took as our starting position the circumstance that we were in fact deeply involved in Vietnam. The purpose in 1967 and again in 1970 was to assess the overall quality of the American and Vietnamese effort and to make recommendations on how it could be improved. In 1970, to a greater degree than in 1967, we tried to evaluate how long American assistance, both military and economic, will be necessary.

And this is the question on the minds of Americans today. It would be easy to give a glib answer, but the situation in Vietnam and Southeast Asia is complex. The answers are not easy.

In the report, we state that we believe complete American withdrawal militarily is possible by the end of 1972 and that use of U.S. ground combat units could be terminated by the middle of 1971.[3]

It is much more difficult to put a timetable on the phase-out of economic and technical assistance. Estimates range from five to ten years. From what we were led to believe in Saigon, many plans to influence the future situation are focused on 1973 as a key year.

Many variables must be considered in making a determination on the amount of development assistance which will be needed and the length of time over which it should be spread. The team does not feel competent to formulate even an intelligent guess.

If a political settlement should be reached, the situation would be radically changed. Probably nobody can accurately predict what our development role would be in such an event.

If the GVN should attempt to maintain itself without undertaking the necessary internal reforms to insure security along with the loyalty, tacit or otherwise, of the population, our efforts would be in need of reassessment.

Assuming that the GVN does make progress at an acceptable rate—assuming that it is willing to make the sacrifices needed to become truly stable and viable—then the team believes that development assistance should be continued or even intensified. At this point it is appropriate to recall the words of the late President Eisenhower as recorded in 1954 in a letter to the then President of Vietnam, Ngo Dinh Diem: "The Government of the United States expects that this aid will be met by performance on the part of the Government of Vietnam in undertaking needed reforms."

The United States should make clear that continued assistance is conditional on the GVN's meeting the standards set by President Eisenhower. It is our billions of dollars that have been spent; it is not just Vietnamese young men, but over 40,000 of ours, who have lost their lives in Vietnam. We have an obligation to see that the Vietnamese effort in response to our further assistance has a seriousness and intensity worthy of the sacrifice of those young Americans.

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

Mr. SCHWENGEL. I yield to the gentleman.

Mr. COWGER. Mr. Speaker, I would like to commend the gentleman from Iowa (Mr. SCHWENGEL) for assembling this team, which I was a part of, first in 1967 in November of that year—and then again in June of 1970, and for the hard work that he has done not only during both of those tours of Southeast Asia, but since our return in assembling this report.

The report is some 60 pages long and it will appear in the RECORD. I particularly commend to my colleagues in the Congress the last four pages having to do with our recommendations and our findings.

I think it might be well, Mr. Speaker, to review very briefly our first trip in November of 1967, at which time we made a report to then President Lyndon Johnson and to the Congress. I think it was particularly surprising to the gentleman from Iowa and also to myself while we were in Southeast Asia, and particularly in Saigon, as to the number of Vietnamese and United States officials who had read that report and who were aware of our 1967 visit on that tour, and aware of our recommendations.

I know on several occasions, and I am sure the gentleman remembers, U.S. officials and Vietnamese officials said, "Oh, yes, we remember your report and your

[3] One team member questions this conclusion.

recommendations in this particular field have been accomplished at this time."

I would also like to recall the hour we spent yesterday with the President at the White House. As the gentleman knows, we were allowed a half hour in the oval office of the President of the United States to make a verbal report as well as the written report that we submitted to him. He kept us there for an hour discussing our recommendations, many of them not in writing, some of them rather sensitive in nature that we felt we must make verbally.

In my opinion, this report is the most comprehensive study made of our involvement in our effort in Southeast Asia that I have read, and I have read, I think, all of them from returning colleagues over the last 3 or 4 years.

I would like to point out that the recommendations are not exactly a unanimous viewpoint, because the first time there were 10 of us, and the second time there were 8 of us. However, I do think this, that all of those who joined in the original report and the one that was submitted to the President yesterday can live with those recommendations, even though in each sentence some of them might have changed something.

I think it might be well also to recall the interest on the part of President Nixon yesterday during our hour with him. Having been there himself on, I believe, three different occasions—as I recall, he visited Southeast Asia in 1954, again in 1956 and 1957, and then in 1960—he is, of course, well aware of the leadership of the nations involved. One of the questions I was very much interested in was the question of our appraisal of the Vietnamese people, and his asking us what we thought of them after two tours there, and whether their nation and these people were worth saving. I think he felt, as we did, that they are fine people, that they have a background for democracy that can work, perhaps not like the democracy we have in the United States, but one that they can live with.

He questioned us, too, about official corruption in the government and all over Asia. He asked us, too, about the popularity of the Thieu-Ky government, and he also was very much interested in the economic outlook for the nation.

I feel that most of us who were there saw a great improvement in the last 2½ years, particularly in their military, and that the big problem confronting us in the future is how much economic aid this nation is ready and willing to provide for the continuation of that small Southeast Asian nation.

If the gentleman will further yield, I would just like to, for a moment, speak of the value of this report. I think our original report in 1967 really had more value than we realized with regard to some of our recommendations, particularly in pacification, in discontinuing the search-and-destroy efforts of the military, changing them to a clear-and-hold system, which is prevalent now with the military, the fact that 2½ years ago we recommended to McVey and to the military and we discussed the problem of the demechanization of the war. It is now called Vietnamization by the administration.

I can recall one of the very first meetings we had with McVey in Saigon when the question was why we have not integrated the South Vietnamese into the American forces as we had so successfully in Korea, and we did not get a good answer. I think in the last 2 years militarily the situation has cleared considerably.

I did have an opportunity to visit all the I Corps area—Hue and Danang, and almost all the way over to the Ashau Valley. I did also visit the jumping off place in western South Vietnam, where our troops made their incursion into Cambodia, in the area of the Parrot's Beak, into the Cambodian mainland, into the eastern part of Cambodia.

I did have the opportunity to and I think I was the only Congressman or Senator who visited Phnom Penh during a time of great crisis when we could hear shelling on the outskirts of the city.

This was a great experience for me and I think the true value of this report we, perhaps, will not know for some time.

We did not spend as much of our time in making recommendations in the military field as we did in the previous report. We spent most of our time in making recommendations in the social, economic, and political fields. These are the things I think we must address ourselves to in the immediate future.

Mr. Speaker, I appreciate the gentleman yielding to me. I join him in his remarks.

Mr. SCHWENGEL. Mr. Speaker, I thank the gentleman very much. I should like to say at this point, Mr. Speaker, that the gentleman from Kentucky (Mr. COWGER) was a very distinguished and very valued member of our team. This was so, because he is a man of broad experience, a former mayor of Louisville, Ky., a successful businessman, and a public servant. He could look at the situation through the eyes of a legislator and administrator.

I recall very well that 2½ years ago, the gentleman from Kentucky (Mr. COWGER) and we sat down with the mayor and the public works officials and others in Saigon. I remember very well the gentleman telling them, after we made the tour, that what they needed is a good water system and an improvement of the sewer system and housing.

It must have been rewarding to the gentleman from Kentucky to know that there was great progress since that time in these two specific areas. I recall also the gentleman's counsel, when he said, "I think that here is a spot where maybe we can help them and take a look at it. This is how it looks to me," and I think those were the exact words the gentleman used.

We had one other member of the team, Mr. Bob Henry, who was a former Member, who joined us. This had great impact, and something over there that had great value. I am sure our observations and the gentleman's prestige and background and understanding were needed there and noted.

Mr. COWGER. Mr. Speaker, will the gentleman yield again?

Mr. SCHWENGEL. I yield to the gentleman from Kentucky.

Mr. COWGER. Mr. Speaker, I would like to add to those comments the fact that on both trips, in 1967 and in 1970, we did have a local government expert with us in the person of Mr. Bob Henry, the former mayor of Springfield, Ohio. Bob, I think, was the first Negro mayor of any large city of Ohio. He, too, took part in these question and answer periods we had in Saigon in 1967. Bob and I noticed immediate visual changes in Saigon in June of this year. I think he made a real contribution.

I also was very much impressed by the new mayor of Saigon and his local American counterpart there and their interest in affairs of local government and the problem of urban areas. Here we had a city of originally, I think, approximately 400,000 that has now mushroomed to over 3 million people, so we can imagine the problems of the local government in Saigon. I think Bob Henry made a real contribution in this field.

Mr. SCHWENGEL. I am sure that is true.

Mr. Speaker, this affords me an opportunity to say something about our team.

There were two Congressmen (Mr. COWGER) and myself.

There was also a minister who is a very broadly and based man, Reverend Heinz Grabia of Davenport, Iowa. It was his business to work on the moral aspects of the problem. He spent much time with the religious leaders there, the Buddhists. He worked on the social problems. He had a great interest in the refugee program and had some very worthwhile recommendations to make 2 years ago.

We had a distinguished lady from Iowa, Mrs. Harold Day of Des Moines, a mother who was widely acclaimed, who was received with open arms, especially in the hospitals, when the boys saw this American lady. She had a special interest in the veterans and made a very fine contribution.

I should like to dwell at some length about a farmer who was a part of our team, Vernon Shepard, from Muscatine, Iowa, who had been in that area before. He went on the first trip and again on the second trip. He had great insight from his observations, and his contributions to the report were very valuable. He was appreciated over there very much, because it seemed that even though he did not know the language he could speak the language. He seemed to get on with those people well and he got through to those people in what we call the rice roots better than anybody else.

Another very distinguished member of our team was a man many Members of Congress know, Dr. Ernest Griffith, who for 18 years headed the Legislative Reference Service of the Library of Congress, who is a writer of note and a recognized authority on political science and especially on the Far East question. His contributions were magnificent.

One of the top aides, from a congressional office, was Mr. Allan Schimmel, my administrative assistant, a young political scientist, a graduate of the University of Iowa and a college in northwest Iowa, Northwestern. He was a work horse. He acted as a sort of "boss" of the team, and helped to direct us and to manage our schedules, to make the appointments and so forth. He was one of the principal authors of the report finally.

This group, as Members can see, was broadly based and came from differing backgrounds.

I should like also to say that they were very well read on the problem there and had a great understanding before we went there the first time. Of course, since that time they have maintained a continuing interest, which qualified them further.

I join with the gentleman from Kentucky in saying that I hope what we have done here in this report and our discussions that can come from it will help us to a better understanding of our problems, here in America, and will help those who are in leadership positions to gain an insight from an independent group which has a genuine interest, our volunteers, in a very real sense.

I am proud of this group. It has been a wonderful experience to be with them. Together we share the hope that we have made a solid contribution to, hopefully, an earlier solution of the problems plaguing us in that area of the world.

Thank you very much, Mr. Speaker.

PERSONAL ANNOUNCEMENT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Kentucky (Mr. COWGER) is recognized for 45 minutes.

Mr. COWGER. Mr. Speaker, I yield back my time.

THE REAL CAUSE OF INFLATION IS PRESIDENT NIXON'S MONETARY POLICIES—NOT CONGRESSIONAL SPENDING

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. HOLIFIELD) is recognized for 30 minutes.

Mr. HOLIFIELD. Mr. Speaker, President Nixon vetoed two appropriation bills passed by the Congress by substantial majorities. These bills were important bills as they contained funds for assistance to people in the form of educational funds, antipollution funds and housing and urban development, among other items.

President Nixon in his message to the Congress said:

> I flatly refuse to go along with the kind of big spending that is wrong for all the American people. That is why I must veto these bills which add an extra billion dollars of pressure on prices.

It is time to analyze the causes of inflation and place the Federal expenditure of a billion dollars in proper perspective. We in Congress and the American people should judge as to whether the appropriations of Congress cause the inflation the President claims to be fighting, or whether the blame lies in the monetary policies of President Nixon and the Republican administration.

On both sides of the aisle, we hear that this or that expenditure is inflationary. There is much speculation to the effect that we are financially unable to provide for an adequate national defense—that suddenly we are too poor to provide education for our children, health facilities for the sick, and assistance to the poor and aged.

From the other end of Pennsylvania Avenue we hear of inflation alerts, and commissions established to study the causes of our simultaneous recession and inflation.

I say that there is no need for further study and speculation to find the source of our economic woes. This information is readily available to everyone who wants to take the time and trouble to read it. There is no need for an inflation alert—we have been conscious of its symptoms for 18 months. What we need now is an inflation alarm, for this economic disease is beginning to feed upon itself. Inflation threatens to materially damage the economy before another year is out.

Inflation, like a physical disease, may be caused by one of several conditions, or by several unhealthy economic conditions acting in unison. Also like a disease, inflation can become crippling unless the true cause is recognized and treated properly.

In the aftermath of the two World Wars, inflation was caused by too much money in search of scarce consumer goods. In the late 1920's and early 1930's, inflation was caused by an overly expansive stock market, faulty distribution of some goods, excessive profits in some areas, and productivity far below consumer demand in others.

Inflation can be caused by an oversupply of money, and an oversupply of credit which is money in another form.

Inflation can also be caused by so-called wage-price competition in which wages are forced upward without regard to the increased production of goods, and prices are forced upward without regard to reasonable margins of profit.

Another cause of inflation may be excessive interest charges. Here, lenders through various devices charge usurious or unnecessary excessive interest on loans and purchases.

We are now in this situation where producers of goods, the workingman and lenders of money are producing a wage-price-interest spiral. Each blames the other, but collectively they produce inflationary factors which are unrelated to the present existence of a plentiful supply of goods and a reasonably high satisfaction of demand.

I hope to more clearly define the problem of inflation. Once defined and understood clearly, perhaps we can act more effectively.

FEDERAL VERSUS PRIVATE SPENDING

There is a myth that most of our current inflation is caused by Federal spending; consequently, if Federal spending is reduced, inflation will end. This myth persists for several reasons: the Federal budget is highly visible; it is an excellent political issue; and it is difficult to understand.

As controllers of the Federal purse strings, we, in Congress tend to become myopic in our vision, and therefore, fail to consider vigorous non-Federal forces and pressures which far outweigh Federal economic forces and pressures.

We also tend to forget the purposes of the Federal budget. This purpose is to allocate sufficient resources to public use to adequately meet public needs. The Federal budget was never intended to be an instrument for the manipulation of the entire economy.

To blame Federal spending for our economic ills may be convenient, but this is to ignore other things which make up 80 to 90 percent of the economy. For example, the Federal Government is now spending approximately $100 billion per year for goods and services, including goods and services for defense. But annual consumer spending is now $614 billion. Private investors are spending over $133 billion more, and State and local governments are spending over $118 billion each year. This comes to a grand total of $865 billion in annual spending over which the Federal Government exercises little, if any, control. Due to the relative size of these spending figures—$865 to $100 billion—one wonders why the larger one is not considered inflationary by critics of the Federal budget.

In 1969, consumer, corporate, and State and local government spending increased by $41.7 billion—23 times faster than the increase in Federal spending, including defense spending of $1.8 billion during the same period. In 1970, after we have had a recession for 9 months, and over a million more people unemployed, private spending increased by 5 percent to $36.7 billion, while Federal spending has decreased by $400 million.

FEDERAL VERSUS PRIVATE DEBT

Another popular myth holds that Federal debt is the cause of inflation. This also ignores the vast remainder of the economy.

At the end of 1969, the Federal Government was paying interest to the public on a debt of $279 billion—another $88 billion was owed to Federal trust funds, for a total Federal debt of $367 billion. Now, let us look at the private debt.

Total private debt—individual and corporate—at the end of 1969 stood at $1,247,000,000,000. Of this, $692 billion was corporate debt, and $555 billion was individual consumer debt. To these figures, we may add $132 billion in State and local government debt. This comes to a grand total of $1,379,000,000,000—almost four times the total Federal debt. The Federal Government has little or no control over this tremendous and overweighting factor in our inflation.

While the Federal debt increased $23.5 billion during 1968 and 1969, private debt increased 10 times faster—by $224 billion. Of this total increase, corporate debt increased by $151 billion and

individual debt by $73 billion. In the same 2 years, State and local government debt increased by $15 billion for a total increase of $239 billion in the area outside of Federal control. Is it any wonder that the Consumer Price Index has increased by 15 percent since the beginning of 1968, and that general inflation is increasing at an increasing rate?

THE ADMINISTRATION'S INFLATION CURE

In January 1969, administration money planners decided that our current inflation is caused by too much money and too much demand for consumer goods. They came to this conclusion despite the fact that our economy was producing all of the hardware and consumer goods which could possibly be sold, stored, or exported. To cure this, they said, we must increase interest rates. This they have done, by about 42 percent over 1968 levels. No other effective alternative remedy has been tried during the past 18 months of our current inflation.

The results of this Republican policy was inevitable: 1,700,000 additional persons unemployed; a decrease in tax revenues, creating pressures for additional taxes; an increased drain on welfare and unemployment insurance funds; and fewer goods purchased at higher prices.

THE INFLATIONARY FIGHT AGAINST INFLATION

Instead of slowing inflation, the unnecessary and unrestrained imposition of high interest rates, and the resulting tightness in money, have brought on new inflationary pressures. In response to the new Republican monetary policy, making money scarce and interest high, American business and consumers simply created money in other forms through the unprecedented use of credit—credit at the highest interest costs in over 100 years.

Installment credit rose from a rate of $90 to $105 billion per year, at interest rates ranging from 12 to 18 percent, or more. Most installment credit bears interest at 18 percent and higher. New cars are financed at the rate of $20 billion per year, at interest rates of 12 percent, or more. Credit card distribution and use increased to unprecedented levels at equally high interest charges.

Banks found an expanding use for commercial certificates, which became, in effect, an important base for credit expansion. The banks also imported Eurodollars, a new source for credit expansion at interest costs of 10 or 11 percent, and then reloaned the Euro-dollars at profitable margins. They used the Eurodollar rate of interest cost as an excuse for raising rates on all loans, even though the proportion of Euro-dollars to domestic funds loaned was small. Most bank loans were actually based on domestic bank deposits at interest fixed by law at 5 to 6 percent. By these devices, the financial statements of banks, as reported in the Wall Street Journal, show fantastic profit increases ranging from 16 to 62 percent over the past 2 years.

Corporations made profits of $180 billion in 1968 and 1969. They paid out $48 billion in dividends and retained $49 billion in undistributed profits. While dividends were being paid in an attempt to maintain the market value of their stocks, these corporations piled up $151 billion in additional debt in the same 2 years, and passed the excess interest costs on to the consumer in the form of inflated prices. Excessive and unnecessary expansion of industrial capital investment, due to tax advantages, absorbed normal construction funds and the homebuilding industry sharply declined. This, in turn, caused inflation in the prices of existing housing.

THE IMPERSONAL DOLLAR

Federal spending and debt are factors in overall inflation, of course, but relatively small factors in relation to vastly greater spending and the interest burden on debt in the total individual, corporate, and State and local picture.

To see this, all we have to do is to compare the increase of $23.5 billion in Federal debt, in the 2 years of 1968 and 1969, with the increase in private—individual and corporate—and the State and local debt, during the same 2 years of $239 billion. And I have included in the 2-year comparison the year 1968, when we had an unusually high Federal deficit of $25 billion.

The total national economy cannot discriminate between a billion dollars spent or borrowed by the Federal Govment, and the same amount spent or borrowed by persons or corporations. Neither can the total economy discriminate between dollars spent for goods and those spent for interest. All spending and borrowing becomes a part of the whole—the total demand for goods, services, and money. Interest paid on the Federal and non-Federal debt is an inflationary factor which shows up in the price of everything which we buy.

We have seen that Federal spending accounted for only about 10 percent of total spending for goods and services, and that Federal borrowing accounted for only about 10 percent of total borrowing during 1968 and 1969. We have also seen that increases in Federal spending and Federal debt have been a much smaller percentage of total spending and debt. The conclusion is inescapable—Federal spending and borrowing has contributed only 10 percent, or less, to inflationary pressures in these areas, but Federal spending and debt have received 100 percent of the administration's attention.

We also have seen that total Federal debt owed to the public amounts to only 18.3 percent of the total Federal, private, State, and local debt of $1,536,000,000,000.

A 1-percent increase in Federal spending would amount to an increase of $1 billion. On the other hand, a similar 1-percent increase in the present rate of private, State, and local spending would increase the total by about $8.7 billion. Private spending has actually increased by over 13 percent, or by almost $104 billion since January 1969.

The same situation exists where borrowing is concerned. Interest rates on Federal obligations have increased by about 2½ percent since the beginning of 1968. This increase when applied to the present Federal debt owed to the public, causes an increase in annual interest cost of about $7 billion. Interest costs on the Federal debt held by Federal trust funds has increased in excess of $1 billion since 1968.

Interest rates on corporate borrowing have increased by about 3 percent. This increase when applied to the present total corporate debt adds about $21 billion of additional annual expense which is passed on to consumers.

I was unable to find reliable figures showing the increase in interest rates charged to consumers. But assuming a modest increase of only 3 percent, this would add another $17 billion in annual interest cost.

Interest rates on high grade municipal bonds also increased by about 3 percent. If this is applied to existing State and local debt, another $4 billion in additional annual interest costs results.

Thus, increasing interest rates have done nothing to cure inflation, but those increases alone now contribute an additional $49 billion annually to inflationary pressures. These increases can be directly correlated with the increase in overall inflation by 4 percent in 1968, by 4.7 percent in 1969. These increases have caused a decrease in purchasing power for the average factory worker of $2 per week during the past 12 months. They also relate to increases in the price index of 5.4 percent in 1969 and 5.9 percent in 1970, and to the current unemployment rate of 5 percent.

CONCLUSIONS

Private spending—corporate and individual—for goods and services is about nine times greater than Federal spending and is increasing at a much greater rate. Private spending is uncontrolled by present monetary policies.

Private debt is about four times larger than the total Federal debt and about five times larger than the Federal debt held by the public. Private debt is increasing at a rate 10 times faster than the Federal debt. This private debt is untouched by present monetary policies except to enlarge it through higher interest rates.

High interest rates and tight money policies have been effectively circumvented by American business through various credit devices. For this reason, the administration's monetary policies have actually added fuel to the inflation fire.

Administration monetary policies have resulted in increasing consumption expenditures at higher prices, reduced production and higher unemployment rates, increased interest costs to government at all levels and lower buying power for the tax dollar. The stockbrokers and some of our largest corporations are now appealing to the Federal Government for help. Federal, State, and local budgets are running into deficits due to increasing costs and decreasing tax revenues. No part of the economy is left untouched except the largest lending institutions, and their good fortunes will soon be on the wane.

Production has decreased and unemployment stands at the highest level—5 percent—since 1964, with higher rates predicted by the administration. These factors have combined to cause tax reve-

nue losses which, in turn, bring on pressures for tax increases at all levels of government.

It is obvious that the wrong remedy has been applied. As in the case of a serious physical disease, administration planners have treated the localized soreness while overlooking the cause and proper treatment of the total disease. They have concentrated on Federal spending and the money supply, but the great cause of inflation lies elsewhere—in the private sector of the economy. The burden of this policy has fallen upon the aged, the middle-income wage earner, the young home buyer, and all of those not in a position to pass price and interest increases on to others. While these citizens lose, the wealth of our Nation is again being concentrated in the financial community.

Some have urged reductions in essential health, education, housing, research, and national defense programs. They have said that the Federal budget must be balanced at any cost—at the cost of our ability to defend ourselves, to care for the poor, and to educate our children.

The real problem has been ignored and the public's attention steered away from it. That is the problem of uncontrolled private credit, uncontrolled private spending and uncontrolled interest rates. Congress has given the President a method for controlling credit—it has not been used. The House of Representatives recently passed a provision giving him control over the price-wage spiral and over interest rates. I hope that this mandate will provide the incentive for him to chart a new course. This is not a classical economy, nor is this a classical case of inflation. For in the classical case, inflation and recession do not occur at the same time. Therefore, when classical remedies do not work as well as they did in the 18th and 19th centuries, no one should be too surprised or unwilling to try a different remedy.

I have given a great amount of time, research, and study to the problems of inflation. I believe it is a problem that must be solved if we are to retain a solvent, stable economy. Unless we provide a solvent, stable economy, we will not be able to maintain a viable, stable political government. I do not believe that the Congress should accept the blame for the present economic situation. Neither should we concur in the myth that the current inflation and recession are caused by Federal spending and deficits alone. We must consider the whole national picture, and include all inflationary factors, and then seek remedies for the 90 percent of non-Federal inflationary pressures as well as the 10 percent of Federal pressures.

To succeed in this fight against inflation we must admit that most prices and interest rates are not set in the market place in accordance with the simple laws of supply and demand.

We must also admit that the adjustable portion of the Federal budget is too small to use as a lever to manipulate a total annual economy of almost $1 trillion.

We must realize that what the Federal Government spends is not nearly as important as the practices it encourages, such as administered interest rates and prices, or the psychology it engenders in the expectation of never-ending inflation and continuing recession.

IMMIGRATION NATIONALITY ACT AMENDMENTS OF 1970

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Connecticut (Mr. MESKILL) is recognized for 5 minutes.

Mr. MESKILL. Mr. Speaker, I welcome the opportunity to outline the major features of legislation introduced today at the request of the administration designed to resolve some of the difficulties that have arisen in the immigration field since the act of October 3, 1965.

This is very far-ranging legislation but I shall limit my remarks today to just a few of the provisions—those which modify the Eastern Hemisphere immigration selection system enacted into law 5 years ago. The distribution of the visa numbers among the various preference classes has not been particularly consistent with the demands for immigration within those classes. This bill would remedy some of these deficiencies. For example, by reducing the percentage of immigration presently available to the first preference class, which now uses only about 4 percent of the visa numbers attributable to that class, additional visa numbers will be made available to the heavily oversubscribed third and sixth preference classes.

We have, since World War II, exhibited rather ambivalent attitudes toward the immigration of those with needed skills. In the 1952 legislation we accorded first preference—50 percent of each quota—to those highly skilled aliens who were needed in this country. In the 1965 amendment we redefined this class to include only members of the professions and scientists and artists of exceptional ability. More important, perhaps, we not only reduced it to third preference, we also reduced this third preference share of total Eastern Hemisphere immigration to 10 percent. This simply proved to be not adequate. Fortunately, there have been enough nonpreference visa numbers available so that many potential third preference immigrants have been permitted to use nonpreference visas and immigrate despite the low percentage allocated to third preference. Yet, it seems to me to be somewhat unrealistic to have to rely on nonpreference visas to fill our need for people of a class to which we attach sufficient importance to accord third preference status.

This administration bill would attack this problem in two ways: It would raise the third preference percentage limitation from 10 to 15 percent; it would also permit fall-down of visa numbers unused by applicants in the higher preferences to be available for third preference applicants.

The sixth preference category, which is for workers found needed by American employers, is similarly too small now for our needs. It too is entitled to only 10 percent of the total Eastern Hemisphere immigration at present. Under this proposed legislation, the sixth preference would be raised in the same manner as the third preference, to 15 percent plus fall-down of visa numbers not required for immigrants in the higher preferences.

A third area in which there has been shown to be a need for a greater share of the visa numbers relates to refugees. When the 1965 amendments were enacted, there was no major refugee problem before us, and the 10,200 visa numbers allocated for this class of alien were more than sufficient. Unfortunately, they do not suffice today. We have, in the interim, been faced with such situations as the Czech crisis, which substantially increased the volume of people for whom resettlement opportunities are required. Given the tradition of this country for compassionate, humanitarian response to the tragedies of life, we must provide more room for flexibility in the refugee provision. This bill would increase the maximum refugee share of immigration from 6 to 10 percent which, it is believed, will give the Attorney General the additional needed elasticity.

This proposed legislation will also apply the same preference system in the Western Hemisphere as in the Eastern Hemisphere. This will permit the operation of the same principles of selection as we have had for the past half century in regard to Eastern Hemisphere immigration. Moreover, it will have particular import with respect to Cuban refugees who have sought temporary sanctuary in third countries, such as Spain and Mexico. At present they must await the availability of a visa number, under the badly backlogged Western Hemisphere numerical ceiling, because the seventh preference classification for refugees does not apply to the aliens born in the Western Hemisphere. Under this bill, 10 percent of the Western Hemisphere visa numbers will be available for such victims of oppression.

As I indicated at the beginning of my remarks, the administration bill includes a great many other needed improvements in our immigration and nationality legislation. The few I have outlined are just a sample of the practicality of the measures proposed. I would hope that it will be possible for the Congress to move promptly on this matter, which is of such importance both to our country and to the aliens who wish to make it their home.

OIL SHORTAGES

The SPEAKER pro tempore. Under a previous order of the House the gentleman from Texas (Mr. BUSH) is recognized for 5 minutes.

Mr. BUSH. Mr. Speaker, earlier today I, along with Senators TOWER and HANSEN, held a press conference on the critical power shortages facing this country. Senator TOWER addressed his remarks to the gas shortages. Senator HANSEN commented on the problems involved in producing coal and nuclear energy. And, I spoke on energy produced by oil. At this time, I insert my statement in the CONGRESSIONAL RECORD. The remarks of

Senators TOWER and HANSEN will also appear in today's RECORD.

The statement follows:

REMARKS OF GEORGE BUSH

My remarks are directed to the oil shortages facing this country.

The demand for oil is increasing. The reasons for this are closely associated with the increased demand for natural gas. Our population is increasing. We are consuming more and more energy. Anti-pollution laws have made natural gas extremely attractive as a fuel. This demand for natural gas cannot be met. Thus, industrial consumers, especially the utilities, are trying to secure supplies of low sulfur fuel oil.

Fuel oil sales represent only a small percentage of the total oil consumed in the United States. However, the increased demand for this product is critical in view of the dependence of the East Coast upon it.

At the same time as we have this increased demand for residual fuel oil, domestic supplies are decreasing. Why?

(1) Residual fuel oil is one of the least profitable products obtained from refining crude oil. In the past, adequate supplies have been imported to the East Coast at a price lower than was attractive to domestic companies to produce it. Hence, domestic refineries specialized in producing more profitable products—such as jet and diesel fuels and motor gasolines. And domestic refineries were constructed with only a limited ability to produce residual fuel oil. So, imports of fuel into the eastern United States markets increased.

(2) The substantial imports of residual fuel oil to the East Coast acted to further discourage producers from seeking new reserves of oil. From 1959 to the present, imports of foreign oil have doubled to around 24 percent of domestic consumption.

So, with the sudden increase in demand for residual fuel oil, the nation looked to the Southwest for increased supplies. However, the transmission lines, storage and terminal facilities were already operating at, or very near, peak capacity.

Tankers were sought to transport the oil. However, on the international front tankers were already in short supply. They were being used to haul oil from Middle Eastern countries around the Cape of Good Hope to Mediterranean refineries. This was necessitated by the closing of the Suez Canal and various ruptures, acts of sabotage and decreases in production. These greater hauling distances require six tankers where in the past one has done the job.

I for one do not feel that this nation should be dependent upon foreign oil. Were we so dependent, the risk of supply interruption would be traumatic. In addition, what effect would it have upon our international diplomacy?

A good look at the world's oil reserves will indicate that the only area that could possibly satisfy the demands of the American market is the Middle East. And we know from the record the implications of resting our national security upon the petroleum supplies of this part of the world. The record is:

(1) In 1948, Iraq shut down the pipeline to the Mediterranean and prohibited completion of other lines—lines which remain unfinished.

(2) In 1951, Iran seized the properties of the Anglo-Iranian Oil Company and production was shut down for 3 years.

(3) In 1956–57, the Suez Canal was closed and the pipeline from Iraq to the Mediterranean was sabotaged.

(4) In 1961, Iraq seized a giant, undeveloped oil field. This issue remains unresolved.

(5) In 1966, Syria shut down the Iraq Petroleum Company pipelines which cross its territory.

(6) In 1967, at the start of the Arab-Israeli war, Arab producers temporarily halted production. The Trans-Arabian pipeline was shut down, and the Suez Canal was closed and remains closed.

(7) In 1969, the Trans-Arabian pipeline was sabotaged by Arab guerrillas on several occasions.

(8) In 1970, the Trans-Arabian pipeline was shut down because Syria has refused to permit repairs of an accidental break in the line.

(9) The Lybian government has reduced production by over 500,000 barrels per day.

The folley of relying too heavily upon "cheaper" foreign oil has been proven. Prices of "cheaper oil" on the East Coast have soared to well above domestic prices. But, more importantly, many users are unable to secure supplies at *any price*.

The outlook for an improved situation is not bright.

Estimates indicate that the immediate short-term supply of domestic oil is only 800,000 barrels per day at best. Given enough time and capital expenditure, production could only be increased by 400,000 barrels per day.

We could seek increased imports of oil from Canada. However, the imports from this part of the world were recently reduced from 600,000 barrels per day to 395,000 barrels per day. Perhaps, the Canadian government might find it in their best interests to again permit exports of this magnitude.

In the intermediate-term, sales of federal off-shore leases should be resumed. I have urged the Secretary of the Interior to hold the lease sales for Offshore Western Louisiana at an early date.

If additional tankers become available, imports of residual fuel oil could be temporarily de-controlled in all districts of the United States.

For the long term, the North Slope of Alaska will provide additional supplies. This has been estimated at a maximum of 2 million barrels per day.

Federal leases on the deep Outer Continental Shelf should provide additional supplies. The drill ship, *Challenger*, has scored shows of oil and gas in 11,700 feet of water in the Gulf of Mexico. As Senator Tower mentioned, the effects of the pending Seabed Treaty are not known and they provide one more disincentive to increased oil exploration.

We should accelerate technological research into economical methods of extracting oil from shale. The United States government owns vast reserves of this oil shale in the West.

Finally, and most importantly, we need to restore the confidence of the oil and gas exploration industry. A large amount of future U.S. production must come from reserves yet to be found. The amount needed equals 40 percent as much oil as has already been discovered in the United States in the entire history of the oil business. We need adequate economic and tax incentives to encourage this amount of exploration in this high risk business. Remember, only one well out of fifty drilled pays for itself. And last year only 30,800 wells were drilled as compared to 46,800 in 1961.

Long overdue increases in the price of oil would aid in restoring confidence.

In addition, restoring tax incentives would speed exploration.

There can be no doubt that for national security purposes and for purposes of maintaining our high standard of living, we must maintain a strong, viable domestic producing capacity. We must not again fall subject to the whims of fate.

OIL

Reasons for increased demand

1. Shortages of natural gas.
2. Anti-pollution laws.
3. Population increase.
4. Increase in per capita consumption.

Reasons for decreased supply

National

1. Limited domestic refining capacity for fuel oil.
2. Deliverability system operating at or near capacity (wells, pipelines, storage and terminal facilities).
3. Increased imports dampened past exploration activity.
4. Uncertainty of future import policies.
5. Restricted sales of federal offshore oil and gas leases.
6. More restrictive tax laws.
7. Low price of crude.

International

1. Suez Canal closed.
2. Trans-Arabian pipeline closed.
3. Lybia reduced production.
4. Shortage of tankers.

Sources of additional supply

Short-Term

1. Increase production in Texas and Louisiana.
2. Increase imports from Canada.

Intermediate-Term

1. Build additional tankers.
2. Decontrol residual fuel oil imports.
3. Conduct sales of onshore federal lands.

Long-Term

1. North Slope of Alaska.
2. Offshore Texas and Louisiana federal leases.
3. Onshore lower 48 production.
4. Oil shale.

HIGH INTEREST RATES: THE ROOT CAUSE OF PRESIDENT NIXON'S PROBLEMS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas (Mr. PATMAN), is recognized for 30 minutes.

Mr. PATMAN. Mr. Speaker, in two instances yesterday the President, in his attempt to fight inflation, has thwarted the will of the Congress by vetoing the Housing and Urban Development and the Health, Education, and Welfare appropriation bills. If the President would concern himself with the root cause of the problem and not take actions which will unalterably and detrimentally affect the people of this country, he will not only provide a great service to the people, but would have the necessary Federal funds needed for education, health, water and sewers, housing, and veterans benefits.

If one studies the interest rate and cost trends on our Federal debt alone, it is easy to determine what the basic problem is. Under President Eisenhower, the interest cost on the public debt during his 8 years in office increased by 57 percent—from $5.9 to $9.2 billion—whereas the total public debt outstanding increased by only 10.4 percent. Similar experience occurred under the Kennedy-Johnson 8 years, as indicated in table 1 below.

But it is most unfortunate and startling to see what has happened to the interest cost figure on the public debt during the years that President Nixon has been in office. The public debt has increased by 6.7 percent, but already during the Nixon years in office, the interest on the public debt has increased by 32 per-

cent—from $14.6 billion to an alltime historic high of approaching $20 billion in less than a 2-year period. If this same trend continues, in just 4 years the interest cost—under President Nixon—on the public debt will have increased almost 60 percent, as compared to less than 60 percent for the 8-year period under the Kennedy-Johnson years.

Mr. Speaker, if interest rates on the public debt were kept at levels that were in effect during the Truman years, or even during the Eisenhower years, the more than $19 billion in interest costs on the Federal debt which this Nation had to pay out of the Federal budget under Mr. Nixon would only be about half this amount. Just think what could be done with $10 billion of Federal funds available in our Federal budget for needy projects—for housing, water and sewers, pollution, and all of the other great social and economic needs we have in this Nation.

Mr. Speaker, we are, in fact, seeing a repeat—a replay—of the utter permissiveness of the Eisenhower administration, when our interest rate troubles really began.

When the Republicans took over in 1953, President Eisenhower claimed that the Federal Reserve System was somehow independent from the rest of the Government. President Eisenhower was totally and sadly mistaken about the law, but his support of the "independence" myth let the Federal Reserve and the bankers loose to prey on the American public.

As a result, in 1953—with William McChesney Martin in charge of the Federal Reserve—the interest rates started skyrocketing.

Mr. Speaker, I place in the RECORD a table showing how the Democratic administrations kept the interest rates down between 1939 and early 1953, a period of depression, war, and inflation—a period of good times and bad times. The table shows how interest started climbing in 1953 after the Federal Reserve was allowed to claim its "independence."

Mr. Speaker, table 2 clearly points out what has happened.

When Mr. Truman left office, yields on long-term Government bonds were still below 3 percent—2.68 percent, as table 2 indicates. But we find, as the table indicates, that by 1966 yields on long-term Government bonds had reached 4.65 percent, an increase of over 50 percent.

Of course, under President Nixon, the rates have continued to climb, reaching 5.26 percent in 1968; 6.8 percent in 1969; and over 7 percent at the beginning of this year.

Mr. Speaker, the facts of history speak for themselves. During World War II and under President Truman, during the Korean war, interest rates were, as a result of the premeditated action and determination, on long-term Government bonds kept at 2.5 percent and below. Mr. Nixon can duplicate the same performance, as did President Roosevelt and President Truman. I repeat, Mr. Speaker, it takes only the will and determination of President Nixon to do it.

Mr. Speaker, as we vote tomorrow on the two appropriation bills which the President has, in my opinion, unfortunately vetoed and which I hope the Congress will override, we should keep this fact in mind. Let us attack the root cause of the problem, get interest rates down to where they are not exorbitant, and Federal funds will then become available to meet these needs.

The tables follow:

TABLE 1.—PERCENTAGE INCREASES DURING PRESIDENTIAL ADMINISTRATIONS ON TOTAL PUBLIC DEBT OUTSTANDING AND TOTAL PUBLIC DEBT INTEREST COST

Administration and year	Total public debt outstanding (billions)	Percentage increase	Total public debt interest cost (millions)	Percentage increase
Eisenhower:				
1952	$259.1		$5,853	
1960	286.3	10.4	9,180	56.8
Kennedy-Johnson:				
1960	286.3		9,180	
1968	347.6	21.4	14,573	58.7
Nixon:				
1968	347.6		14,573	
1970	[1] 370.9	6.7	19,257	32.1

[1] Estimated figure.

Note: The above figures indicate the following: (1) During the 8 Eisenhower years, the total public debt outstanding increased by 10.4 percent, while the interest cost of that public debt increased by 57 percent; (2) during the 8 Kennedy-Johnson years, the public debt increased 21.4 percent, whereas the interest cost on the public debt increased by 59 percent; (3) during the 2 Nixon years, the public debt increased by 6.7 percent, whereas the interest on the public debt increased by 32 percent. If the same Nixon trend continues, in just 4 years, based on the above figures, the interest cost on the public debt under Nixon will have increased by more than 60 percent, whereas it took twice that long or 8 years under Eisenhower and 8 years under Kennedy-Johnson to exhibit an increase in interest cost approaching 60 percent.

Source: Data compiled from official U.S. Government reports.

There is nothing wrong with the present budget that $5 billion in revenue or savings would not cure. Yet, President Nixon could have saved more than $5 billion since he has been in office on interest paid on the Federal debt alone.

On June 9, 1969, a Wall Street banker, without any authority except the big banks behind him, announced a rise in the prime interest rate of 1 percent—from 7.5 to 8.5 percent—without a murmur of dissent from President Nixon. This was a rise in interest rates on the Government and all of the people of $15 billion a year on our total public and private debts when at the time the total public and private debt was estimated at $1,500 billion. This 1-percent rise in the prime rate represents a potential $15 billion increase in the cost of interest annually. The rollback on what is provided in the Federal budget and by the Congress should be on the cost of interest, not on severely needed social and economic programs such as provided in the HEW and HUD appropriation bills which the President has just vetoed.

High, extortionate, usurious, and excessive interest rates represent the whole cause of our plight in the Nation today.

TABLE 2. *Yields on long-term Government bonds 1939 to present*

[Percent per annum]

Years:	Yield
1939	2.36
1940	2.21
1941	1.95
1942	2.46
1943	2.47
1944	2.48
1945	2.37
1946	2.19
1947	2.25
1948	2.44
1949	2.31
1950	2.32
1951	2.57
1952	2.68
Average for 14-year period (1939–52)	2.36
1953	2.94
1954	2.56
1955	2.84
1956	3.08
1957	3.47
1958	3.43
1959	4.08
1960	4.02
1961	3.90
1962	3.95
1963	4.00
1964	4.15
1965	4.12
1966	4.65
Average for 14-year period (1953–66)	3.65

(NOTE.—For 14 years, seven under President Roosevelt and seven years under President Truman, the interest rates on long-term Government bonds never reached an average annual rate of 2.5 percent. These figures are important because they disclose that the monetary managers can keep interest rates reasonable if they desire to do so.)

"STATE OF THE JUDICIARY"

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio (Mr. MCCULLOCH) is recognized for 15 minutes.

Mr. MCCULLOCH. Mr. Speaker, on August 10, I introduced legislation requesting the Chief Justice of the U.S. Supreme Court to address a joint session of Congress on the "State of the Judiciary." My very able colleague from Illinois (Mr. MCCLORY) is a cosponsor and coauthor of this bill.

Members of Congress are well aware of the criticism and controversy that surround the courts of our country. We have all heard or said the truism that "justice delayed is justice denied," but delay and congestion in our Federal courts continue to grow.

The number of cases commenced in the Federal courts are at an all-time high. During the first half of fiscal year 1970—July 1 through December 31, 1969—the 11 U.S. Courts of Appeals recorded 5,600 filings, an increase of 14 percent over last year. The number of filings during the 6-month period marked another record high. The 5,600 filings can be compared to 4,908 filed a year ago and 4,392 filed 2 years ago.

In fiscal year 1969, 110,778 civil and criminal cases were commenced in the district courts, an increase of 8.4 percent over the previous year. During the first 6 months of fiscal year 1970, the overall increase in civil and criminal cases filed in the U.S. district courts rose by 14 percent—civil cases increased by 15 percent and criminal cases commenced increased by 12 percent. The number of civil and criminal cases pending in our Federal district courts in fiscal

1969 rose to 104,091, the highest pending case figure on record. The median time interval from issue to trial for civil cases was 13 months, an increase of 1 month over 1968.

Delay and backlog have most undesirable effects: witnesses give up in frustration after numerous canceled court appearances; jurors despair waiting endless hours only to go home without having fulfilled their civic duty; litigants often give up in frustration or settle for less because they cannot wait for the court to act. Too often, congestion and delay become excuses for inaction rather than focal points for reform. It is the duty of Congress not only to improve and expedite Federal justice, but also initiate innovative procedures to assist the courts in handling their problems. Our overall purpose must be to quicken the pace of justice without impairing the quality of judicial output.

For these reasons I introduced legislation requiring the Chief Justice of the United States, from time to time, to present to the Congress and the country a realistic appraisal of the state of the judiciary. This, I believe, would spotlight current and long-range problems and motivate the Congress to effective action.

I am of the opinion that the time has arrived when the problems of our judicial system should be presented to the Congress and to the country by our highest ranking judicial official. Such an address would be a dignified approach from the head of one of the coordinate branches of the Government to the branch responsible for its legislation and appropriations.

The intent and purpose of this legislation is not to demand that the Chief Justice appear before the joint session of Congress annually, but rather require the head of our judicial branch of Government, with all the prestige and wisdom of that office, to address Congress and the Nation, at his discretion, on the needs and problems of our courts. I am of the opinion that such information is of paramount importance and should come from the highest level.

I see no constitutional problem with the separation of powers between the legislative and judicial branches of Government. On the contrary, article III of the Constitution confers on Congress the authority to "ordain and establish" the lower Federal courts and each year the appropriation committees of Congress consider legislation to fund all the Federal courts. On June 2 of this year, our President signed into law legislation creating 61 new judgeships. Presently, the House Judiciary Committee is considering legislation, which I introduced, that would establish throughout our Federal judiciary a system of court executives to assist our judges with their nonjudicial responsibilities.

The Congress has created by statute the Judicial Conference of the United States, 28 U.S.C. 331, wherein we require the Chief Justice of the United States to summon annually lower court judges to a conference. In this same law we require the Chief Justice to submit to Congress an annual report of the proceedings of the Judicial Conference and its recommendations for legislation. No one has suggested that this section of the United States Code is in violation of the "separation of powers" doctrine. Indeed, anyone familiar with the function of this particular body realizes its importance to the Congress and to the effective operation of our judicial system. My bill would not, in any way, change what is presently being done under title 28, U.S.C., 331, it would merely require the Chief Justice, from time to time, at his discretion, to address a joint session of Congress.

This legislation, which has the support of the American Bar Association, is not entirely new. I believe it was first discussed publicly by our present Secretary of State, William P. Rogers, in 1953, when he was Deputy Attorney General of the United States. Mr. Rogers later served with great distinction as Attorney General under President Eisenhower.

On Monday of this week, Chief Justice Burger delivered a very worthwhile and informative address to the American Bar Association on the "State of the Judiciary," which was carried live on national television. I believe it would be entirely appropriate and most beneficial to have future addresses of this type to a joint session of Congress.

THE NATIONAL CATASTROPHIC ILLNESS PROTECTION ACT OF 1970

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Maryland (Mr. HOGAN) is recognized for 15 minutes.

Mr. HOGAN. Mr. Speaker, the plight of thousands of American families who are brought to financial bankruptcy as a result of catastrophic illness has been of great concern to me and is the focus of a bill which I introduced on June 10, 1970.

My bill, the National Catastrophic Illness Protection Act of 1970, would, if enacted, allow our Nation's families to protect themselves against the financial scourge of catastrophic illness.

Catastrophic illness does not refer to a specific or rare disease. It is any disorder—from the exotic calamity to the common coronary. It is the fall from a stepladder in a home, a highway accident, or even the untimely sting of a bee. By definition, catastrophic illness could comprise those illnesses which require health care expenses in excess of what normal basic medical or major medical coverage provides protection for. Once a family finds itself faced with having to pay for health care costs of an extended nature, they are saddled with a financial burden that is staggering to comprehend. The result of catastrophic illness is instant poverty.

In the weeks following my introduction of this legislation, I have received many letters and phone calls from individuals and families who are presently coping with the financial burden of this kind of tragedy. These cases are, however, beyond the scope of my bill. Those families who are already experiencing such a devastating burden can, at this point, only serve as ample testimony to the dire need for this type of legislation. Until the complex problems of rising medical costs are resolved, most families faced with extended illness or serious injury will continue to be financially wiped out.

I have from time to time called the attention of my colleagues to instances where this legislation would have provided some form of financial security had it been the law at the time. I would like, today, to submit for the information of my colleagues an article about Michael Berg, the 19-year-old son of Mrs. Grace Sauter of Camp Springs, Md., in my congressional district:

PUPIL'S ACCIDENT SPURS MARYLAND TO EXAMINE IMMUNITY LAW

(By Richard M. Cohen)

Michael Berg thrust himself up from the trampoline, arching his 5-foot, 8-inch body into a backward somersault that ended a split second too soon. His head hit the mat, snapping his chin into his chest with a crunching sound.

Berg's neck had been broken, his spinal cord severed. He became quadriplegic, never to walk again, his doctor says.

That was Oct. 8, 1968. Berg, then 18 years old and a senior at Crossland High School in Prince Georges County, was whisked from his gym class to Cafritz Hospital. When he emerged 14 months later—and then only to enter another hospital—his mother was billed $33,447.25.

NO LIABILITY

Last month, a recapitulation of what happened to Berg was matter-of-factly read to a shocked Maryland State Board of Education. The Prince Georges school system, the board was told, is uninsured. And, the report went on, neither the State of Maryland nor the school system can be sued either for the hospital bills or for the permanent damage.

Under the doctrine of sovereign immunity, based on the common law principle that the state—like the king—"can do no wrong," Maryland cannot be sued by its residents.

The citizen's only course of action against the state is to persuade the General Assembly to pass a specific law in an individual case authorizing compensation. This rarely happens.

Furthermore, the immunity shield, incorporated in Maryland's Constitution, covers the government at all levels, from the governor to the Washington Suburban Sanitary Commission to the Prince Georges County school system.

In fact, some lawyers say, so broad is the shield that the county school system could not be sued even if it had insurance.

INDIVIDUAL POLICIES

According to a spokesman for the State Board of Education, none of the state's 24 school districts carries liability insurance. Most of them, the spokesman said, made insurance coverage available to pupils on an individual basis.

The parent pays the premium and the pupil is insured for the school year.

In 1968, Berg's mother, Grace Sauter, looked at the policy, found the coverage inadequate and decided not to enroll her son. She thought he had ample protection under his step-father's group hospitalization coverage.

"You don't think such a thing could happen" Mrs. Sauter said. "It happens to other kids." Berg, she said, had exercised on the trampoline many times before.

MORE BILLS

On Dec. 19, 1969, Berg, who had graduated from Crossland in his wheelchair, was transferred to Western Maryland State Hospital in Hagerstown. The bill for that care, which Mrs. Sauter estimates will be about $5,000, has not yet arrived.

On June 10 of this year, Berg was transferred to George Washington University Medical Center where he is still a patient.

A portion of the bills will be taken care of by the family's group hospitalization policy. Of the $33,447 owed Cafritz Hospital, for example, Mrs. Sauter, an editor-writer for the Army, and her husband, an industrial engineer for the Navy will pay about $8,000. Mrs. Sauter estimated the total hospital bills at "more than $50,000."

But there have been other expenses not covered at all by insurance of any sort, she said. Berg can now come home for weekend visits. The Sauters have put ramps for his wheelchair in their Camp Springs home and widened doorways so it can roll through. They have put in a second medicine cabinet and placed it low on the wall so their son, aided by orthopedic devices, can reach it.

SPECIAL EQUIPMENT

Hand rails have been placed on the toilet. the family bought a special toothbrush he can grip. They purchased an especially firm mattress and some padding. They now have acquired a $323 hoist that can place Berg in his bed or take him out of it.

Last month, after hearing the report on Berg's accident, the State Board of Education asked its staff to investigate whether the state could offer protection to its pupils under an insurance system similar to workmen's compensation.

Under such an arrangement, liability—the determination of negligence or fault—would not be a factor. The state would simply pay the bills resulting from an accident regardless of who is at fault and a law suit against the state—now impossible under the protection of sovereign immunity—would not be required.

That is the route suggested to the board by two of its members, Richard Schifter, of Montgomery County, and Mrs. William F. Robie, of Prince George's County.

RESPONSIBILITY ISSUE

"My stand," said Mrs. Robie, "is that if by law children must be in school and must follow the program, I feel that we are responsible for them while they are in school."

"Our most pressing need," she said, "is to get the school system to take out insurance."

Mrs. Sauter said her only present recourse is to sue Crossland's teachers and attempt to prove negligence. That was the course followed in Montgomery County last year by a parent whose daughter lost two teeth while performing an exercise.

Most teachers, Mrs. Sauter said, carry insurance coverage. The school system does not.

The proposed state constitution drafted by a constitutional convention in 1968 would have eliminated sovereign immunity as a defense against many lawsuits for negligence or other damages. The proposed constitution was rejected by Maryland voters.

The sovereign immunity doctrine still applies in most instances in Virginia. In the District of Columbia, recent federal court decisions have broadened the circumstances under which city agencies may be sued for damages. Congress has provided for damage suits against the federal government in the Federal Tort Claims Act.

Mike Berg's case is particularly tragic because his family must somehow cope with these enormous medical expenses, amounting to more than $50,000 the first year, for the rest of Mike's life. Because the Maryland constitution still embraces the doctrine of sovereign immunity—Maryland is one of only 13 States which continue to embrace this concept—Michael Berg's family cannot sue the State of Maryland or any of its agencies.

The legislation which I am proposing will go a long way toward mitigating against the problems of catastrophic illness because it will stimulate our insurance industry to provide coverage that will allow any family to protect itself fully against the costs of catastrophic illness. The legislation would foster the creation of catastrophic illness—or extended care—insurance pools similar to those that have been successful in making flood insurance and riot insurance feasible.

Because all participating insurance companies would be required to promote the plan aggressively, and because we would be dealing, statistically, with a small minority of all claims, the cost per policy should be low. As more people buy this new protection as part of their health care program, thereby spreading the risk, the cost should drop even more. The Federal role would be limited to reinsuring against losses in those instances where insurance companies paid out more in benefits than they took in in premiums.

To help individuals such as Mike Berg and other victims of catastrophic illness or injury, I think it is imperative that Congress enact legislation such as I have proposed and that State legislatures, particularly in those 13 States still embracing sovereign immunity, examine the loopholes in the legal structure which permit citizens to be so victimized.

TAKE PRIDE IN AMERICA

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio (Mr. MILLER) is recognized for 5 minutes.

Mr. MILLER of Ohio. Mr. Speaker, today we should take note of America's great accomplishments and in so doing renew our faith and confidence in ourselves as individuals and as a nation. Two Americans, Dr. Jonas Salk and Dr. Albert Sabin culminated years of research with the introduction of vaccines to prevent paralytic polio. With these vaccines polio cases in the United States dropped from 14,000 in 1955 to 34 in 1967.

THE RIVER REVISITED

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Massachusetts (Mrs. HECKLER) is recognized for 5 minutes.

Mrs. HECKLER of Massachusetts. Mr. Speaker, industry is leading the battle against water pollution in many instances. I think the L. G. Balfour Co., of Attleboro, Mass., deserves special recognition. Much publicity has been given to efforts to clean up Ten Mile River, which is located in my district, the 10th Congressional District of Massachusetts. Three years ago the Balfour Craftsman, company publication of the L. G. Balfour Co., a major jewelry manufacturer, ran a unique pictorial essay describing the remarkable efforts by that firm and other industries in the Greater Attleboro area "to restore the Ten Mile River to a semblance of cleanliness and aesthetic value." Hundreds of requests for reprints of the river study, and for information relating to industrial pollution, have been received by the company from students and others.

In 1968 the International Council of Industrial Editors awarded the Craftsman top national honors, competing against all company publications in the Nation, for its coverage of the river story. "The River Revisited," in its summer 1970 issue, carries the story up to the present time.

This is a fascinating article. It explores both the frustration and satisfaction derived by industry in meeting the costly pollution abatement requirements of the Massachusetts Clean Water Act of 1966.

It challenges the validity of a "prevalent" public view: "Manufacturing industry created this mess—let manufacturers pay to clean it up."

The questions it raises have national implications, I think, as they apply to the national effort to improve the environment. The article does not single out industry's efforts for praise, but shares credit where it is due with the unsung individuals, the government agencies, and others who really cared enough to take action to clean up Ten Mile River. It is harsh, at the same time, on the polluters and those who give only lipservice to the tasks of environmental improvement.

I believe the L. G. Balfour Co. has performed a fine public service in publishing these articles, and I personally take great pride in the accomplishments of many manufacturers in the Attleboros who have very clearly demonstrated their desire to assist in the environmental cause. I think "The River Revisited" will also be of particular interest to students.

I am pleased to insert the Craftsman article in the RECORD, with the hope that it will inspire my colleagues in Congress and all other readers to renewed efforts in this urgent cause. The text follows:

THE RIVER REVISITED

It is proper to inquire why, over a period of three years, *The Balfour Craftsman* has devoted major attention to the subject of pollution in the Ten Mile River. There are several reasons, of which the most conspicuous is "selfish." Every Balfour Company employee is now presumably aware of the enormous cost to the company of the pollution abatement program. We do not yet know what our pollution control system will cost, but the final bill will almost certainly exceed $150,000. For the most part, this is money out of pocket. The company receives only minor tax concessions for its outlay and will probably realize few production benefits. In substance, the outlay represents a significant shrinkage in funds that otherwise would have gone to the employees in the form of Profit Sharing. High operating and maintenance costs of the pollution abatement units in our Attleboro plants will be a permanent annual drain on operating income. Thus pollution of the Ten Mile River is a subject that touches the pocketbook of each one of us.

Beyond this stretches a range of far, far broader considerations. Balfour people, a large percentage of whom live in the Greater Attleboro Area, have always been deeply concerned in the general well-being of their communities. Many of them are ardent conservationists. Most of them have given freely of their time and money to make their communities better places to work and live and raise their families. To them, the Balfour

Company's commitment to environmental improvement has been a subject of high interest and of considerable pride.

That commitment began long before the present very stern laws were enacted—long before the community at large or even most of the activist conservation groups began to call for specific improvements. Our plants and property have been kept immaculate, up-graded constantly and as rapidly as profits permitted. For years we have processed our liquid effluents before discharging into the river. Although our factory discharge proved to have contaminants in excess of the very strict Massachusetts standards that began to be applied after 1967, we were never a serious polluter.

On March 25, 1967, Balfour president C. R. Yeager put the company on record. It was one of the first and most positive policy statements to be issued by any prominent industrialist in the Commonwealth. In it, he pledged strong support for the pollution abatement program and advocated a water quality goal that actually was higher than the one proposed by the State. He also warned, with prophetic accuracy, of the enormous cost and difficulty that would be incurred in any attempt to restore the Ten Mile River to a semblance of cleanliness and aesthetic value. Following this strong pronouncement, the Balfour Company played a major continuing role in endeavoring to arouse the local manufacturing community to action and to explore possibilities for cooperation in pollution abatement, none of which, unfortunately, proved feasible. Our company also played a leading role in publicizing the pollution problem generally—in telling the community what was involved and what was being done.

For three years Balfour and seventy other manufacturing firms in the Greater Attleboro Area have been planning, working, and spending to build pollution abatement systems. Total cost will run into millions of dollars—no one knows for sure how many. If expended executive time could be price-tagged, total cost would almost certainly increase by at least one-fourth. Progress has been seriously handicapped by the complexity of the job and by shortages of equipment and experienced consultants. As of April 1, fifty-two firms had submitted the required Preliminary Plan, forty-two of them had submitted their Final Plans, twenty-four had started construction, eight had completed their pollution control installations. According to one high-level State Water Resources Commission official, the pollution abatement program in the Attleboro area is "coming along beautifully."

The figures cited above are already obsolete. Momentum is picking up. In mid-April, Texas Instruments, largest firm in the region, activated its quarter-million-dollar pollution control system. Balfour most recently delayed by the Midwest trucking strike, is still waiting for tanks and some hardware—should have its units operational by Autumn. A majority of other firms appear to be on a similar timetable, give or take a few weeks.

STATE OFFICIALS "EXCEPTIONAL"

Most local manufacturers characterize performance by State Water Resource Commission people as "expert" and their attitude as "tough but exceptionally cooperative". The Commission itself apparently has suffered growing pains and been forced to deal with enormous technical, legal, and administrative problems. Political interference and obstruction appear to have been virtually nil. There was initial, and valid, criticism that the Commonwealth regulatory agency had imposed unrealistic deadlines on local manufacturers, with resulting demoralization and possibly some waste of time and money. The state officials, however, were—and continue to be—under heavy federal pressure. Attleboro was one of the very first areas to be programmed. Much has been learned here that presumably will benefit other manufacturing communities.

COMPANIES REPORT THEIR EXPERIENCE

The Balfour Craftsman conducted an informal survey in late May, contacting representative Attleboro Area firms involved in a major way with pollution abatement programs. There were many surprises. In 1967, few firms expected any benefits from pollution control—an opinion informally shared at the time by state officials and some consulting engineers. Today, a quite different story is being recorded.

A number of manufacturers report "fringe benefits" ranging in scope from minor to substantial. Faced with the necessity for treating their liquid effluent, a number of companies have introduced process changes that promise not only cost savings but also product quality up-grading. One company production head points with pride to his "beautiful new boilers". Another is jubilant over being forced to replace an obsolete piping system that otherwise would not have been modernized because of the high cost involved. Still another reports the elimination of an antiquated acid-dip finishing process and the installation of atmospheric furnaces that have greatly improved the quality of work done. An experienced and widely respected local plant engineer states unequivocally that modernization of jewelry finishing processes in the Attleboro Area factories will be greatly expedited by the pollution control regulations. Confirming this observation, a plant superintendent in a large local firm reports that, with the equipment required for pollution control, he is able to utilize new plating solutions and obtain colors and finishes impossible with his old set-up.

Most important of all, perhaps, is the fact that a majority of companies contacted expect to realize improved recovery of precious metals from their waste effluent. Said one plant engineer, "The recovery phase on our new pollution control system is the first one I've seen that really works." The head of one of the smaller Attleboro factories went so far as to state that over a period of years the improved precious metal recovery from his system would actually pay for the cost of the pollution control installation. No one else, however, would go this far. Most were cautious in their prognostications. "I don't want to get management's hopes up until we get our first returns," remarked the plant production boss of one major local company, "but confidentially I am excited about the possibilities."

Some quantitative savings are also involved. One company—a big one—expects to save $10,000 or more on its annual water bill alone. A number of others are reducing the effluent volume to be treated—hence the cost of the treating system—by installing check valves and by diverting biologically treatable process and wash-up water to the city sanitary sewage system. This could be bad news for already overloaded municipal systems in the area, but there seems no practical alternative and so far the added load burden does not seem to have reached critical proportions. Improved water quality was cited by a number of firms as being another potential source of production savings and quality improvement. One company discovered that its extremely ancient sanitary-facility plumbing was not connected to the city's sewage system at all but was going into cesspools. The city-system tie-in was made and cesspool maintenance costs were eliminated.

Unfortunately, the overall picture is not all bright. Three or four firms, including one of the area's largest, reported flatly that they would realize absolutely nothing in the way of payback from their water pollution control installations. "In our case," stated one plant engineer, "it's a helluva lot of money for a helluva little pollution!" In one extreme-hardship case, a major Attleboro firm found its pollution problem so costly to remedy that it suspended acid finishing operations entirely and has to send work out to be finished, thereby incurring a serious competitive hardship. Everyone, without exception, is aghast at the costs involved in pollution control. "See that little valve?" one plant engineer plaintively asked, "It cost us seventy-five dollars!"

Few firms are willing to predict what operating problems will be posed by the new pollution control systems. Some—for the most part the smaller companies—foresee few difficulties. Others are less hopeful. One top-level executive who has recently completed installation of a highly automated and sophisticated unit, reports that system start-up has been "a pain in the neck," requiring close and lengthy supervision by expensive technical personnel. Once shake-down instrumentation problems are licked, however, it appears that pollution control units in large firms as well as small can be operated on an efficient routine basis. "It won't require an M.I.T. graduate to run it," declared one plant head. However, cautioned another highly qualified observer, "despite all the built-in controls, these systems will only work if they are operated by people who care!"

INDUSTRY HAS CARRIED THE BALL—ALONE

Pollution abatement, in our area at least, has ironical undertones. The prevalent public attitude appears to be, "Manufacturing industry created this mess—let manufacturers pay to clean it up!" To date, and in our area, the entire burden of this aspect of environmental improvement has indeed fallen on the manufacturing community. Manufacturers are paying the bill, largely unassisted by federal, state, or municipal participation. Almost incredibly, by the end of 1970 industrial pollution of the upper Ten Mile River basin—prevalent for at least a century-and-a-half—should virtually cease. The job will have taken approximately forty months. What, then, will this multi-million-dollar outlay have purchased for the communities involved?

The industrial pollution control bill—Attleboro–North Attleboro–Plainville

For basic installations:	
5 companies will spend an average of $200,000 each	$1,000,000
10 companies will spend an average of $100,000 each	1,000,000
20 companies will spend an average of $50,000 each	1,000,000
36 companies will spend an average of $15,000 each	900,000
Total out-of-pocket cost for installations	3,900,000
Plus estimated engineering/executive time expended	500,000
Total estimated cost (minimum)	4,400,000
Annual estimated operating and maintenance cost	500,000

NOTE.—These figures are based on a survey by *The Balfour Craftsman*. An official of the state Water Resources Commission believes the installation cost estimates are accurate, but feels the annual operating cost estimate is high. Plant engineers, however, fear rapid physical depreciation of pollution control hardware.

The blunt fact is that when industrial pollution ceases, the Ten Mile River will be better than it was before, and still contaminated and in biologically deplorable condition. One regional planning expert concedes that Class C water, which was the standard set for Attleboro industry to achieve and toward which goal millions of dollars are being spent, may be impossible to maintain be-

cause of a projected population increase of forty percent in the Ten Mile River watershed over the next twenty years.

Here is the irony. The river was not ruined by industrial pollution alone, although there was plenty of that. It was destroyed by the total march of civilization. Many of the concerned groups—conservationists, state agencies, local boards, politicians, dedicated individual protagonists—have been remarkably reticent to admit the fact and the general public seems completely oblivious to it. Surprisingly few among those who have sponsored the agitation for environmental improvement have evidenced fundamental understanding of all the issues involved. Many well-intentioned but ill-informed people have climbed on the ecological bandwagon because today pollution, like Sin, is something it is best to be against.

Industrial pollution will soon be eliminated. Municipal pollution of the river from inadequate sanitary sewage disposal systems will continue, perhaps for years. Attleboro's sewage disposal system study is complete. So is North Attleboro's. Nevertheless, ahead lie months—years—of effort to take the recommended remedial action. Bureaucratic red tape, says a local official, will require at least thirty-six months to cut through in order to obtain federal funds and start construction. Attleboro taxpayers, already groaning under the burden of school expansion programs, may eventually have to be asked to ante up roughly sixty percent of the $19,000,000 cost. It is not a pleasant political prospect for any municipal governing body or chief executive to face.

Unfortunately, this is not the whole story. Highway wash-off, at times lethally packed with chlorides, is going into the river. One explanation offered by a State official, possibly valid but challenged by some, is that this dose of poison comes only in periods of heavy precipitation and is rapidly dissipated. Not so easily explained away, however, are the cumulative effects of garden and farm fertilizer wash-off, domestic cesspool seepage, cutting away of natural shade cover from literally miles and miles of riverbank, walling in of the river throughout much of its passage through North Attleboro, massive accumulations of silt that impede flowage and raise water temperatures through much of the riverbed in North Attleboro and Attleboro, and the catastrophic destruction of floodplains.

To see the impact of non-industrial forces, one has only to look at the Bungay River, tributary to the Ten Mile. Above Bank Street in Attleboro, the Bungay has no encroaching industry whatsoever, yet is said by state people to be slowly dying from "natural" causes—silt, raised water temperature, excessive weed infestation. Oxygen content in this virgin water may be reaching the danger point. Trout may disappear from the stream, once acclaimed as one of the finest natural trout breeding waters in the Commonwealth

POLLUTION NOT NOW THE MAJOR PROBLEM

If up-grading the Ten Mile River is the goal, the multi-millions being spent by Attleboro manufacturers is money down the drain unless related problems, noted above, are attacked. Some seem almost insurmountable. The most grievous problem—floodplain destruction—could be solved, but solutions are presently bogged down in legalities and politics. More than eighteen months ago Balfour president C. R. Yeager warned that the Ten Mile River would become "a raging monster in our midst." No one appears to have listened to him. The March, 1968, flood was the worst in recorded history, but there will be worse still.

Floodplains, which to the casual observer seem no more than useless swamps, serve as a sponge. In periods of heavy precipitation they sop up the spate of water. If they are filled, black-topped, built upon, they no longer serve their natural purpose. The water is funneled into a constricted channel, builds up, rushes down—an awesome destructive force.

Local zoning ordinances have no clauses to restrict commercial development of floodplain areas as such. If they had, it is doubtful if such clauses could be made to stand up in court. The courts have been highly sensitive to the "rights" of private individual property-owners. Laws, however, are on the books. The Hatch Act of 1965 and the Inland Wetlands Act of 1968 are intended to control the destruction of floodplains. Neither has sharp teeth. Both are being ignored or circumvented in Attleboro almost daily. Most often, it should be said in all fairness, the guilty parties have no knowledge of their guilt, nor any comprehension of the gravity of their transgression. The municipal official in charge has recently issued seven or eight "cease and desist" orders which have stopped some land-fill operations. Nevertheless, a knowledgeable, persistent developer can with complete legality obtain official municipal and state sanction to eradicate green areas that have defied the march of civilization since the first settlers appeared in Attleboro almost three and one-half centuries ago. Needless to say, once gone, the floodplains are gone forever. And they are going fast.

THE RIGHT HAND KNOWETH NOT WHAT THE LEFT HAND DOETH

Ignorance, the curse of pollution abatement, threatens the huge investment in environmental improvement being made today by the manufacturing community. Locally and statewide, lack of goal coordination has been responsible for costly blundering. The State Department of Public Works, responsible for the Route 95/295 interchange in Attleboro, apparently had no comprehension of the fact that the State Water Resources Commission was endeavoring to upgrade the Ten Mile River from garbage to Class C water. The DPW stripped the river bare and left it mercilessly exposed to the sun for a full quarter-mile. The City of Attleboro itself has so far done little in the cause of environmental improvement. There is no money—no overall plan. The Attleboro Conservation Commission knows what could and should be done—has a meagre $24,000 to put on the line to save existing green areas. North Attleboro, perhaps wisely ignoring its hopeless streamsides, has launched a daring and potentially invaluable project in its Falls Pond reclamation program, but the regional potentialities of this large impoundment have not yet successfully been probed. Plainville, blessed with the richest of all Ten Mile River Basin natural resources, faces bitter problems of balancing industrial development against environmental preservation. In every community along this potentially beautiful river basin, lack of an overall coordinating plan threatens to produce waste, immobility, and irredeemable natural resource disaster. In the way of such a plan stand a fantastic barricade of red tape, a frustrating tangle of overlapping local, regional, state, and federal authorities, and, in the individual communities themselves, a deep-rooted Yankee determination not to surrender to "The State" or to "The Feds" any authority over the control of local resources.

And yet, amidst the confusion spawned of ignorance and apathy and bureaucracy, there is a flickering candle of hope. Something very, very important has been done. The manufacturers have done it, working in harmony with a single state agency having clear-cut authority and specific goals. Manufacturers, the only ones so far to put their money where their mouths are, may perhaps be pardoned for asking—who goes next?

POLLUTION CONTROL IS NOT ENOUGH

"You were two years ahead of the times!" These are the words of a State Water Resources Commission official, commenting on the Balfour Company's unprecedented model river restoration project. That project grew out of the hearts of Balfour people. When the challenge was issued, they responded from every level of the organization. Vice presidents donned rubber boots and slogged garbage out of the river mud side-by-side with office girls, artists, die-cutters, and bench hands. It all grew out of a simple realization. "What good is clean water, flowing over two centuries' accumulation of trash?"

What was projected as a one-day job turned into a two year chore. One Balfour employee summed up the experience of many others. "My wife got sore as hell," he stated, "I had started painting my house in the summer of 1967 and never got a chance to get back to it until the fall of 1969!" Balfour people contributed funds. The company matched them, dollar for dollar. The City of Attleboro volunteered vital material; the municipal DPW spared no effort to cooperate. It was partly inspirational and also partly dismaying. The job—modest by any standard—was done. Cost, even with most labor and material and equipment volunteered, ran up to roughly a dollar a riverbank foot. It very soon became obvious that river improvement was not a one-shot affair. Weeds, painfully grubbed out one year, appeared again the next. River trash continued to wash down and accumulate. But, a job was done, and done well. The "Balfour River Rats" received eminent citations from the Massachusetts Audubon Society and the Massachusetts-National Wildlife Federation.

Then there was a long, discouraging silence. The model river restoration program inspired no one. It looked as though nobody would follow the example. It took two years . . .

In early April of 1970 a Balfour River Rat, driving early to work on a bitter cold morning, stopped his car on lower Hayward Street, just upstream from the Balfour Riverbank Memorial Park Project. What caused him to pause was the sight of a nondescript truck loaded with brush, pulled up beside the river. A lean individual in mud-spattered clothes climbed up the riverbank. "Well, don't just sit there and stare—get out and pitch in!"

Suddenly, the hope of river restoration flared again. One man, Dr. Vincent O'Donnell, changed discouragement into elation. Aside from his joking salutation, he had asked for no help—courted no publicity. Single-handed, he tackled the stretch of river upstream from Balfour property—did the clean-up job himself on a full hundred yards of river, both banks.

Almost at the same time, the Balfour Company received a phone call from Dr. Fiore R. Rullo, owner of the "picnic area" that the Balfour River Rats had laboriously converted from utter jungle to a highly attractive neighborhood asset. The company had made an unsuccessful bid to buy the plot; its eventual disposition under new ownership was uncertain. Dr. Rullo, speaking for himself and his associate Dr. Richard W. Shea, was calling to say that Balfour employees could continue to use the area. Their housekeeping and general behavior, he reported, were exceptional. The doctors, for their part, landscaped the area immediately above the picnic plot.

Today, the combined effort of company people and abutting property owners have produced a model riverbank development of high aesthetic and utilitarian value.

The next heartening circumstance came unannounced. We should have been forewarned, because the Editorial Office had been bombarded with student requests for pictures and data to support various papers

and projects inspired by the April 22 Earth Day observance. Only by accident, however, did we learn of a massive assault on local trash accumulations by a large group of Attleboro High School students, organized by biology instructor Matthew McConeghy. On a drizzly Friday morning, with the drizzle fast changing into a downpour, they turned out by the scores. What they accomplished was almost unbelievable. They had a few axes and grub-hoes, their bare hands, and one utterly devastating tool—youthful enthusiasm. Dr. O'Donnell, again without fanfare, was present with his old red truck to direct and assist the Ten Mile River phase of the student clean-up program.

The effort was devoid of any regional, state, or federal assistance or notice. The *Attleboro Sun* gave the project a splendid front page coverage. But there were no medals, no citations, no congratulatory speeches. The kids went home that afternoon soaking wet, scratched by briars, and caked with mud from head to foot. Certainly they were aware that this constituted "involvement", but possibly they wondered what they had really proved and accomplished. It is not improbable that they have kindled a fire. Who will keep it burning? Who's next?

CRIMINAL VIOLENCE MUST BE CURBED IF WE ARE TO SURVIVE AS A NATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from South Carolina (Mr. WATSON), is recognized for 10 minutes.

Mr. WATSON. Mr. Speaker, earlier this week South Carolinians were shocked to learn that an elderly couple who were among the most prominent citizens in the city of Orangeburg, S.C., were brutally and senselessly killed in their home. These dear people never harmed anyone. They reared a wonderful family, and in the golden years of their lives had been able to look back with great pride and satisfaction on a life of dedication and hard work in behalf of their children and people in the community. Now their noble lives have been snuffed out in the foulest and most dastardly way.

As always in the aftermath of such a tragedy, citizens grope to find out why such a thing could happen and what can be done to put an end to the seemingly unrestrained criminal violence that has plagued our land in recent years.

Mr. Speaker, if the slaying of this couple were an isolated incident, it would no doubt have garnered national headlines, as indeed it would have 20 years ago. But the American people have become so saturated with a flurry of unmitigated violence in the past few years that we have all become almost inured to its presence in our lives. Long ago, I warned this Congress that a very strange and horrible phenomenon was taking place in the area of American criminal justice; namely, that social do-gooders had established a new witchdoctor philosophy which, stripped of its rhetoric, simply means that a citizen is only required to obey those laws with which he agrees. If he happens to disagree, then to break the law is socially and morally justifiable, especially if he has been a so-called victim of society.

Then too, with a helping hand from the Supreme Court, liberal thinkers have rushed to protect the rights of a criminal at the expense of the lives, fortunes, and safety of society itself. An excellent case in point is the recent statement by the President concerning violence in America. He very forthrightly voiced the real concern of all of us, and yet the great advice that he offered the American people was buried in a blitz of adverse publicity regarding an indiscreet remark he made concerning the Manson trial in California.

Mr. Speaker, this is an indictment of our times. Since when does a criminal have superior rights to those of our law-abiding citizens? Never in history has a law violator enjoyed such protection and virtual immunity from punishment as today.

There was a time in this country when the wrongdoer was apprehended, tried, and sentenced without delay. The law-abiding citizens of this country want to return to those days. We have coddled criminals and criminal types for too long. We have discussed the rights of criminals for too long. We have debated such issues as the abolishment of capital punishment while crime runs rampant. We have sat back and failed to support our law enforcement officers for too long. We have sat back and watched as others were victimized by thugs and prayed that it would not happen to us. We have sat back too long and kowtowed to black militants, the white new left, hippie types, drug users, drug pushers, and the whole crowd of society's misfits—and said they were only "doing their thing." We no longer have a deterrent to crime in this country because we have looked the other way and sought excuses when crimes have been committed.

History has proven that when a nation can no longer protect itself against lawless elements, it will cease to exist. We are rapidly approaching this situation in America. The time has come for war, all-out war, on crime in America.

How many more innocent, elderly couples must be brutally slain? How many Manson-type mass murders accomplished, how many store owners shot in their shops? How many more rapes must be committed, how much more criminal looting, unrestrained drug use, hippie revelry, and filthy pornography used to exploit our youth, before we all resolve to put an end to the rampage of criminal activity? Time is growing short; history is not on our side.

Mr. Speaker, unless something is done immediately to combat the lawlessness that permeates our society, America is going to be on the threshold of national suicide. The day of coddling the criminal is past and we either get tough or get ready to be victimized by the rampant crime which borders on anarchy in this country.

LEGISLATION TO EXTEND THE FAIRNESS DOCTRINE TO NEWSPAPERS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. FARBSTEIN) is recognized for 10 minutes.

Mr. FARBSTEIN. Mr. Speaker, I have today introduced H.R. 18927 and H.R. 18928, two bills which would extend the Federal Communication Commission's fairness doctrine to newspapers. The legislation is designed to insure a greater diversity of conflicting views in most of the Nation's newspapers.

The fairness doctrine, which requires the presentation of conflicting views and the airing of important issues, would be extended to cover newspapers which fall under the recently passed Newspaper Preservation Act and other dailies, in communities of 25,000 or over, which do not have two separately owned papers.

The Newspaper Preservation Act provides for an exemption of newspaper joint operating agreements from the antitrust laws.

The first amendment is a guarantee of an uninhibited marketplace of ideas. Fifty or even 25 years ago, that right could best be preserved by government exercising a totally hands off policy with respect to newspapers. In the America of 1970 that right, unfortunately, can no longer be so maintained.

The disappearance of newspaper competition has made many newspapers merely unthinking instruments for the presentation of their publishers' viewpoints.

Where in 1945 there were 81 cities with a population over 25,000 with at least two separately owned daily papers, by 1968, there were only 38. Over 95 percent of the communities in this country have newspapers that are controlled by a single owner.

The public under such circumstances is left totally at the mercy of the publishers' whims. While they can turn to television and radio for spot news coverage, for any degree of indepth reporting, they are left with no place to go.

Divergent points of view are not being heard not just because of monopoly ownership of newspapers, but because of the development of two other trends, which taken together have denied the citizen his right to an uninhibited marketplace of ideas.

The first is the growth of a virtual monopoly over the facility to attract news attention on a regular basis by certain persons and institutions. Whenever the President chooses, he can be on the front page of every newspaper in the country. Such potential, which has come about only in recent years, exposes the reader to a far greater degree to the views of the President, or the Department of Defense, or wherever the official line is coming from, than it does to views that tend to diverge from these. Senator WILLIAM FULBRIGHT has spoken at length and with a great deal of insight into the potential of government in this respect and the resources it can command to achieve this.

The other trend is the concentration of capital which permits advertisers to influence the type of coverage they receive. When one of the 100 largest corporate advertisers—who together represent almost $2 billion in revenue to the news media—do not like the type of coverage the media is providing them or a given issue of interest to them, the presence they can bring rarely goes unheeded.

Recently, I discussed the case of five California dailies which acquiesced to supermarket pressure to boycott news coverage of the grape boycott. It is interesting that all five of the papers with the exception of the Los Angeles Herald-Examiner were the only daily newspapers published in their cities. At that time I asked the Federal Communications Commission to investigate food advertiser pressure on broadcast media coverage of consumer questions. The FCC is currently looking into this matter.

The trend toward monopoly of ownership, automatic front page coverage of certain persons and institutions, and the concentration of advertising capital have brought about a significant decrease in the publication of divergent points of view in the daily press.

My two bills are meant to redress the imbalance caused by these trends by providing for the right to access of divergent points of view.

Under one bill, the FCC would have the authority to revoke the antitrust exemption of newspapers operating under joint operating agreements for failure to present divergent points of view.

The Congress by legislative fiat has contributed to this trend toward limitation of access to newsprint by granting the 22 joint operating agreement exemption from the antitrust laws. This has made it more difficult for new newspapers to develop and existing newspapers to compete with papers operating under such arrangements. Under my legislation this exemption would be treated as a privilege rather than a birthright. It would be continued so long as the papers complied with the criteria of the fairness doctrine.

Under the other bill, the FCC could seek a court injunction against dailies in communities of 25,000 or over, which did not have two separately owned papers, for noncompliance with the doctrine.

Under both bills, the FCC would have absolutely no authority over the contents of any article or editorial. If an individual citizen complaint were filed, the FCC would examine the newspaper as a whole to see if over time, on the particular issue raised, divergent points of view had been raised. While the editorial page might reflect only one point of view, the coverage of divergent views in the news articles, by columnists or in advertising would permit the reader to read divergent view points in that paper.

I have introduced these two bills because I am troubled by the three pronged-trend toward limitation of access to the news media; and believe that the creation of a right of access is necessary if we are to restore the traditional free play of divergent ideas which has made American journalism so exciting during so much of our history.

I insert at this point in the RECORD the text of the two bills:

H.R. 18927

A bill to require certain newspapers to provide a balanced and substantially complete presentation of issues of public importance

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That any newspaper of general circulation published in a city the population of which according to the 1970 decennial census is greater than 25,000, and in which are published fewer than two separately owned newspapers of general circulation, shall provide a reasonable opportunity for a balanced presentation of conflicting views on issues of public importance, and shall operate in the public interest by providing substantially complete reporting of issues of public importance.

SEC. 2. The Federal Communications Commission, after receiving a complaint from any person who has been denied a reasonable opportunity to present a conflicting view on an issue of public importance, or who believes that a newspaper described in the first section of this Act is not providing substantially complete reporting of issues of public importance, or upon its own motion, may obtain an appropriate order requiring such newspaper to comply with such section. In addition punitive damages up to $1,000 a day for every day that such newspaper fails to comply with such section may be assessed. The district courts of the United States shall have jurisdiction over any action brought under this Act.

SEC. 3. As used in this Act, the term "newspaper of general circulation" means any publication which is printed on newsprint which, is published in one or more issues daily, in which a substantial portion of the content is devoted to the dissemination of news and editorial opinion, and which is intended to be read by the general public of the locality in which it is published.

H.R. 18928

A bill to amend section 4 of the Newspaper Preservation Act to require newspapers which are parties to joint newspapers operating arrangements to provide a balanced and substantially complete presentation of issues of public importance

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 4 of the Newspaper Preservation Act is amended by adding at the end thereof a new subsection to read as follows:

"(d) (1) If any newspaper publication is a party to a joint newspaper operating arrangement that has been exempted from the antitrust laws pursuant to this section, and fails to provide a reasonable opportunity for a balanced presentation of conflicting views on issues of public importance, or fails to fulfill its affirmative obligation to operate in the public interest by providing substantially complete reporting of issues of public importance, such newspaper publication shall no longer be eligible to continue in such joint newspaper operating arrangement, or such newspaper publication shall be fined not more than $1,000 for each day such failure to comply with the standards expressed in this subsection occur, or both.

"(2) The Federal Communications Commission, in accordance with subchapter II of chapter 5 of title 5 of the United States Code, and with such regulations and procedures (similar to the extent feasible to those regulations and procedures applicable under the Radio Act of 1927, as amended) as it may establish, shall implement and enforce the provisions of paragraph (1) of this subsection."

EMERGENCY COMMITTEE FOR AMERICAN TRADE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania (Mr. DENT), is recognized for 60 minutes.

Mr. DENT. Mr. Speaker, the time has come to expose the real interest of the so-called Emergency Committee for American Trade.

The following full-page ad in the Washington Post July 13 was signed by the representatives of 51 American enterprises.

Their interests are shown in the following partial listings of their ownerships and working arrangements with foreign corporations and organizations in 108 foreign countries.

Are we to continue to depreciate the American economy and to completely destroy our job opportunities at the behest of these self-serving groups on non-American—American based firms.

Every job in their foreign affiliates or wholly owned plants takes a job from an American production worker and at least three jobs from service and supplier industries—from the barber, the baker, and the candlestick maker.

If these corporations are not curtailed the decade may well spell the end of the U.S. independence as we have known it.

Already today we are at the mercy of foreign countries for many of our daily needs.

The best financed lobby the world has ever seen is represented by these huge multinational corporations and their counterparts in foreign countries.

The import-export lobby cannot be outbid, it must be outsmarted and outvoted.

Are we to ignore the challenge to our present economy and even our future existence.

How can any of their officials write such blatant and deliberate out and out false statements in defense of their selfish—self-servicing position.

The day must come and soon, when we either reduce our standards of living or do what has to be done to protect it.

I am happy to report that much of the information on these companies and their Jekyll and Hyde nationalism came from the former Member of Congress and presently director of legislative activities of the AFL–CIO.

This plainly shows the awakening awareness of this great body of American workers to the grave dangers the U.S. job economy faces from the illogical and antiquated trade policies of our State Department and the Chief Executive of the United States.

Before exposing the many faces of the so-called Committee for American Trade, I wish the House would hear this appeal from the distressed communities of my district and their injured workers:

IMPORTS OF STEEL THREAT TO VALLEY

To the Editor:

I am enclosing herein a copy of a letter, the original of which was forwarded to U.S. Sens. Hugh Scott and Richard Schweiker. I am requesting that you print this and urge all citizens and people who are employed by steel plants and other industries also to write a letter to their respective senators to complain about the market being flooded by imports and jobs are slowly being terminated due to this condition. The letter is self-explanatory. Thank you!

EDWARD J. SIEMANSKI.

NEW KENSINGTON.

DEAR SENATOR SCOTT: I am writing to you in regard to the import situation in stainless and other specialty steels. If action is not taken immediately to stop steel imports, the Allegheny Ludlum Steel Corporation in

Brackenridge and other steel plants all over the United States will be laying off its employes. We would like Congress to support legislation that will help assure a balance of fair trade for steel products shipped between nations.

The communities of Brackenridge, Tarentum, Arnold, New Kensington and vicinity have already been hard hit with the closing of American Saint Gobain Glass in Arnold and the phasing out of the Alcoa Industry in New Kensington. Many in the above communities have spent considerable sums of money for their homes and businesses and their only concern is for them to be able to live, work and trade here.

The people in these communities are very concerned now about the build up of imported steel. If this situation continues, many in the valley and outlying communities will be out of work and in jeopardy of losing their homes which they bought by hard work and toil. Please support laws and raise tariffs on imports so that our position in the world steel market does not decline and save our jobs and give the employes back their enthusiasm for working and saving toward a better and more secure future.

The full page advertisement in the Washington Post of July 13, 1970, urged Congress not to enact a trade bill that would place quotas on imports that have recently cost 700,000 American workers' jobs and threaten tens of thousands more. The advertisement gave the impression that all the group of 51 corporations named as the "Emergency Committee for American Trade" oppose quotas solely to preserve their role as U.S. companies engaged in world trade.

In the interest of fair play—if not fair trade—we believe that Congress should be aware of these companies' non-American interests, particularly that many of these companies have large foreign operations and export goods to the United States. Thus, any import restriction legislation would have a direct effect on their foreign-made products. These companies are not American firms in the textbook sense. In matters of U.S. imports, they are no different from any other foreign corporations which ship foreign-made products—often made at pitifully low wages—into the United States to compete with U.S.-made goods at the same or only slightly lower prices.

The companies in the advertisement have foreign affiliates in 108 countries, and 32 of the companies have ownership in Japanese firms, many producing the same goods abroad they once produced in the United States. Would not it be fairer to the reader and to the Congress, for example, if Xerox had identified itself as Fugi-Xerox and Caterpillar Tractor had identified itself as Caterpillar Mitsubishi, Ltd.? Would not it have been fairer if Singer Sewing Machine had identified its affiliation with Pine Sewing Machine Co. of Japan and its full ownership of Matsumoto Mokko, Ltd. of Japan?

A full list of the foreign ownerships, patent arrangements, jointly ventures and marketing agreements of these companies is unobtainable, but some public records show a high degree of financial involvement abroad, particularly in Japan. Similar ties exist in Canada, England, and the European Economic Community, Sweden, Mexico, Taiwan, Hong Kong, Korea, and elsewhere.

The corporations that paid for the advertisement should level with Congress and the American public by using their real names. It would then be clear that these "American" companies in ECAT seek more investment abroad, more manufacturing abroad, and thus more goods to be shipped into the United States. That is not foreign trade. That is intracorporate transfers, and the losers are American citizens who lose their jobs in machinery, electronic plants, sewing machine plants, and many more. Eventually, the loser is the entire American standard of living.

The materials follow:

CONGRESS: PLEASE DO NOT DECLARE A WORLD TRADE WAR

We're talking about the kind of trade war that may well result if protectionist quota legislation now pending in Congress before the Committee on Ways and Means of the House of Representatives is passed.

After 36 years of trade expansion, Congress now is considering the enactment of protectionist quota proposals that run contrary to our traditional trade policy contrary to the needs of most American business and agriculture, contrary to the budget of every American household and contrary to our vital, immediate interests in international negotiations. If passed, this legislation could touch off a chain reaction of retaliatory measures by our trading partners around the world.

This threat of a global trade war is one of the reasons the Emergency Committee for American Trade is concerned about the proposed protectionist legislation. But there are other close-to-home reasons. Enacting such protectionist legislation would:

Gravely jeopardize foreign markets for American business, labor and agriculture that now total some $37 billion.

Create further harmful inflationary pressures to the detriment of the consumer by arbitrarily limiting foreign sources of supply.

Weaken the U.S. balance of payments position by reducing the U.S. balance of trade surplus. Government experts currently expect that, under present circumstances, the 1970 trade surplus will be double that of 1969's $1.3 billion. A trade war will drastically alter these circumstances.

Blunt domestic incentives to modernize, to cut costs, to increase productivity and output by erecting shields of government restrictions about certain industries.

Jeopardize jobs of American workers now employed in foreign trade, a labor force of some 4 million.

We urge Congressmen, the Administration and every American to think of these things when considering the import quota legislation. After all, who wants to start a trade war which nobody wants—and nobody wins?

EMERGENCY COMMITTEE FOR AMERICAN TRADE

(1211 Connecticut Avenue, N.W., Washington D.C. 20036—799 Broadway, New York, New York 10003)

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Lee S. Rickmore, Chairman, National Biscuit Company.

James H. Binger, Chairman of the Board, Honeywell Inc.

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Walter B. Wriston, Chairman, First National City Bank.

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* Chairman of ECAT.

Partial summary of foreign holdings of multinational companies listed in advertisement paid for by "Emergency Committee for American Trade":

SUMMARY OF FOREIGN HOLDINGS

BOEING CO.

1. Wholly owns Boeing of Canada Ltd.; engaged in overhaul, modification, field service and spare part support for Vertol helicopters in Canada.

2. Is affiliated with and owns 10% of the largest aerospace company in Germany Messerschmidt Bolkow—Blohm GmbH.

3. Company planning to construct a $3.5 million structural fiberglass factory near Winnipeg, Manitoba.

NATIONAL BISCUIT CO.

1. Company has world-wide operations.
2. Some of the company's subsidiaries are:
Christis, Brown & Co. Ltd. (Canada).
Nabisco, Ltd (England).
Fireside Food Products Co. Ltd (Canada).
Griffin & Sons, Ltd. (New Zealand).
Nabisco—La Favorita C.A. (Caracas, Venezuela) 60% owned.
Kut-as-Sayyid Estate, Ltd. (Iraq).
Saiua Biscotti ed. affini S.p.A. (Italy).
Reid Milling Ltd. (Canada).
Nabisco-Fomosa, S.A. (Mexico).
National Biscut (France).
Oxford Biscuit Factory Ltd. (Denmark).
Industries Nabisco-Cristal, S.A. (Nicaragua).

HONEYWELL, INC.

1. Some subsidiaries are:
Honeywell Controls, Ltd. (Toronto).
Honeywell, A.B. (Stockholm, Sweden).
Honeywell, N.V. (Amsterdam, The Netherlands).
Honeywell Europe, Inc., (Brussels, Belgium).
Honeywell, S.A.I.C. (Argentina).
Honeywell GmbH. (Frankfurt, Germany).
Honeywell Defense Products Europe, S.A. R.L.
Oy Honeywell A.B. (Helsinki, Finland).
2. Affiliates:
Yamatake-Honeywell Keiki Co, Ltd. (Japan) 50% owned.
Yamatake-Honeywell Co. Ltd. (Taiwan).

CATERPILLAR TRACTOR CO.

1. Wholly owns:
Caterpillar of Australia Ltd.
Caterpillar of Belgium S.A.
Caterpillar of Brasil S.A.
Caterpillar of Canada Ltd.
Caterpillar Mexicana, S.A. de C.V.
Caterpillar Overseas Credit Corp. S.A.
Caterpillar France S.A.
Caterpillar (Africa) (Pty) Ltd. Johannesburg, S. Africa.
Caterpillar FarEast Ltd. Hong Kong.
2. Affiliates:
Caterpillar Mitsubishi Ltd. Tokyo, equally owned with Mitsubishi Heavy Industries Ltd., Segami, Japan.

BENDIX CORP.

1. Some subsidiaries are:
Akebono Brake Industry Co. Ltd., (Tokyo) 10.3% owned.
Jidosha Kiki (Tokyo) 13% owned.
Bendix Taiwan Ltd. (Taiwan)
Ducellier et Cie (Paris, France) 60% owned.
Jurid Werke Gmbh (Hamburg, Germany) 49% owned.
Bendix Mintex (Pty.) Ltd. (Australia) 51% owned.
Greenpar Engineering Ltd. (Essex, England).

AMERICAN MOTORS

1. Some subsidiaries are:
American Motors (Canada) Ltd.
Canadian Fabricated Products Ltd.
American Motors of South Africa (Pty.) Ltd.
American Motors del Peru.
A.M.C. de Venezuela, C.A.
2. Affiliates:
IKA-Renault S.A.
Vehiculos Automotors Mexicanos, S.A.

MCDONNELL DOUGLAS CORP.

Some subsidiaries are:
Douglas Aircraft Co. of Canada Ltd.
McDonnell Douglas Japan Ltd. (Tokyo).

MC GRAW-HILL, INC.

1. Some major subsidiaries are:
McGraw-Hill Co. of Canada, Ltd.
McGraw-Hill Book Co. (South Africa) (Pty.) Ltd.
McGraw-Hill Publishing Co. Ltd. (England).
McGraw-Hill Book Cd., GmbH, Dusseldorf, Germany.
Libros McGraw-Hill de Mexico S.A. de C.V.
2: Affiliates:
Technic Union, Paris, France (49% interest).
New Medical Journals Ltd. London, England (50% interest).
World Medical Publications S.A. Brussels, Belgium (50% interest).
Nikkei-McGraw-Hill Inc. Tokyo (49% owned).
Tatu-McGraw-Hill Pvt. Ltd., New Delhi, India (40% owned).
Penguin Publishing Co. Ltd. (Great Britain) 10% owned.

FORD MOTOR CO.

1. Ford Motor Company, Ltd., Britain, produces cars, trucks, commercial vans and Ford tractors, and is the 2nd largest producer of such items in the British Isles.

2. Ford Motor Company of Canada, Ltd. (81% owned) is the 2nd largest producer of passenger cars and the largest producer of trucks in Canada.

3. Ford-Werke A/G produces Ford cars, light buses, pickups and vans, and is the 3rd largest producer of such vehicles in Germany.

Subsidiaries and branches:

4. Ford also has affiliates in many countries:
Ford Motor Co. S.A. Mexico.
Ford Motor Argentina.
Ford (Uruguay) S.A.
Ford Motor Co. Del Peru S.A.
Ford Motor Co. A/S Denmark 78% owned.
Willys Overland do Brazil S.A. Industria E Comercio (Brazil) 52% owned.

SPERRY-RAND CO.

1. Main subsidiaries are:
Sperry Rand Canada.
Sperry Rand Ltd. (England).
Sperry Rand Italia, S.P.A. (Italy).
Vickers (Germany) G. mbH.
Sperry Rand Australia Ltd.
2. Affiliates:
Tokyo Keiki Seizosho Co. Ltd.
Nippon Univac Kaisha Ltd. (Japan).
Oki Univac Kabushiki Kaisha (Japan).
West & de Toit (S. Africa).

BRISTOL MYERS CO.

1. Subsidiaries:
Bristol Banyu Research Institute Ltd. (Japan).
Bristol Laboratories (Japan) Ltd., Bristol Industries Ltd. (Taiwan).
Bristol Laboratories of Canada Ltd.
Bristol-Myers Co. Ltd. (England).
Deutsch-Drackett Inc.
Bristol-Myers, Canada Ltd.
Bristol-Myers (Japan) Ltd.
Clairol (Japan) Ltd., Hair Coloring Industries (Japan) Ltd.

W. R. GRACE AND CO.

1. Some subsidiaries are:
Dearborn Chemical Co. Ltd. (Canada).
Dubois Chemicals of Canada, Ltd.
Golding Bros. Canadian Ltd.
Howard & Sons (Canada) Ltd.
Leaf Confections Ltd.
Willard Chemical of Canada Ltd.
Leaf Belgium N.V.
S. A. Rene Weil, France 85% owned.
Hughes Bros. Ltd., Ireland.
N.V. Cacaofabriek de zoan (The Netherlands).

UNITED AIRCRAFT

1. Subsidiaries:
United Aircraft of Canada Ltd. 90.6%.
2. Affiliates:
Ratier-Forest S.A. France (15% owned) makes aircraft and missile components.
Precilec S.A. (France) 20% owned makes electronic components.
Orenda Ltd. (Ontario) 40% owned.

TEXAS INSTRUMENTS

1. Texas Instruments Japan Ltd (owned equally by Co. and Sony Corporation).
2. Some subsidiaries are:
Geophysical Service International Ltd.
Texas Instrumentos and Electronicos do Brazil Ltda.
Texas Instruments Ltd. (England).
Indonesia Surveys S.A.
G.S.I. de Mexico, S.A. de C.V.

BOISE CASCADE CORP.

1. Company has foreign utility operations, mainly sale of electricity, conducted through subsidiaries in Ecuador, Guatemala and Panama—the subsidiaries are:
Empresa Electrica del Ecuador Inc.
Empresa Electrica de Guatemala, S.A.
Cia. Panamena de Fuerza y Luz.
2. Company has subsidiaries including:
Boise-Cascade International, Inc. which owns Ontario-Minnesota Pulp and Paper Company, Ltd.
Mobile home and recreational vehicle plants in British Columbia, France, England, and The Netherlands.

CPC INTERNATIONAL

Principal Subsidiaries:
Clifford Love & Co., Ltd. (Australia).
Refineries de Maiz, S.A.I.yC. (Argentina).
Refinacoes de Milho, Brazil Ltda. (Brazil).
Canada Starch Co. Ltd.
Brown & Polson Ltd. (England).

LOCKHEED AIRCRAFT

1. Among the companies principal subsidiaries, wholly-owned, are:
Lockheed Aircraft Int'l. A. G. (Switzerland).
Lockheed Aircraft Int'l. Ltd. (Hong Kong).
Lockheed Aircraft Corporation of Canada, Ltd.
Lockheed Offshore Petroleum Services Ltd. Canada.
Lockheed S.A. de C.U. (Mexico).
Lockheed Aircraft (Australia) Pty., Ltd.

CONTINENTAL CAN CO., INC.

1. Principal subsidiary:

Continental Can Company of Canada Ltd.

H. J. HEINZ CO.

1. Subsidiaries:
H. J. Heinz of Canada Ltd.
H. J. Heinz Co. Ltd. (91.16% owned) British Isles.
Nichiro-Heinz Co. Ltd. (80% owned) to make and market Heinz products in Japan also in Australia, Belgium, Luxembourg, Holland, Portugal, Venezuela, Switzerland, Italy, Pago Pago, etc.

DEERE AND CO.

1. Subsidiaries:
John Deere Ltd. (Canada).
John Deere Intercontinental Ltd. (Ontario, Canada).
John Deere (France).
2. John Deere S.A. Mexico 75% owned.
John Deere-Lanz Ver waltungs A.G. Germany (99% owned).
John Deere, Ltd., South Africa, 75% owned.

HEWLETT-PACKARD CO.

1. Company's European operations are handled by wholly-owned Hewlett-Packard

S.A. (Switzerland). This company has 2 manufacturing subsidiaries and 9 marketing subsidiaries.

2. Affiliates:

Yokogawa-Hewlett-Packard, Ltd. (49% owned) makes electronic measuring instruments in a plant at Hachoti, Japan. The affiliate also handles companies marketing operations in Japan. Also in Canada, Mexico, Argentina, Brazil, Venezuela, Australia.

INTERNATIONAL PAPER CO.

1. Subsidiaries:

Canadian International Paper Company.
British International Paper Ltd.
Canadian International Pulp Sales Ltd.
International Paper Company (Europe) Ltd.
International Paper (France).

CARRIER CORP.

1. Subsidiaries:

Carrier Air Conditioning (Canada) Ltd.
Camwell of Canada Ltd.
Toyo Carrier Kogyo Kabushiki Kaisha (Japan) 75% owned.
Carrier International Sdn. Malaysia.
Carlyle Air Conditioning Co. Ltd., United Kingdom.
Carrier GmbH Germany.

BORG-WARNER CORP.

1. Wholly-owned subsidiaries include:

Arpic N. V. (Holland).
Borg-Warner Investments Pty Ltd. Borg-Warner (Canada) Ltd.
Borg-Warner Ltd. (England) which owns Marbon, Australia Pty. Ltd. (55%) Borg-Warner.
Australia Ltd. (75%) etc.

2. Affiliates (jointly owned).

Ube Cycon Ltd. (Japan).
Nsk-Warner KK (Japan).
Alsin-Warner KK.
York, India Ltd. New Delhi, India.

STANDARD OIL CO. (NEW JERSEY)

1. Company owns 70% of Imperial Oil Ltd. (Canada).

Company owns 23% of Introprovincial Pipe Line Co. (Canada).

Company owns all of Esso Eastern Chemicals, Inc., which coordinates chemical interests in Japan.

Southeast Asia, etc.

Company has extensive European, Latin American, Middle East and Far East holdings in Norway, Denmark, West Germany, Belgium, Venezuela, Brazil, Argentina, Chile etc.

IBM

Has 17 mfg. plants in 15 nations, including Japan.

IBM World Trade Corp. & its subsidiaries operate facilities in 108 countries in 1969.

PEPSI CO.

1. Subsidiaries:

Paso de los Torros, S. A. (Uruguay).
Shani Bottling Co. (Pty) Ltd. S. (Africa).
Pepsi-Cola Italia S.P.A.
Pepsi Co. Overseas Corp.
Food Enterprises Ltd. (Japan).
Mike Popcorn K. K. (Japan).
Pepsi-Cola (Japan) Ltd.
Pepsi-Cola (Pakistan).
Pepsi-Cola Ltd. (England).
Pepsi-Cola Refrigerantes Ltd. (Brazil).

KIMBERLY-CLARK CORP.

1. Subsidiaries:

Kimberly-Clark of Canada Ltd.
Kimberly-Clark Pulp & Paper Co. Ltd. (Canada).
Kimberly-Clark Lumber (Canada) Ltd. (inactive).
Kimberly-Clark de Mexico S.A. (60% owned).
Kimberly-Clark Far East Ltd. (Singapore) 60% owned.
Kimberly-Clark Ltd. (England) 66⅔% owned.

2. Co. has property in Japan.

SINGER CO.

1. Subsidiaries:

Commercial Controls Canada Ltd. (Canada).
Friden (Holland) N.V. (Netherlands).
Friden S. A. (France)—86 percent.
Singer Co. of Canada Ltd.
Singer-Cobbie Ltd. (Great Britain).
Singer Industries Ltd. Nigeria.

2. Affiliates:

Pine Sewing Machine Mfg. Co. (50 percent owned) which makes sewing machines in a plant in Utsunomiya Japan.

Wholly owns Matsumoto Mokko Ltd. which makes cabinetware.

Owns 50 percent of Pine Transportation Ltd.

Owns 45 percent of Controls Co. of Japan.

TIME, INC.

Company publishes 6 international editions of Time Magazine Subsidiaries:

Time-Life International de Mexico, S.A.
Time-Life International (Nederland) N. V. (with subsidiaries in England, France, Switzerland and Curacao).
Time International of Canada Ltd.
Little Brown & Co. (Canada) Ltd. 60 percent owned.

AMERICAN METAL CLIMAX

1. Some subsidiaries are:

Climax Molybdenum N. V. (Netherlands)
Amax Exploration Quebec Ltd.
Amax of Canada Inc.
Kawneer Co. Canada Ltd.
Northwest Amax Ltd. (Canada) 75 percent owned—the Climax Molybdenum Co. of Michigan owns the Climax Molybdenum Development Co. (Japan) Ltd.

CUMMINS ENGINE CO., INC.

1. Subsidiaries (wholly owned):

Cummins Diesel of Canada Ltd.
Komatsu-Cummins Sales Co. Ltd. (Tokyo-Japan) 51 percent owned.

2. Foreign Licensees, etc.:

Komatsu Mfg. Co., Ltd., Tokyo, Fried's Krupp (Germany), Diesel, Nacional S.A. (Mexico) etc., Mexico City.

LEVER BROS. CO. (UNILEVER LTD.)

Has interests all over the world, including Japan—subsidiaries and affiliates are not listed separately.

BOOZ, ALLEN & HAMILTON, INC.

International consultant firm in Canada, West Germany, France, Mexico, etc.

BELL & HOWELL CO.

1. Markets in U.S. a line of cameras produced by Canon Camera Co. Inc., Tokyo and sold as Bell & Howell—camera equipment.

2. Owns 90 percent of Japan Cine Equipment & Mfg. Co.

3. Wholly owned subsidiaries include:

Ditto of Canada Ltd. Toronto.
Bell & Howell Canada Ltd. Toronto.
Bell & Howell H. B., Sweden.
Bell & Howell France S. A. Paris.
Devry Institute of Technology of Canada, Ltd. and other subsidiaries in Sweden, Belgium, Switzerland, etc.

PFIZER, INC.

Produces in Japan—owns Pfizer Int. Corp. (Panama) owns 80% of Pfizer Taho Co. Ltd. (Japan).

KAISER ALUMINUM & CHEMICAL CORP.

Company has world wide foreign affiliates in Japan, England, Canada, Germany, Italy, etc.

MARCONA CORPORATION—SUBSIDIARY OF CYPRUS MINES

Has some world wide affiliates—has $250 million contract to provide Japanese Steel Makers with 4.2 million tons of lump ore.

GENERAL MOTORS CORP.

Has world wide holdings such as:

General Motors of Canada, Ltd.
Motors Holding of Canada Ltd.
Vauxhall Motors Ltd. (England).
Adam Opel (Aktienogesellschaft (Germany) General Motors Holden's Ptg. Ltd. (Australia) etc.)

CLARK EQUIPMENT

Company's products made world wide by licensees, some of whom are in Japan—Subsidiaries include:

Canadian Tyler Refrigeration Ltd.
Clark Equipment of Canada Ltd.
Clark Equipment Ltd. (Great Britain).

Also in Switzerland, France, Venezuela, West Germany, Belgium, Brazil, Argentina, Mexico, Spain, etc.

QUAKER OATS

Subsidiaries:

Quaker Oats Co. of Canada Ltd.
Quaker Oats Ltd. (England).
Quaker Oats Co. (Germany).
Quaker Oats Co. (New Zealand).

Also in Mexico, Nicaragua, Colombia, Sweden, etc.

DELTEC INTERNATIONAL LTD.

1. Company is in investment banking business primarily in Latin America and Europe.

LITTON INDUSTRIES, INC.

1. Has plants world wide, including Japan.

CHRYSLER CORPORATION

1. Subsidiaries include:

Chrysler Antemp Ltd. (England).
Chrysler Australia Ltd.
Chrysler Canada Outboard Ltd. (Canada).
Chrysler Canada Ltd.
Chrysler Antemp S.A. (France).
Rootes Motors Ltd. (England) owns 73.3%.

(Company entering into agreement with Mitsubishi Healy Industries Ltd. subject to Japanese government approval to form joint auto venture in Japan, (65% Japanese owned.)

AMERICAN EXPORT

1. American Export Industries owns 97.49% American Export Isbrandtsen Lines, Inc.

2. Owns 95% of Premium Iron Ores Ltd. (Toronto) Owns American Export International, Inc.

XEROX CORPORATION

1. Company is world-wide, some principal subsidiaries include:

Universal Microfilms Ltd. (England).
Xerox of Canada Ltd.

2. Company affiliates include:

Rank Xerox Ltd. (England) owned 50%.
Owns 50% of Fugi-Xerox (Japan).

CHASE MANHATTAN BANK

Has branches in many countries.

FIRST NATIONAL CITY BANK

Has branches in many countries.

BANK OF AMERICA

Has branches in many countries.

GAINESVILLE DESERVES TO BE ALL-AMERICAN

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida (Mr. FUQUA) is recognized for 10 minutes.

Mr. FUQUA. Mr. Speaker, Gainesville, Fla., is one of 22 cities chosen from across the Nation as finalists in the All-American Cities Awards Competition.

Approximately 100 entries were received in the competition which is cosponsored by the National Municipal League and Look magazine. The finalists were recently announced by William W. Scranton, president of the League, and former Governor of Pennsylvania.

A spokesman for the league said that the finalists this year had stressed ac-

complishments in the areas of social and race relations and community development.

Gainesville's entry was sponsored by the Gainesville Area Chamber of Commerce which cited 12 community organizations and 20 University of Florida fraternities as participants in community programs.

Particularly cited by the chamber were projects such as "Project Samson" in which University of Florida students worked in liaison with local anti-poverty agencies and students. Through this program they have tutored thousands of culturally deprived children and worked in adult and day-care centers as well as many other projects.

"Corner Drug Store" is an original concept of drug counseling. "Operation Outreach" was cited as a work-study program for disadvantaged youth, and "Come Together Day" was a fraternity-sponsored program to bridge the communications gap between diverse groups.

Concerned citizens combined their efforts through "Classroom '68" to revitalize a once defeated schoolbuilding bond issue. The issue was passed 3 to 1 after a concerned effort on the part of citizens of the community.

Gainesville is a progressive city which has grown from a small agricultural community following World War II into a modern cosmopolitan university city.

As the city grew, so did its problems. With the development of the University of Florida Medical Center came a Veterans' Administration hospital, and Gainesville became a national center for medical research.

The University of Florida has grown by leaps and bounds, and is today one of America's foremost educational institutions.

The story of Gainesville cannot be told in numbers of members of organizations or in projects, but only in the individual efforts of so many citizens who were genuinely concerned about the problems facing their community and a determination to do something about it.

Let me cite particularly the Gainesville Area Chamber of Commerce which is recognized as one of the most outstanding of such organizations in our State. They were an integral part of the Gainesville story which is the story of people concerned about the problems of modern society and a community willing to make the sacrifices necessary to do something about them.

There are problems which remain to be solved. But I submit that an aggressive and dedicated community has made forward strides far beyond those made by most cities its size.

In my opinion, Gainesville is an All-American City, and its story an inspiration for a nation so beset by urban problems. This country can well look to Gainesville as an example of what can be done when people care.

When the final selection of All-American Cities is made, I feel certain that Gainesville will be in that select number. It would be a well-deserved tribute.

LET US USE NASA'S EXPERIENCE TO FIGHT POLLUTION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. CHARLES H. WILSON) is recognized for 10 minutes.

Mr. CHARLES H. WILSON. Mr. Speaker, yesterday I attended the California Congressional Delegation Conference on Federal Air Pollution Control Legislation organized by the American Broadcasting Co. I would at this time like to express my appreciation to ABC for sponsoring that worthwhile meeting and to encourage them and other public service minded organizations to increase participation in and support of such activities.

As Members of Congress we are all painfully aware of the threat pollution poses to our environment and health. We are also cognizant of the immensity of the task before us; the task of saving man from himself and protecting our ecological niche. President Nixon in his 1970 state of the Union speech and in his February 10 environmental message vowed to make the quality of life in rural and urban America a major concern of his administration. Many of us have spoken out here on the floor of the House and introduced numerous pieces of proposed legislation to combat the problem. Newspapers, radio, and television have all devoted special attention to this blight. But progress has been slow in coming while the time remaining to solve the problem is rapidly running out.

In the April 24, 1970, issue of Congressional Quarterly, it was pointed out that a number of Federal agencies have been reorganized to stress environmental activities. The Water Quality Improvement Act of 1970 changed the name of the Federal Water Pollution Control Administration to the Federal Water Quality Administration. In the Department of Health, Education, and Welfare, a reorganization plan which became effective February 1 renamed the former Consumer Protection and Environmental Health Service. On January 13, the State Department announced the formation of a new Office of Environmental Affairs the purpose of which is to consider international pollution efforts. The Federal Power Commission has recently established an office of adviser on environmental quality and Congress created the National Water Commission to report by 1973 on various aspects of water programs including meeting future needs, pollution abatement, technological advances and the like.

In addition, the Interior Department has created an environmental planning staff, the Bureau of Mines was reorganized to separate its health and safety enforcement functions from its mineral resources and environmental functions, the Department of Transportation created the post of Assistant Secretary for environment and urban affairs and the White House has established its own proliferation of environmental groups.

As asked in the Congressional Quarterly article:

Does all the activity on Capitol Hill and in government agencies just represent a 1970 fad? Or have the problems of man's effect on land and atmosphere finally caught on enough to sustain concerns for finding solutions?

I hope that the answer to the latter question is in the affirmative.

In an effort to insure continuation of the struggle to clean our surroundings I propose to utilize a work force consisting of the most expert scientists and engineers in the world. The resolution I introduce today calls for the reorienting of the National Aeronautics and Space Administration into the environmental area. With funds for space activities being cut by the Congress and domestic and environmental programs receiving greater and greater priority, I felt it would be a tremendous loss to our Nation to allow the scientists and engineers now employed by NASA who constitute a unified, coordinated, and extremely competent work force to be disbanded. Accordingly, I feel these individuals can lend their expertise into antipollution undertakings and I am calling for the President to direct NASA programs into this area and for the Congress to take cognizance of NASA's expanded role.

As an advocate of economic conversion who has particularly been concerned with the problems faced by the aerospace industry in southern California, I feel the personnel of NASA can adapt to the change in roles that I call for and work effectively in combating the problem. Needless to say, I envision similar roles available for members of the aerospace industry many of whom, at the present time, are not needed by firms in that field. Every effort must be made to utilize the skills of these individuals as well and I intend to continue in my efforts to utilize their talents for the national good.

I now intend to contact my distinguished colleague from my home State (Mr. MILLER) who chairs the Science and Astronautics Committee and Mr. TEAGUE of Texas who chairs the NASA Oversight Subcommittee to determine their reactions to my resolution. Hopefully, with their support, we will be able to utilize the assistance of the men who safely landed Americans on the moon. With their help in the environmental fight our success will be assured and man will survive so that someday the stars may be ours.

For my colleagues' information, I now include the text of my concurrent resolution and the agenda, list of invitees and participants, and suggestions put forward at the conference:

H. CON. RES. 710

A concurrent resolution to utilize more effectively the expertise and abilities of the scientists and engineers associated with the National Aeronautics and Space Administration in the fight against environmental pollution

Whereas due to the technological and industrial breakthroughs of the twentieth century the environment has been steadily polluted; and

Whereas both state and Federal governments have taken cognizance of the immediate need to combat this pollution; and

Whereas the cost of effectively curtailing all forms of pollution presently afflicting the

United States and every other nation on earth is extremely high; and

Whereas the necessity of combatting the pollution that is contaminating the air we breathe, the water we drink and the food we eat is immediate; and

Whereas the destruction of life forms that play a vital role in maintaining man's ecological niche must also be immediately halted; and

Whereas environmental responsibilities of major federal agencies are quite dispersed and uncoordinated; and

Whereas efforts to date to unify federal activities have not been effective; and

Whereas there exists under one federal agency at this time, a unified work force of such scientific and technical competence as to be unsurpassed in the history of mankind; and

Whereas this body of men and women are employed by the National Aeronautics and Space Administration; and

Whereas due to the environmental crisis and pressing domestic needs, the space program is being curtailed; and

Whereas due to this curtailment many scientists and engineers will out of necessity be forced to leave the National Aeronautics and Space Administration; and

Whereas the loss of these individuals would represent a loss to the nation of an experienced and coordinated team which should not be allowed to be disbanded; and

Whereas the need for technological breakthroughs aimed at saving our environment is extremely pressing: Now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), That it is the sense of Congress that: (1) That the President should take those steps necessary to insure the continued utilization of employees of the National Aeronautics and Space Administration and treat them as a source of unlimited expertise and accordingly as a national resource; and (2) direct an increase in the National Aeronautics and Space Administration's present anti-pollution activities in the fields of energy and fuels, and science, research and technology; and that the National Aeronautics and Space Administration assign such funds as necessary from its Congressional appropriations as to insure that a top priority is given to environmental activities of that Administration.

THE CALIFORNIA CONGRESSIONAL DELEGATION CONFERENCE ON FEDERAL AIR POLLUTION CONTROL LEGISLATION

AGENDA

1. 11:30 a.m.—Welcoming remarks by Ben Hoberman, Vice President, American Broadcasting Company, and General Manager, KABC Radio, Los Angeles.

2. Introductory remarks by Dr. Michael Sommer, Director of Community Relations, KABC Radio, Los Angeles.

3. Morning work session.

4. 1:00 p.m.—Lunch.

5. Afternoon work session.

6. 2:30 p.m.—Adjournment.

INVITEES TO CONFERENCE

1. Congressmen: Anderson, Bell, Brown, Burton, Clausen, Clawson, Cohelan, Corman, Edwards, Goldwater, Gubser, Hanna, Hawkins, Holifield, Hosmer, Johnson, Leggett, McCloskey, McFall, Mailliard, Mathias, Miller, Moss, Pettis, Rees, Rousselot, Roybal, Sisk, Schmitz, Smith, Talcott, Teague, Tunney, Van Deerlin, Waldie, Wiggins, Bob Wilson, Charles Wilson.

2. Senators: Cranston, Murphy, Muskie.

3. Executive: Secretary Volpe, Secretary Richardson.

4. Governors: Reagan.

5. Mayors: Alioto, Yorty.

6. Supervisors: Debs, Dorn, Hahn, Feinstein.

7. State Senators: Nejedly, Petris.

8. State Assemblymen: Sieroty, Schabarum.

9. Broadcasting Associations: Smiley.

10. Automobile Industry: Ford, Townsend, Roche, Chapin, Mann.

11. Air Pollution Control Experts: Chass, Feldstein.

12. Scientists: Dr. Haagen-Smit, Dr. Starkman, Dr. Libby, Dr. Beard, Dr. Pitts.

RECOMMENDATIONS FOR TOPICS OF DISCUSSION BY CONFERENCE

(Suggested by the following participants at a pre-conference meeting August 5, 1970, at the California Institute of Technology:)

Dr. A. J. Haagen-Smit, Chairman, California Air Resources Board and Professor, California Institute of Technology;

Mr. Robert Bush, Deputy to Los Angeles County Supervisor Kenneth Hahn;

Mr. Robert Lunche, Chief Deputy Air Pollution Control Officer, Los Angeles County Air Pollution Control District;

Mr. Walter J. Hamming, Chief Air Pollution Analyst; Los Angeles County Air Pollution Control District;

Additional suggestions were made upon a review of these recommendations by Mr. Robert Chass, Air Pollution Control Officer, Los Angeles County Air Pollution Control District.

I. General topics recommended for discussion by preconference participants

1. The desirability of Federal assistance to and cooperation with the States, private and public power sources in smog prevention and control.

2. The desirability of additional Federal air pollution controls and legislation affecting the States.

3. The desirability of resolutions by the California Congressional Delegation urging additional Federal air pollution controls and legislation for all States.

4. The desirability for Federal strict compliance with air pollution control standards.

II. Specific topics recommended for discussion by preconference participants

1. The desirability of Federal financial support for full-scale application of air pollution control techniques by States and local agencies, including Federal financial support for State and local inspection, monitoring, measurement, etc.

2. The desirability of Federal income tax exemptions for individuals wishing to install State-approved emission control devices on pre-1966 automobiles.

3. The desirability of Federal legislation requiring automobile manufacturers to guarantee emission control systems on new automobiles for a minimum of 10,000 miles of car usage, and preferably for 20,000 or 50,000 miles of car usage.

4. The desirability of Federal time schedules for the phasedout removal of lead from gasolines.

5. The desirability of Federal requirements and time schedules for the lowering of octane levels in gasolines.

6. The desirability of the creation by Congress of a Federal Power Plant Commission whose determinations regarding the sites of power plant locations should be coordinated with similar State commissions.

7. The desirability of Federal financial support for the creation and operation of additional local and State pollution control agencies, including the providing of Federal technical assistance in personnel and equipment.

8. The desirability of Federal encouragement and financial incentives for the building of nuclear power plants.

9. The desirability of Federal financial assistance to State and local agencies for solid waste disposal.

10. The desirability of Federal research funds to State and local agencies for the improvement of pollution control technology.

11. The desirability of Federal compliance with local pollution control regulations and permits.

12. The desirability of Federal post-assembly line inspection of emission control devices on new automobiles.

13. The desirability of the substitution of 1973 automobile exhaust emission standards with 1975 standards, and the substitution of 1975 standards with 1980 standards.

14. The desirability of the increased allotment of natural gas supplies by the Federal Power Commission.

15. The desirability of Federal tariffs and quotas on low sulfer oil imports.

16. The desirability of firm Congressional support of the Murphy Amendment to the Clean Air Act.

TRADE RESTRICTIONS ILL-ADVISED

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. HANNA) is recognized for 30 minutes.

Mr. HANNA. Mr. Speaker, the issue of textile import restrictions, although the subject of much high sounding and magnanimous rhetoric, is, after all, simply one of participation in a market. To put it plainly, a market is created when people have money to spend. This money comes from jobs. If and when jobs are denied or decreased, so likewise goes the market. This, then, is the substance of the issue over imports. In the prevailing environment of a downturn in business and an upturn in unemployment, many are focusing on imports as the culprit. Although merely a short-term outlook, this viewpoint is fast becoming, if it has not already become, the dominant political one.

I feel justified in seeing this point of view as being dominant for four specific reasons: First, over 200 of my colleagues have joined Chairman MILLS in supporting legislated trade restrictions, and that ultimately over 300 will be behind such legislation; second, through vigorous efforts, the textile industry has made great strides in minority employment, thus garnering support from minority groups for restrictive legislation; third, the labor unions have now taken a protectionist turn and have added their support for trade restrictions; and fourth, the President has indicated his clear support for definitive steps to rectify the problem. I feel I must also point out that this commitment is, however, in no wise unattached from campaign promises made by Mr. Nixon in the early stages of his southern strategy, moves which were directed to protect and improve the conditions of the southern textile industries.

These, then, are the political realities which must be taken into account. However, I also feel that we should seriously examine the premises behind these political facts of life.

The specific argument being made by those urging imposition of textile import quotas is that the domestic textile industry is being severely damaged by competition from imported textiles. I

find little substance to this argument, as indicated by the figures in the attached information: the textile industry as a whole has seen marked advances in both net and gross income over the past five years. As for those few that have not managed so well, given the general picture, I would suggest that reasons other than textile imports are behind such failures. No other explanation can logically account for the differences between the accomplishments of Indian Head, Inc., and the dismal showing of Spring Mills, Inc. As the figures indicate, Indian Head has doubled its gross income and almost tripled its net income while Spring Mills was experiencing a significant decline in gross income and what must be almost a debilitating reduction in net income. Such erratic performance cannot be attributed to increased competition from imports unless the entire industry is equally affected, which is obviously not the case. I submit that a more plausible cause lies in the quality of management and administration—in this area there can be contrasting indices of performance as these inputs are isolated from the market processes, which the effect of imports quite obviously is not.

I am further disappointed by the apparent conviction held by the textile industry that it should escape the consequences of the Nixon administration's ineptness in fighting this Nation's inflation problems. By its arguments, it seems that the textile industry expects to experience no increase in unemployment and no decline in business activity when these very same conditions are afflicting the entire business community in this country. I have not been apprised of any statistics which indicate that the American textile manufacturers are suffering any more in these areas than any other comparable business sector in the economy. As a matter of fact, the loss of jobs in the aerospace industry alone far outnumbers the positions lost in the textile industry. The unemployment and underemployment in this Nation's vital housing industry reveals but another obvious error in emphasis by this administration.

Another aspect of the domestic textile market deserves mention at this time. I refer specifically to the composition of the domestic market. One small fact which is ignored by the supporters of restrictive quotas as citations of the great quantity of imports flooding the market are produced is the actual percentage of the supply provided by imports. I believe this figure is vital as it gives the relative position of imports to the domestic supply. In dollar value, all textile imports supply only 4 percent of the domestic consumption. This figure is for total imports and I think as I now turn to specifics of certain supplying countries the need for a selective approach to the problem of textile import restrictions will become clear.

Other data which I am appending to this statement relates to Pacific Ocean countries which serve as significant suppliers of textile imports to the United States and the role played by the textile industry in the domestic economies of those countries. I draw attention to the figures dealing with the Republic of Korea (ROK) and the Republic of China—ROC—Taiwan, as against the situation elsewhere, particularly pertaining to Japan. As the figures show, the balance of trade between the United States and Korea and China has placed both of these countries deeply in debt to the United States. Such is obviously not the case with Japan.

A strong case can be made for these two countries as being developing countries, especially in the field of textiles. I am fully aware that most of the discussion relative to Pacific Ocean textile supplying countries has centered about Japan. I would point out, however, that Japan does not speak with a common voice for all of these countries. Given this clarification, I think it important to consider fully the implications any general restrictive quotas might have for the separate and quite distinct economies of this area.

As can be seen in the attached information, ROC provides but 2.6 percent of all cotton textile imports. ROC and ROK combines provide only 3.3 percent of all wool imports. A special case arises in the field of manmade textiles, of which ROC and ROK together supply 22.7 percent of all imports, the circumstances of which I will return to later. In any event, it seems quite clear that these percentages can not play a significant role in the alleged problem with import competition against domestic production, a competition which, if you will recall, comprises but 4 percent of the total domestic market.

An entirely different picture emerges, however, upon examination of the role played by the textile industry in the domestic economies of the exporting countries, particularly relative to the export facet of the economies. In ROC, textile exports comprise almost 25 percent of all exports, in ROK, almost 40 percent. Of these percentages, the United States absorbs almost 40 percent of the textile exports of ROC and almost 50 percent of the textile exports of ROK. It should be quite apparent the impact restrictive quotas would have on these economies.

This destructive impact would not be limited to the domestic economies of the supplying countries. We must not forget that U.S. aid investments of hundreds of millions of dollars have been directed to making the people of these two countries consumers. With one stroke of the pen, we will in effect deny the United States this market. Ultimately, the trade balance will be the final arbiter of this action. For, if we deny these countries the U.S. dollars needed to purchase U.S. exports by restricting imports, then there will follow predictable offsetting export losses. These countries will be forced to develop new trading partners and new markets and the U.S. economy and consumer will lose.

An interesting sidelight to this economic backfire has been ignored, to date, by the proponents of this bill. The initial, short term benefits will fall in the main on the east coast, as the West and Midwest are deprived of their primary sources of supply, the Pacific Ocean nations. As these suppliers deplete their supply of U.S. dollars, their purchases of U.S. exported foods and foodstuffs, grains and fiber—items produced by the West and Midwest—will fall. This will endanger many of those employed in these activities, and no protection has been considered for these jobs as well as numerous positions in other export industries whose markets will be restricted—machinery, aircraft, computers; these jobs need protecting as much as those in the textile industries.

One last item before closing deals with a subject mentioned earlier, that of manmade textiles. This industry shows great promise for developing countries due to its high potential differential in costs which permit high profit. For a minimum outlay for crude chemicals, these industries, after minimal processing, can achieve a high net profit, a margin essential to developing countries.

A detailed consideration of other aspects of this bill reveal further significant impacts. The "trigger" date, 1967, is particularly beneficial to Japan as it seriously affects the competition facing the Republic of Korea and the Republic of China. In 1967, the Japanese exports were at their peak and Korea and China were only just beginning to compete in the world market. Thus, the provisions of this bill are not equitably applied, as has been argued by many. Japan's position is carefully safeguarded as the sole source of these imports at the expense of other suppliers. This may well develop into a statistical progression increasingly in favor of Japan as Japan will receive more and more of the consumer's purchasing dollar as prices increase. To my mind, it seems strange and unproductive to turn our public trade policy against free trade and against the consumer with special legislation for special people.

If my colleagues will recall, yesterday I urged the Rules Committee to provide this body with the opportunity to consider in some detail the provisions of this far-reaching bill. I reiterate now this plea and implore the Rules Committee to provide, if not an open rule, then at least a modified closed rule which will permit an up-or-down vote on the separate titles of the bill.

As I understand the proposed bill, it will consist of three titles. The first, dealing with Presidential authority to adjust tariffs on imported goods on labor-cost ratios is, at best ill-timed, although certain portions might be acceptable. The second title provides totally unjustifiable protection to one segment of our economy, and, as I have pointed out earlier, a segment not realistically in need of such protection. Totally ignored in this regard are the numerous small businesses which do deserve some form of protection from Japanese competition, such as musical instrument manufacturers. There are a plethora of small businesses which are literally being run out of business and whose cases are considered only to a severely limited degree, if at all, in this title.

The major portions of the third title I have little quarrel with. I am, however, upset over the provisions, as I understand them, dealing with domestic internation-

al sales corporations. In my opinion, DISC will place a needless burden on the Treasury and, ultimately, on the American taxpayer. I am not impressed that this is a program which will improve the performance of export industries in the international market.

In a letter to the President, I have urged the formulation of what I consider to be viable alternatives to this disturbing piece of legislation. The text of this letter follows as does the information which I mentioned earlier. I urge my colleagues to give careful and detailed attention to this information as I feel it provides a significant insight into the allegations and myths surrounding this issue.

The material referred to follows:

AUGUST 7, 1970.

President RICHARD NIXON,
The White House,
Washington, D.C.

DEAR MR. PRESIDENT: It is encouraging to note your recent statements on the probable destructive impact of the trade restriction legislation now being considered by the Ways and Means Committee. I share your concern that these proposals do not offer what is required to provide the necessary amelioration for the diverse domestic economic activities which are not competitive with today's imports.

To my mind, there exist more constructive means of dealing with this problem, means which will not have the precipitate and deleterious effect on our international trade relations as those now under consideration. I would urge the immediate formulation of proposals as follows:

(1) A program to provide government assistance to individual firms and workers injured by import competition;

(2) A program supported by the Federal government to improve and support the competitive position of the affected industries; and

(3) A program supported by the Federal government to retrain and redirect those employees irretrievably damaged by import competition.

These approaches, in my opinion, are more intelligent and rational and less negative than the approach now being considered. For these reasons, I feel there would be wide support in the Congress for such programs.

Of course, my full support will be forthcoming for any effective anti-dumping measures. Likewise, I encourage strong and effective actions, whether taken unilaterally or multilaterally, against unfair competition from our international trade partners.

I hope you can understand and share my deep concern for the future of the principles of free trade and healthy international competition. These have been the historical hallmark of America's international economic and trade policies. Any actions, whether legislative or executive, which serve to tarnish these policies must be avoided.

Thanking you in advance for your consideration of this matter, I remain

Yours sincerely,

RICHARD T. HANNA,
U.S. Congressman.

GENERAL EXPLANATORY OUTLINE OF THE DATA PRESENTED BELOW

I. Domestic textile industry (Exhibit A).
A. Market standings.
B. Economic condition.
II. Long Term interests and history re international trade (Exhibit B).
A. Percentage of textile imports re domestic consumption.
III. Contribution to "problem" (Exhibit C).
IV. Impact of Restrictions on Foreign Economies (Exhibit D).
A. Japan.
B. Hong Kong.
C. China.
D. Korea.

EXHIBIT A

BURLINGTON INDUSTRIES, INC.

Operates 127 plants in 90 U.S. Communities: 75, North Carolina; 52, 14 other states.

A. Stock activities

1. Trading prices (high and low): 1966, 50½, 25¼; 1967, 43⅜, 27⅛; 1968, 51¼, 38⅛; 1969, 46⅜, 32¼.

2. Dividends paid (stock split 2 for 1, July 1965):

1966	$1.10
1967	1.20
1968	1.30
1969	1.40

B. Earnings and volume

1. Earnings:
a. Net income:

1966	$77,094,019
1967	58,243,000
1968	78,952,000
1969	78,135,000

b. Gross income:

1966	$207,459,696
1967	183,628,000
1968	248,327,000
1969	259,415,000

CANNON MILLS CO.

Operates 16 plants in 8 U.S. Communities: 14, North Carolina; 2, South Carolina.

A. Stock activities

1. Trading prices (high and low): 1965, 128, 91; 1966, 128, 76; 1967, 100, 75; 1968, 89, 75.

2. Dividends paid:

1965	$3.95
1966	4.60
1967–69	4.00

B. Earnings and volume

1. Earnings:
a. Net income:

1965	$25,394,995
1966	20,483,574
1967	13,788,409
1968	17,748,409

b. Gross income:

1965	$58,930,203
1966	46,982,977
1967	37,574,656
1968	50,127,399

COLLINGS & AIKMAN CORP.

Operates 22 plants in 20 U.S. and Canadian communities: 11, North Carolina; 2, Pennsylvania; 3, Quebec; 4, Georgia; 1, South Carolina; 1, Ontario.

A. Stock activities

1. Trading prices (high and low): 1966, 35⅜, 18; 1967, 32, 19; 1968, 49⅞, 27⅛; 1969, 30⅛, 20.

2. Dividends paid:

1966	$1.15
1967	1.20
1968	1.20
1969	0.67½
1969 (after 3 for 2 split, June 1969)	0.50

B. Earnings and volume

1. Earnings:
a. Net income:

1966	$6,865,197
1967	6,217,533
1968	7,162,530
1969	10,510,609

b. Gross income:

1966	$169,907,000
1967	180,259,000
1968	195,952,000
1969	232,422,000

CONE MILLS CORP.

Operates 25 plants in 5 states: 16, North Carolina; 1, Alabama; 1, New Jersey; 6, South Carolina; 1, Texas.

A. Stock activities

1. Trading prices (high and low): 1965, 32, 20¾; 1966, 32½, 20; 1967, 28⅛, 20¾; 1968, 25¼, 19⅝; 1969, 24⅝, 13¼.

2. Dividends paid:

1965	$1.00
1966–67	1.20
1968–69	1.00

B. Earnings and volume

1. Earnings:
a. Net income:

1965	$9,563,485
1966	12,430,248
1967	6,377,261
1968	3,449,513

b. Gross income:

1965	$281,764,000
1966	319,306,000
1967	286,348,000
1968	281,022,000

DAN RIVER MILLS, INC.

Operates plants in 18 U.S. communities: 9, South Carolina; 2, Virginia; 1, Georgia; 5, Alabama; 1, North Carolina.

A. Stock activities

1. Trading prices (high and low): 1965, 34½, 20⅜; 1966, 37⅝, 20; 1967, 26, 20⅛; 1968, 27¾, 21.

2. Dividends paid:

1965	$1.00
1966	----
1967	----
1968	1.20

B. Earnings and volume

1. Earnings:
a. Net income:

1965	$13,742,329
1966	15,311,834
1967	7,847,000
1968	7,523,000

b. Gross income:

1965	$281,633,000
1966	320,475,000
1967	283,830,000
1968	313,083,000

FIELDCREST MILLS, INC.

Operates plants in 12 U.S. communities: 10, North Carolina; 1, Virginia; 1, Georgia.

A. Stock activities

1. Trading prices (high and low): 1965, 37⅝, 29⅞; 1966, 33¾, 19; 1967, 29⅛, 20; 1968, 45½, 25½.

2. Dividends paid:

1965–67	$1.20
1968	1.30

B. Earnings and volume

1. Earnings:
a. Net income:

1965	$7,588,000
1966	8,300,000
1967	6,938,000
1968	9,579,000

b. Gross income:

1965	$179,456,000
1966	194,860,000
1967	196,825,000
1968	233,005,000

INDIAN HEAD, INC.

Operates 64 plants in 22 states and 2 foreign countries: New York, Virginia, Ohio, North Carolina, Tennessee, Colorado, Pennsylvania, Illinois, Mississippi, Indiana, Washington, Massachusetts, Kansas, Kentucky, South Carolina, Connecticut, Alabama, Delaware, Michigan, Arkansas, California, Louisiana, and Ontario and The Netherlands.

A. Stock activities

1. Trading prices (high and low): 1965, 21, 15¾; 1966, 26¾, 16¾; 1967, 42½, 18⅝; 1968, 46½, 29½.

2. Dividends paid:

1965	$0.40
1966	.45
1967	.52½
1968	.60

B. Earnings and volume

1. Earnings:

a. Net income:

1965	$4,249,636
1966	7,995,628
1967	9,746,731
1968	12,071,782

b. Gross income:

1965	$204,049,000
1966	282,508,000
1967	365,023,000
1968	409,151,000

KENDALL COMPANY

Textile division operates 14 plants in 9 U.S. communities: 8, South Carolina; 4 Alabama; 2, North Carolina.

A. Stock activities

1. Trading prices (high and low): 1965, 50¾, 35¼; 1966, 50⅝, 30; 1967, 69¼, 35; 1968, 66, 45½.

2. Dividends paid:

1965	$0.75
1966	1.00
1967	1.07½
1968	1.10

B. Earnings and volume

1. Earnings:

a. Net income:

1965	$8,425,234
1966	9,426,000
1967	9,070,000
1968	9,164,000

b. Gross income:

1965	$20,442,926
1966	22,973,000
1967	22,275,000
1968	24,526,000

LOWENSTEIN & SONS, INC.

Operates 25 plants in 18 U.S. communities: 19, South Carolina; 2, Alabama; 2, North Carolina; 2, Massachusetts.

A. Stock activities

1. Trading prices (high and low): 1965, 26⅝, 16; 1966, 27, 14⅝; 1967, 20⅞, 15; 1968, 32⅜, 17.

2. Dividends paid:

1965	$0.45
1966	0.75
1967	0.80
1968	0.82½

B. Earnings and volume

1. Earnings:

a. Net income:

1965	$6,080,808
1966	7,893,423
1967	5,107,661
1968	8,073,970

b. Gross income:

1965	$309,356,000
1966	324,151,000
1967	311,477,000
1968	366,688,000

RIEGEL TEXTILE CORP.

Operates plants in 14 U.S. and Canadian communities: 8, South Carolina; 1, Maine; 2, Ontario; 2, Georgia; 1, Massachusetts.

A. Stock activities

1. Trading prices (high and low): 1965, 25, 20¾; 1966, 26½, 16¾; 1967, 47, 18; 1968, 49⅝, 27⅞.

2. Dividends paid:

1965	$0.25
1966	1.00
1967	1.15
1968	1.20

B. Earnings and volume

1. Earnings:

a. Net income:

1965	$5,771,000
1966	7,440,000
1967	7,635,000
1968	4,450,000

b. Gross income:

1965	$15,431,000
1966	19,609,000
1967	21,058,000
1968	15,888,000

SPRING MILLS, INC.

Operates 20 plants in 2 States: 14 South Carolina; 6, North Carolina.

A. Stock activities

1. Trading prices (high and low): 1966, 18¼, 16¼; 1967, 26, 17; 1968, 26⅜, 18¾; 1969, 23⅜, 16.

2. Dividends paid:

1966	$0.25
1967–69	1.00

B. Earnings and volume

1. Earnings:

a. Net income:

1965	$21,341,519
1966	17,996,865
1967	6,800,878
1968	1,898,611

b. Gross income:

1965	$302,156,000
1966	288,652,000
1967	266,386,000
1968	267,975,000

STEVENS & CO.

Operates 82 plants in 10 States: 33 South Carolina; 9, Georgia; 6, Virginia; 1, California; 1, Tennessee; 21, North Carolina; 7, Massachusetts; 1, Alabama; 1, Connecticut.

A. Stock activities

1. Trading prices (high and low): 1965, 73⅜, 42¼; 1966, 80½, 37¼; 1967, 57⅞, 39¾; 1968, 67, 52.

2. Dividends paid:

1965	$1.75
1966	2.06¼
1967–68	2.25

B. Earnings and volume

1. Earnings:

a. Net income:

1965	$29,413,823
1966	32,661,076
1967	24,756,612
1968	30,427,666

b. Gross income:

1965	$845,670,000
1966	891,471,000
1967	923,637,000
1965	1,064,315,000

UNITED MERCHANTS & MANUFACTRERS, INC.

Operates 22 plants in 7 States: 7 North Carolina; 4, Georgia; 1, New York; 1, West Virginia; 6, South Carolina; 2, Massachusetts; 1, Tennessee.

A. Stock activities

1. Trading prices (high and low): 1966, 36½, 22¾; 1967, 29⅞, 22; 1968, 41, 26⅝; 1969, 37½, 26⅛.

2. Dividends paid:

1966–68	$1.20
1969	1.27½

B. Earnings and volume

1. Earnings:

a. Net income:

1966	$24,100,236
1967	17,364,900
1968	21,031,248
1969	23,747,739

b. Gross income:

1966	$68,726,771
1967	64,187,771
1968	72,067,591
1969	77,814,081

WEST POINT-PEPPERELL, INC.

Operates 33 plants in 22 U.S. communities: 15, Alabama; 3, Massachusetts; 2, South Carolina; 10, Georgia; 2, North Carolina; 1, Maine.

A. Stock activities

1. Trading prices (high and low): 1966, 63½, 35¼; 1967, 64, 37¼; 1968, 54⅜, 40⅛; 1969, 51⅝, 22½.

2. Dividends paid:

1966–67	$2.25
1968	2.00
1969	1.85

B. Earnings and volume

1. Earnings:

a. Net income:

1966	$21,716,700
1967	19,697,137
1968	14,767,699
1969	12,091,615

b. Gross income:

1966	$51,280,700
1967	47,834,390
1968	42,425,544
1969	40,985,837

EXHIBIT B

MEMORANDUM ON THE TEXTILE QUOTA ISSUE

Enclosed is a series of tables, taken from U.S. government statistics, analyzing the U.S. textile and apparel industries in terms of sales and profits, employment, relationship of imports to domestic consumption and origin of imports. The data, which is relevant to the current textile issue, show clearly that the U.S. textile industry as a whole is not suffering from imports.

Whatever resolution emerges from the current textile controversy must take into account the foregoing basic fact. Before there can be any sensible resolution there must be a willingness to examine, and tailor remedies to, the problems of specific sectors of the industry. A comprehensive system of across-the-board quotas would be detrimental to American consumers and American exporters, lead to a contraction of world trade, and reverse the sustained pace of worldwide industrial growth and prosperity which has resulted from the enlightened foreign trade policies of the last 35 years.

SUMMARY OF STATISTICS ON TEXTILE PRODUCTION AND IMPORTS

The attached statistical information, all from U.S. government sources for the year 1969, shows the following:

1. Sales of the domestic textile and apparel industries have risen steadily and substantially from $27.7 billion in 1961 to $44.5 billion in 1969. Profits of both industries rose very sharply from 1961 through 1968; textile profits were static in 1969, but apparel profits showed a large increase.

2. Imports of all textiles and textile products, made of synthetic (man-made) fibers, cotton and wool, amounted to 8.5 percent of domestic consumption in bulk (pounds).

They accounted for 4 percent of the U.S. market in dollar volume. Imports of synthetic textiles and textile imports supplied 5.5 percent of the U.S. market in bulk and about 3 percent in dollar volume.

3. Employment in both the textile and apparel industry has risen steadily from 1961 through 1968, despite substantial automation. It remained static in the apparel industry in 1969 and the first quarter of 1970, and declined fractionally in the textile industry in the same period. There is no evidence of serious unemployment, despite the business slowdown, cut-back of war-related orders, and automation. Given these factors, employment remains surprisingly high.

4. Substantial amounts of textiles and textile products are sold to the U.S. by 10 countries in the Western Hemisphere, 14 in Europe, 2 in the Middle East, and 10 in the Far East—36 countries in all. Some 46 percent of all textile imports come from underdeveloped countries, while 26 percent come from Japan and 25 percent from Western Europe. The percentage originating in underdeveloped countries has been rising steadily in recent years, notably from Korea, Taiwan and Hong Kong.

5. In summary, the U.S. textile and apparel industries are continuing to enjoy a high level of sales, profits and employment. Imports from some 36 foreign countries, while important to the economies of many of them, supply only a small fraction of the huge $44.5 billion U.S. market for textiles and textile products. Contrary to popular myth, the "flood" of textile imports is substantially under 10 percent of the U.S. market, and the U.S. industry is patently not endangered thereby.

SALES AND PROFITS OF U.S. TEXTILE, APPAREL INDUSTRIES

[In millions of dollars]

	1961	1968	1969
Textile industry sales	13,400	20,800	21,800
Apparel industry sales	12,300	20,000	22,700
Total	22,700	40,800	44,500
Textile industry profits	589	1,276	1,145
Apparel industry profits	331	856	953
Total	920	2,132	2,198

Summary: Sales of the domestic textile industry and apparel industry have increased steadily since 1961, even showing an increase in 1969 over their record performance in 1968. Profits of both industries rose very substantially from 1961 to 1968. In 1969, textile profits remained static (at a record level), while apparel profits continued to rise sharply.

Source: Federal Trade Commission—Securities and Exchange Commission quarterly financial report for manufacturing corporations.

EMPLOYMENT AND UNEMPLOYMENT IN TEXTILE AND APPAREL INDUSTRIES

AVERAGE ANNUAL EMPLOYMENT

[In thousands]

	1961	1968	1969	1st quarter 1970
Textile industry	893.4	990.6	987.2	974
Apparel industry	1,214.0	1,407.9	1,417.5	1,407
Total	2,107.4	2,398.5	2,404.7	2,381

UNEMPLOYMENT RATE

[In percent]

	1968	1969
Textile industry	3.5	4.2
Apparel industry	5.9	5.9

Note: No current study seems to be available to analyze the numerous factors affecting employment and unemployment in the textile and apparel industries But several factors enter into play: (1) the slowdown of business activity since mid-1969; (2) a cutback in war-related orders in the last year; (3) a constantly increasing level of automation, resulting from a high level of investment in new plant and equipment; (4) import competition in some specific products, such as men's shirts.

Source: U.S. Department of Labor, Bureau of Labor Statistics' "Employment and Earnings"

Relationship of textile imports to domestic consumption (1969)

[Value in million pounds]

Manmade fiber textiles and manufactures:	
U.S. production (shipments)	5,346
Plus imports	292
Total	5,638
Less U.S. exports	—146
Apparent consumption	5,492
Imports as percent of Consumption: 5.5 percent.	
Cotton textiles and manufactures:	
U.S. production (mill consumption)	3,926
Plus imports	491
Total	4,417
Less U.S. exports	—232
Apparent consumption	4,185
Imports as percent of Consumption: 11.7 percent.	
Wool textiles and manufactures:	
U.S. production (shipments)	315
Plus imports	105
Total	420
Less U.S. exports	—5
Apparent consumption	415
Imports as percent of Consumption: 25 percent.	
Total cotton, Manmades, wool textiles and Manufactures:	
U.S. production	9,587
Plus imports	888
Total	10,475
Less U.S. exports	—383
Apparent consumption	10,092
Imports as percent of Consumption: 8.5 percent.	

Source: U.S. Department of Commerce, Office of Textiles

Textile imports as a percentage of domestic consumption

[Value in millions of dollars]

Imports of consumer textile products	1,099.6
Imports of finished textile materials (including $232,000,000 of jute, burlap and twine products)	776.4
Subtotal	1,876.0
Imports of rugs	68.8
Total imports	1,994.8
U.S. textile industry sales	21,800
U.S. apparel industry sales	22,700
Total domestic sales	44,500
U.S. textile exports	575
U.S. apparel exports	209
Total exports	784
Domestic textile and apparel sales	44,500
Plus total imports	1,944
Total	46,444
Less total exports	—784
Apparel domestic consumption	45,620

Imports as Percent of Domestic Consumption: 4.2 percent.

NOTE: If imports of such products as jute, burlap and twine are eliminated, the percentage of imports is reduced to 3.8 percent of domestic consumption.

Source: U.S. Department of Commerce, FT 990 FTC–SEC Study previously cited.

SOURCES OF TEXTILE AND TEXTILE PRODUCTS IMPORTS, 1969

[Figures in thousands of square yards]

	Manmade textiles	Cotton textiles	Wool textiles
Western Hemisphere:			
Barbados	2,135		
Brazil		37,389	
Colombia	778	29,224	
Costa Rica	1,237	2,324	
Haiti	2,342	946	
Jamaica	2,954	12,825	
Mexico	18,123	58,330	
Trinidad	1,606	547	
Uruguay			2,331
Canada	58,012	17,004	1,956
Europe:			
Austria	8,629	1,624	1,734
Belgium	18,115	37,291	1,993
France	22,300	7,175	2,163
Italy	65,549	61,482	22,853
Netherlands	16,370	5,575	598
Poland		5,170	
Portugal	2,780	29,698	539
Ireland	8,822		5,173
Rumania		5,621	
Spain	10,923	25,098	731
Switzerland	19,411	5,316	1,404
United Kingdom	32,354	19,259	18,827
West Germany	232,507	17,928	2,578
Yugoslavia	1,588	16,217	
Near East:			
Israel	31,172	11,430	765
Egypt		31,788	
Far East:			
Australia			4,952
Hong Kong	144,840	413,177	32,541
India		111,516	
Japan	585,242	395,697	60,463
Korea	212,193	36,436	4,052
Malaysia	2,265	14,784	
Pakistan		94,767	
Philippines	27,246	21,267	
Singapore	3,923	35,531	
Taiwan	237,595	60,861	3,409

[1] Note: The very large number of foreign countries which supply textiles to the United States gives considerable insight into the worldwide impact of proposed textile quotas; it also suggests the tremendous administrative difficulty in applying such quotas. Though the volume of shipments of some countries shown here is small, textiles represent for them a significant part of their manufactured exports (such as Costa Rica, Haiti, Singapore, Ireland).

Source: U.S. Department of Commerce, Bureau of the Census, TQ 2010, 2210, 2310.

IMPORTS OF CONSUMER TEXTILE PRODUCTS (EXCEPT RUGS)

[Value in millions of dollars]

	Total	Western Europe	Japan	Asia	Latin America	Total from developing countries
Total	1,099.6	254.9	267.6	502.4	26.4	503.7
Percent		(23)	(24)	(45)	(2.5)	(49)
Cotton apparel and household goods	312.2	45.2	101.1	141.2	3.2	144.7
Percent		(14.5)	(32)	(45)	(1)	(47)
Wool apparel and household goods	250.5	127.3	20.2	93.7	1.4	95.3
Percent		(51)	(8)	(37)		(38)
Other apparel and household goods (mostly synthetic)	536.9	82.5	146.3	267.5	21.8	290.6
Percent		(15.5)	(27)	(49.5)	(4)	(54)
IMPORTS OF FINISHED TEXTILE MATERIAL						
Total	776.4	208.3	217.3	295.2	27.7	331.0
Percent		(27)	(28)	(38)	(3.5)	(42.5)
Cotton cloth and fabric	194.2	53.7	52.9	67.7	8.5	80.1
Percent		(28)	(27)	(35)	(4.5)	(41)
Wool cloth and fabric	102.0	17.8	63.3	3.4	1.8	5.2
Percent		(17.5)	(62)	(3)	(2)	(5)
Other cloth and fabrics (mostly synthetics)	217.0	87.7	89.4	23.0	8.3	31.4
Percent		(40.5)	(41)	(9)	(2.6)	(14.5)
Silk cloth and fabrics	30.7	16.6	11.3	1.6		1.6
Burlaps, jute and twine manufacturers	232.4		.2	199.3	9.1	212.6
Total, consumer textile products and finished textile material	1,876.0	463.2	484.9	797.6	54.1	861.7
Percent		(25)	(26)	(42)	(3)	(46)

Source: U.S. Department of Commerce, FT-990, December 1969.

ANALYSIS OF FOREIGN ORIGIN OF TEXTILE IMPORTS

	Major suppliers [1]	Substantial suppliers [2]	Smaller suppliers
Western Hemisphere	Mexico and Canada	Brazil and Colombia	Barbados, Costa Rica, Haiti, Jamaica, Trinidad, and Uruguay.
Europe	Belgium, Italy, United Kingdom, and West Germany	France, Netherlands, Portugal, Spain, Switzerland, and Ireland	Austria, Poland, Rumania, and Yugoslavia.
Near East		Israel and Egypt	
Far East	India, Hong Kong, Korea, Japan, Pakistan, Philippines, and Taiwan	Singapore	Australia and Malaysia.

[1] Over 50,000,000 square yards yearly.
[2] Over 25,000,000 square yards yearly.
[3] Less than 25,000,000 square yards yearly.

Note: See table below:

Major suppliers	13
Substantial suppliers	11
Smaller suppliers	12
Western Hemisphere suppliers	10
European suppliers	14
Near East suppliers	2
Far East suppliers	10
Suppliers from developed countries	16
Suppliers from underdeveloped countries	19

There are numerous other countries which ship over 1,000,000 square yards of textiles annually to the United States, including: Tunisia, Hungary, Sweden, and Norway "Smaller suppliers" listed above average 8,000,000 to 10,000,000 square yards annually.

Source: U.S. Department of Commerce, Bureau of the Census, TQ-2010, TQ-2210, TQ-2310.

EXHIBIT C

PACIFIC TEXTILE SUPPLIERS—VALUE AND PERCENTAGE DISTRIBUTION

[Dollar amounts in thousands]

	1966		1967		1968		1969	
	Total	Percent	Total	Percent	Total	Percent	Total	Percent
Cotton:								
Japan	$132,229	28.5	$123,401	29.6	$148,815	29.1	$155,180	29.4
Hong Kong	88,776	19.2	92,318	22.2	112,745	23.7	124,787	23.7
China (Taiwan)	11,298	2.4	13,160	3.2	14,731	3.1	13,644	2.6
Wool:								
Japan	83,525	25.5	79,291	25.9	102,741	27.2	91,665	24.4
Hong Kong	45,402	13.8	48,553	15.8	67,778	18.0	80,662	21.5
China (Taiwan)	2,851	.9	3,112	1.0	5,393	1.4	5,746	1.5
Korea	3,024	.9	3,783	1.2	4,592	1.2	6,685	1.8
Man made:								
Japan	140,565	54.5	126,984	40.7	157,291	32.7	238,832	34.4
Korea	10,912	4.2	25,659	8.2	56,197	11.7	85,117	12.3
China (Taiwan)	7,027	2.7	15,456	5.0	35,954	7.5	71,956	10.4
Hong Kong	21,776	8.4	37,420	12.0	51,058	10.6	72,114	10.4
Wool floor coverings: Japan	8,100	31.4	3,500	16.9	2,900	9.9	1,400	4.1
SQUARE YARDS (THOUSANDS) AND PERCENTAGE DISTRIBUTION								
Cotton:								
Japan	412,040	22.6	376,667	25.4	391,612	23.8	395,678	24.0
Hong Kong	354,275	19.4	354,868	23.9	401,796	24.4	413,154	25.0
China (Taiwan)	61,638	3.4	68,887	4.6	70,810	4.3	60,854	3.7
Wool:								
Japan	58,231	33.3	54,231	36.1	68,673	35.9	61,588	32.8
Hong Kong	20,140	11.5	20,857	13.9	29,823	15.6	32,717	17.4
China (Taiwan)	1,956	1.1	1,968	1.3	3,327	1.7	3,407	1.8
Korea	2,347	1.3	2,711	1.8	3,220	1.7	4,068	2.2
Man made:								
Japan	444,986	55.8	352,123	37.7	434,853	30.2	585,242	32.8
Korea	27,700	3.5	64,174	6.9	136,923	9.5	212,193	11.9
China (Taiwan)	32,857	4.1	59,492	6.4	122,841	8.5	237,595	13.3
Hong Kong	39,322	4.9	74,611	8.0	99,293	10.4	144,840	8.1
Wool floor coverings (square feet): Japan	30,900	72.4	12,000	51.7	10,700	32.1	3,700	12.0

MISCELLANEOUS TEXTILE SUPPLIERS—VALUE AND PERCENTAGE DISTRIBUTION

[Dollar amounts in thousands]

	1966		1967		1968		1969	
	Total	Percent	Total	Percent	Total	Percent	Total	Percent
Cotton:								
India	$13,948	3.0	$13,707	3.3	$12,725	2.7	$18,441	3.5
Pakistan	8,012	1.7	6,159	1.5	7,250	1.5	11,910	2.3
Mexico	18,414	4.0	13,610	3.3	7,924	1.7	8,127	1.5
Egypt	1,508	.3	3,695	.9	5,015	1.1	4,311	.8
Others	150,152	32.4	121,585	29.2	130,593	27.4	147,237	27.9
Wool:								
Uruguay	4,768	1.5	1,697	.6	2,707	.7	1,953	.5
Others	44,791	13.7	38,195	12.5	44,838	11.9	51,583	13.7
Man made: Others	24,553	9.5	34,707	11.1	63,413	13.2	91,439	13.2
Wool floor coverings:								
Iran	8,900	34.5	8,700	42.0	9,700	33.1	12,000	35.0
India	3,300	12.8	3,400	16.4	4,100	14.0	5,600	16.3
Pakistan	700	2.7	900	4.3	900	3.1	1,500	4.4
Others	3,100	12.0	2,400	11.6	3,600	12.3	4,900	14.3

SQUARE YARDS (THOUSANDS) AND PERCENTAGE DISTRIBUTION

Cotton:								
India	81,894	4.5	74,868	5.0	77,665	4.7	111,142	6.7
Pakistan	58,703	3.2	45,074	3.0	55,526	3.4	95,067	5.8
Mexico	152,713	8.4	84,605	5.7	54,744	3.3	58,331	3.5
Egypt	10,741	.6	30,282	2.0	40,490	2.5	31,789	1.9
Others	516,154	32.4	360,468	24.3	374,101	22.7	371,081	22.5
Wool:								
Uruguay	7,338	4.2	1,968	1.3	4,011	2.1	2,557	1.4
Others	20,890	12.0	15,091	10.0	17,724	9.3	23,239	12.4
Man made: Others	52,237	6.5	69,152	7.4	154,057	10.7	172,691	9.7
Wool floor coverings (square feet):								
Iran	4,000	9.4	3,500	15.1	3,800	11.4	4,300	13.9
India	2,900	6.8	3,000	12.9	3,500	10.5	4,900	15.9
Pakistan	300	.7	400	1.7	400	1.2	700	2.3
Others	2,500	5.9	2,000	8.6	2,900	8.7	4,300	13.9

WESTERN EUROPE TEXTILE SUPPLIERS—VALUE AND PERCENTAGE DISTRIBUTION

[Dollar amount in thousands]

	1966		1967		1968		1969	
	Total	Percent	Total	Percent	Total	Percent	Total	Percent
Cotton:								
Portugal	$15,631	3.4	$6,640	1.6	$8,671	1.8	$4,741	0.9
Spain	9,391	2.0	6,463	1.6	12,572	2.6	9,180	1.7
Italy	13,952	3.0	15,907	3.8	25,422	5.3	29,624	5.6
Wool:								
Italy	79,444	24.2	75,607	24.7	85,432	22.7	76,218	20.3
United Kingdom	47,785	14.6	39,969	13.0	45,165	12.0	44,009	11.7
Ireland	2,108	.6	6,004	2.0	5,859	1.6	5,992	1.6
West Germany	6,389	1.9	6,247	2.0	8,065	2.1	8,039	2.1
Australia [1]	7,915	2.4	4,144	1.4	4,476	1.2	2,882	.8
Man made:								
West Germany	7,443	2.9	18,223	5.8	33,295	6.9	49,343	7.1
Italy	12,786	4.9	17,368	5.6	34,969	7.3	32,497	4.7
France	12,057	4.7	15,543	5.0	17,776	3.7	18,206	2.6
United Kingdom	6,552	2.5	5,664	1.8	11,307	2.3	12,100	1.7
Switzerland	8,155	3.2	8,291	2.7	8,832	1.8	10,119	1.5
Canada	6,034	2.3	6,435	2.1	11,038	2.3	13,356	1.9
Wool floor coverings:								
Belgium	100	.4	----------	----------	3,700	12.6	3,500	10.2
Denmark	500	1.9	500	2.4	1,900	6.5	1,500	4.4
United Kingdom	400	1.6	500	2.4	1,000	3.4	2,000	5.8
Italy	100	.4	100	.5	700	2.4	800	2.3
Portugal	500	1.9	500	2.4	500	1.7	500	1.5
Greece	200	.8	200	1.0	300	1.0	600	1.7

[1] Not in Western Europe.

SQUARE YARDS (THOUSANDS) AND PERCENTAGE DISTRIBUTION

Cotton:								
Portugal	112,798	6.2	47,678	3.2	67,518	4.1	29,835	1.8
Spain	44,386	2.4	19,469	1.3	63,019	3.8	25,096	1.5
Italy	18,986	1.0	22,390	1.5	51,000	3.1	60,306	3.6
Wool:								
Italy	26,058	14.9	22,764	15.1	27,315	14.3	22,891	12.2
United Kingdom	21,397	12.3	17,005	11.3	21,405	11.2	22,313	11.9
Ireland	901	.5	3,922	2.6	4,001	2.1	5,185	2.8
West Germany	2,825	1.6	2,460	1.6	2,965	1.5	3,620	1.9
Australia [1]	12,639	7.2	7,313	4.9	8,903	4.7	6,205	3.3
Man made:								
West Germany	36,809	4.6	94,922	10.2	195,768	13.6	232,507	13.0
Italy	28,997	3.6	49,336	5.3	109,170	7.6	65,549	3.7
France	24,560	3.1	58,085	6.2	41,156	2.9	22,300	1.3
United Kingdom	17,814	2.2	16,633	1.8	38,105	2.6	32,354	1.8
Switzerland	28,843	3.6	43,682	4.7	27,370	1.9	19,412	1.1
Canada [1]	63,405	8.0	51,248	5.5	79,609	5.5	58,013	3.3
Wool floor coverings:								
Belgium	200	.5	100	.4	6,100	18.3	5,900	19.1
Denmark	600	1.4	700	3.0	2,100	6.3	1,700	5.5
United Kingdom	400	.2	400	1.7	1,300	3.9	2,700	8.7
Italy	100	.4	----------	----------	1,300	3.9	1,500	4.9
Portugal	600	1.4	1,000	4.3	800	2.4	400	1.3
Greece	200	.5	200	.9	400	1.2	700	2.3

REPUBLIC OF CHINA TEXTILE ACTIVITIES

	1965	1966	1967	1968	1969
Textile production as percent of GNP	8.45	7.75	8.83	8.64	9.75
Textile exports as percent of total exports	13.1	14.1	17.9	21.7	24.1
Textile exports to United States as percent of total export to United States	20.4	18.0	19.6	25.9	25.4
Balance of trade with United States (millions of U.S. dollars)	−93	−85.9	−157.3	−258.8	−358.1

Textile export by market area (1969):	Percent
West Europe	11.5
North America	45.7
United States	37.6
East Asia	14.0
Southeast Asia	11.9
Africa	5.5
Other	11.4

HONG KONG TEXTILE ACTIVITIES

	1965	1966	1967	1968	1969
Textile production as percent of GNP					47
Textile exports to United States as percent of total export to United States	42	41	38	40	37
Balance of trade with United States (millions of U.S. dollars)	+127	+166	+190	+293	+404

Textile export by market area (1969):	
United States	35
United Kingdom	19
Other	46

Note: West Germany is the only "Other" country that receives more than 5 percent of Hong Kong's textile exports, absorbing 15 percent of the total export.

JAPAN TEXTILE ACTIVITIES

	1966	1967	1968	1969
Textile production as percent of GNP		10.5		
Textile exports as percent of total exports	18	16.3	15.2	14.2
Textile exports to United States as percent of total exports to United States		12.1	11.2	11.0
Balance of trade with United States (millions of U.S. dollars)	+314	+236	+353	+486

Textile export by market area (1969):	Percent
Southeast Asia	36
West Asia	33
Western Europe	7
North America (United States, 22 percent)	25
Communist bloc	5
Other	9

KOREA TEXTILE ACTIVITIES

	1965	1966	1967	1968	1969
Textile production as percent of GNP	4.1	4.3	5.6	5.4	5.5
Textile exports as percent of total exports	19.4	18.9	20.6		37.9
Textile exports to United States as percent of total exports to United States	21.8	22.6	28.3	32.3	33.1
Balance of trade with United States: (millions of U.S. dollars)	−93	−85.9	−157.3	−258.8	−358.1

Textile export by market area (1969):	Percent
North America	49.4
United States	46.5
East Asia	24.2
Southeast Asia	7.9
West Europe	12.0
Other	6.5

WAR IS AN UGLY THING, BUT NOT THE UGLIEST OF THINGS—CWO DENNIS JAMES BRAULT'S LAST REQUEST

(Mr. CLEVELAND asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. CLEVELAND. Mr. Speaker, one of the more disheartening aspects of the war in Southeast Asia is that while giving exhaustive coverage to its critics the national news media have given hardly any coverage to the real heroes of the conflict. In doing so they have done a great disservice to the vast majority of our youth who have answered our country's call and have served with distinction.

An outstanding example of how fine most of our youth really are has recently come to my attention. In a brief letter to the editor of the Colebrook, N.H., News and Sentinel, Dr. Clement E. Brault of Colebrook paid an eloquent tribute to his son Dennis, who had been killed in combat in Cambodia, by reprinting a quote from John Stuart Mill which Dennis Brault had requested be inscribed on his casket should he be killed in service. These words express a feeling shared by most patriotic Americans, yet rarely are so eloquently expressed.

To appreciate the meaning of these words, it is helpful to know something about CWO Dennis Brault. Before volunteering for helicopter pilot service with the Army in 1967, he attended Holy Cross College in Worcester, Mass. During his first tour of duty, from June 1968 until late 1969, Dennis Brault had received the Purple Heart for wounds received in action, the Air Medal for combat heroism, the Silver Star for gallantry in action, and during his second tour, for which he volunteered after spending a leave at home in January, he had received the Army Commendation with "V" for valor. He had survived two previous helicopter crashes before being killed in combat in Cambodia on June 26 when his helicopter was hit by hostile fire and crashed.

Dennis Brault's record in service proves that he was a hero. His selection of the John Stuart Mill quote proves that he knew why he was in Southeast Asia and what he was fighting for.

Dr. and Mrs. Clement E. Brault can be proud of having raised a good son. They deserve our respect.

The letter follows:

A FATHER'S MESSAGE

To Colebrook News & Sentinel:

In memory of CWO Dennis James Brault. Helicopter Pilot, 1st Air Cavalry Division, Vietnam. Killed in Action, June 26, 1970.

Yesterday I buried my son. He, in expectation of his own death in action, had left in his personal effects but one request. This was that a copy of the following words by John Stuart Mill be placed on his casket:

"War is an ugly thing, but not the ugliest of things. The decayed and degraded state of moral and patriotic feeling which thinks nothing is worth a war is worse.

A man who has nothing which he cares about more than his personal safety is a miserable creature and has no chance of being free, unless made and kept so by the exertions of better men than himself."

No words of mine or anyone else can add to the ultimate testimony of a flag draped coffin. His and the thousands and thousands of others that preceded him in our history surely must have found the core of what made the United States of America a great country.

DR. CLEMENT E. BRAULT.

COLEBROOK, N.H.

PRESIDENT'S VETO STRIKES AT THE HEART OF THE FIGHT AGAINST POLLUTION IN EVERY STATE

(Mr. PATMAN asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. PATMAN. Mr. Speaker, the President's veto of appropriations for Housing and Urban Development activities is a clear rejection of the Nation's fight against pollution.

One of the main items added to the President's request was additional funding for badly needed water and sewer facilities. These funds were added in keeping with the President's own statements calling for urgent action on environmental problems.

Now the President vetoes a program which would prevent the dumping of raw sewage into the Nation's streams and which would provide local communities with the means of constructing water treatment plants.

On Monday, the President sent the Congress an urgent message on the environment in which he said:

Although recognition of the danger has come late, it has come forcefully . . . Much . . . has already been begun, and much more can be started quickly if we act now.

The President's veto of Tuesday is a direct contradiction of his message on the environment delivered to the Congress Monday. The President's message Tuesday is an effective veto of his own words of Monday.

In his message on the environment Monday, the President warned of complacency and stated:

If the Government sits idly by these . . . ecological problems will become a permanent affliction.

It is impossible to square Tuesday's veto with the statements of Monday.

The President, in vetoing the Housing and Urban Development Department appropriations failed to tell the American people the full truth about the crisis that local communities face in providing water and sewer facilities.

The President is well aware that there is a backlog of applications by local communities aggregating more than $5 billion. Yet, the President is willing to veto a $500 million appropriation which would just begin to touch the surface of this mounting problem.

Surely the President's advisers do not believe that it is proper to fight inflation by stopping the construction of water treatment plants. Mr. Nixon is playing politics with the health of the Nation.

The Congress raised the funds for water and sewer grants from President Nixon's budget proposals of $150 million to $500 million—an increase of $350 million.

Testimony before the House Banking and Currency Committee indicates that there is a backlog of $2.5 billion in applications by local communities seeking assistance in the construction of water and sewer facilities. Including the local contribution for these facilities, the backlog represents more than $5.5 billion of water and sewer plants.

A State-by-State breakdown of the backlog:

LOCAL GOVERNMENT GRANT APPLICATIONS FOR WATER AND SEWER ASSISTANCE NOT FUNDED BY DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

State	Number of grant applications	Grant applications amount (millions)	Total project cost (millions)
Alabama	51	$15.68	$33.66
Alaska	15	7.27	17.15
Arizona	31	11.85	26.30
Arkansas	52	20.97	45.57
California	271	158.17	365.25
Colorado	73	19.71	48.62
Connecticut	95	59.82	155.36
Delaware	8	3.30	6.99
Florida	135	69.12	164.03
Georgia	43	19.64	46.39
Hawaii	19	5.78	14.12
Idaho	3	.69	1.39
Illinois	191	89.58	201.96
Indiana	77	48.57	131.00
Iowa	67	20.58	44.89
Kansas	60	13.60	28.89
Kentucky	28	55.89	136.54
Louisiana	107	70.17	158.16
Maine	48	8.31	18.58
Maryland	27	22.44	51.12
Massachusetts	225	93.33	227.23
Michigan	308	331.20	722.95
Minnesota	63	42.49	68.76
Mississippi	29	10.88	28.48
Missouri	104	34.06	80.56
Montana	14	2.47	4.89
Nebraska	45	16.80	48.64
Nevada	16	4.30	11.27
New Hampshire	27	11.84	27.00
New Jersey	163	92.55	209.20
New Mexico	13	2.61	6.83
New York	426	441.50	887.13
North Carolina	48	19.12	51.30
North Dakota	7	2.01	3.51
Ohio	255	204.45	420.62
Oklahoma	51	15.31	36.68
Oregon	47	26.18	65.68
Pennsylvania	317	158.68	343.72
Rhode Island	26	16.93	39.08
South Carolina	44	16.93	48.40
South Dakota	17	3.76	8.07
Tennessee	47	16.33	38.91
Texas	224	55.39	130.52
Utah	60	14.01	33.41
Vermont	33	$7.41	$16.89
Virginia	55	47.10	101.47
Washington	63	17.06	40.51
West Virginia	36	25.13	35.54
Wisconsin	85	37.79	84.74
Wyoming	5	.37	.79
Puerto Rico	25	5.78	13.81
Virgin Islands	1	.14	.29
National total	4,308	2,496.75	5,538.22

PRESIDENTIAL COMMISSIONS—A WASTE OF MONEY AND A THREAT TO DEMOCRATIC INSTITUTIONS

(Mr. PATMAN asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. PATMAN. Mr. Speaker, if President Nixon desires to hold down the Federal budget, I have a suggestion for him—eliminate the nearly 1,600 advisory committees and commissions proliferating the executive branch.

As Comptroller General Elmer Staats has testified, no one really knows how many of these commissions—ranging from interagency committees to full-blown Presidential commissions—actually exist in the catacombs of the Federal Government.

The Special Studies Subcommittee of the Government Operations Committee, headed by the Honorable JOHN S. MONAGAN, of Connecticut, has done an excellent job of ferretting out the facts on these commissions. Appearing before this subcommittee earlier this year, officials of the General Accounting Office identified almost 1,600 different advisory and interagency committees floating around the executive branch. The figures include nearly 200 Presidential commissions of various shapes and sizes.

Mr. Speaker, I have every reason to feel that these figures are well on the conservative side. I suspect that there are several dozen more commissions buried deep in the recesses of the administration.

However, just taking those 1,600 committees and commissions identified by the GAO, it appears that the Federal Treasury is being tapped for at least $100 million annually just to keep these advisory groups afloat. In addition, there are hundreds of thousands of dollars worth of printing costs required to immortalize the findings of these commissions.

Mr. Speaker, I think it is safe to assume that President Nixon could save the Nation between $100 and $150 million annually if he would issue an Executive order today eliminating these unnecessary commissions and advisory committees.

Some of the purely interagency committees are needed to provide coordination, but what I am talking about here today are the growing number of "outside" advisory groups. And most of the abuse has been in the willy-nilly appointment of Presidential commissions, advisory committees, and task forces.

This would be a great savings but the benefits to the American people would far outstrip the monetary saving. The elimination of this sad practice of appointing a Presidential commission for every problem might also result in a badly needed commodity—good Government.

With rare exceptions, Presidential commissions are used to dodge the issues, to circumvent the democratic processes of the Federal Government, and to elevate special interests to positions of power inside the structure of Government. Presidential commissions invariably are loaded with representatives of special interests who have created the problems the commission is appointed to study.

At best, Presidential commissions are costly, time consuming, worthless bodies. At the worst, they are the promoters—the inside lobbyists—of special interests.

A witness before a major Presidential commission recently stated:

I must again in candor say to you members of this commission—it is a kind of Alice in Wonderland. It is the same moving picture reshown over and over again, the same analysis, the same recommendations, and the same inaction.

That, Mr. Speaker, describes the workings of most of these commissions. But it does leave out the more sinister nature of many of these commissions which are appointed solely for the purpose of moving the legislative and executive branch further away from the people and to get around the democratic processes of an open government.

Often these Presidential commissions are set up as mixed bodies with a handful of public officials—at times, Members of Congress—thrown in with a covey of representatives of the industry being studied. Usually these public officials are loaded down with their normal day-to-day duties and have little or no time to participate in the active work of the commission. But the special interest members—usually with millions of dollars at stake—are careful to attend each and every meeting and to participate fully in every aspect of the commission's activities. In the end, these outside members usually control the commission and its final product.

Many of these "industry" representatives contend that they are named to the commissions as "private citizens." They claim to put their private businesses behind them and to operate as objective members of the commission. Frankly, I find this contention difficult to accept. These outside members usually draw full-time salaries from their business organization and most of them have their entire lifetime career at stake.

Even accepting these members' claims of objectivity, the placing of special interest representatives on commissions to study their own problems is scarcely beneficial to anyone. What new ideas does a bank official bring to a commission appointed to study the problems and shortcomings of the banking industry? At best, this banker representative will come up with the same old tired ideas that helped create the very problems the commission was designed to study.

When commissions are not loaded down with special interests, they become prestige plums to be passed out among

the President's political favorites. On June 21, 1970, the New York Times, in an article by Robert Semple, detailed President Nixon's use of the commissions as a device to reward political friends. I quote from Mr. Semple's article:

> Charles W. Colson, the President's liaison with special interest groups around the Capital . . . he keeps a sharp eye on appointments to Presidential Commissions to make certain that interest groups favorable to the Administration receive their share of prestigious appointments.

President Nixon has created plenty of vacancies for his political pals. Haynes Johnson, writing in the Washington Post on June 28, estimated that President Nixon has named no less than 40 separate commissions in the first 18 months of his administration.

Down in Texas there used to be a rich little town filled with millionaires. They used to say the town was so affluent that every flea had its own dog. Here in the Nixon administration it is obvious that every problem is going to have its own Presidential commission.

Earlier this year, we had an example of the Nixon concept of Presidential commissions. After many months of delay, the President named, on June 16, a Commission on Financial Structure and Regulation with the high-sounding purpose of recommending proposals "which will advance our basic goal of shaping the financial system so as to meet the credit needs of the U.S. economy and its people in the decades ahead."

To carry out this high-sounding phraseology, the President named 15 members to the Commission, 11 of whom had close ties to banking and other financial interests.

One of the people named to the Commission is Alan Greenspan, who was a Nixon adviser in the 1968 presidential campaign. Mr. Greenspan was involved in the now-famous Nixon letter which was secretly passed to the securities industry in the fall of 1968. The letter was intended to reassure the securities industry that they would face easier regulation if Nixon were elected President.

Mr. Greenspan's views are well known and I suspect that they will be a dominant force within the Commission. He is President Nixon's man on the Commission. In 1968, Mr. Greenspan wrote an article entitled "The Assault on Integrity," in which he blasted the concept of regulation and claimed that consumers are better protected without Federal regulation.

In outlining his views on regulation, Mr. Greenspan wrote:

> A fly-by-night securities operator can quickly meet all the S.E.C. requirements, gain the inference of respectability, and proceed to fleece the public.
>
> In an unregulated economy, the operator would have had to spend a number of years in reputable dealings before he could earn a position of trust sufficient to induce a number of investors to place funds with him.
>
> Protection of the consumer by regulation is thus illusory. . . .

These remarks should be a firm indication of the direction that President Nixon plans to push his new Commission on Financial Structure and Regulation.

Amidst the many bankers on the Commission is one K. A. Randall, who is listed on the White House press release as vice chairman, United Virginia BankShares, Inc., Richmond, Va. This is the same K. A. Randall who served as Chairman of the Federal Deposit Insurance Corporation until March of this year. Mr. Randall's Government career was marked by weak regulation, poor administration, and an outlandish probank attitude. Mr. Randall constantly flew around the Nation, acting not so much as a Federal regulator as a lobbyist for the banks. He reserved some of his most bitter comments to denounce efforts to bring one-bank holding companies under regulation.

At one time, his opposition became so frenzied that he announced that he would personally go to the White House and ask President Nixon to veto the one-bank holding company bill.

Like Mr. Greenspan, Mr. Randall seems to prefer no regulation.

Mr. Nixon has probably done the Nation a favor by loading up this Commission with people from the financial community. It makes the bias of the Commission very easy to spot and I do not think that the press, the public, or the Congress will be fooled by any of the recommendations from this Commission. Mr. Nixon was not subtle in the appointments to the Commission.

Later, to correct the obvious overbalance of the Commission, President Nixon rushed forward five new names expanding the Commission to 20. But the intent of Mr. Nixon's Commission on Financial Structure and Regulation is patently obvious.

To further emphasize the banker bias of the Commission, the American Bankers Association announced Monday that it had appointed a special seven-member committee to furnish information and advice to the Presidential Commission on Financial Structure and Regulation.

In announcing the Committee, the ABA stated:

> We hope creation of this special bankers' committee may help facilitate the Presidential Commission's work by making available an avenue for tapping the resources of the ABA and through it, the commercial banking industry.

The Financial Commission follows the same tired pattern which was recently described in the Washington Post as "sending goats to guard the cabbage."

In that article, which appeared in the Washington Post of April 27, 1970, Colman McCarthy wrote:

> Earlier this month, President Nixon appointed 55 industrialists to what is called the New National Industrial Pollution Control Council. The President said the group, unsalaried, would advise the government "on programs of industry relating to the quality of the environment." In particular, it would survey and evaluate the plans and actions of industry in the field of pollution control, as well as "encourage" the business community to improve the quality of the environment.
>
> On the council are the board chairman or presidents of major oil, automobile, coal, timber, electric and power, airline and manufacturing companies. . . . . In short, Mr. Nixon has searched among some of the nation's leading polluters to find men to keep an eye on the pollution problem.

Mr. McCarthy also included the following paragraph which could be applied to any commission concerning any problem:

> The importance of advisory councils depends on the subject about which they offer advice. In this case, American industry has billions of dollars at stake in how strongly or weakly the government enforces the countless anti-pollution laws. Who is to judge whether this advice is sound or partial, since no conservationists or consumers are represented? Who is to challenge the industrialists, whose natural concerns are production and profits, not ecology? Who is to know what zealous government officials are put under pressure and kept in place when they take a little too seriously their enforcement role?

When these commissions are so loaded with "industry" representatives, the best the public can hope for is that their reports will be quickly forgotten, gathering dust in the Archives. But the public interest is seriously endangered when these reports become a springboard for lobbying activity.

Many times, the finished report is designed to place a "respectable" veneer on proposals which might have difficulty being accepted in an open forum of full congressional hearings. In these cases, the commission reports become a weapon used to rush bad legislation—special interest legislation—through congressional committees without full hearings. In other cases, the report becomes an excuse for administrative and regulatory agencies to issue edicts which carry the force of law.

These administrative decisions, backed by the learned phrases of a Presidential commission report, can often change the basic course of an entire sector of the economy. When the administration officials are questioned about these rulings, they are able to fall back on the findings of the Presidential Commission. Thus, they are protected even though the original recommendations stemmed from a commission loaded with special interest advocates.

All of this points up the fact that Presidential commissions do not follow set procedures in carrying out their work. Invariably, the work of Presidential commissions is carried on behind closed doors. There is no requirement that the commission hear from opposing parties or that they hear any witnesses at all. In the end, the public has only the vaguest notion of where the commissions have gathered their facts on which they base conclusions.

In most cases, the Washington press corps is never informed of the meeting dates or even the site of the commission meetings. Only a handful of commissions—and I commend these in the highest terms—have conducted full-scale hearings open to the press and the public. Most of these commissions ignore every precept of the democratic processes.

I served on the Commission on Mortgage Interest Rates which issued its report last year. Along with my colleague,

the gentlewoman from Missouri (Mrs. SULLIVAN), I was forced to dissent from the findings of this Commission because of its emphasis on higher interest rates as a solution to our homebuilding problems. While I do not want to attack any of the individual members of this commission, it is a fact that the lending industry was very heavily represented on this body. It was impossible for the mortgage bankers and others from the finance industry to view the question of mortgage interest rates with objectivity.

Likewise, today, I serve on the National Commission on Consumer Finance, and here again, Mr. Speaker, the President has loaded this Commission with a number of people who have had close contacts with finance and related industries. At my request, these gentlemen have made their employment background available to the other Commission members, but I am still concerned that the final recommendations of this group will be tainted in the public's mind by their past and present associations with the finance industry.

In my opinion, these two Commissions—which were given the responsibility of dealing with very important subjects—were essentially rendered ineffective by the President's decision to name people with obvious conflicts of interest.

Mr. Speaker, I realize my remarks are highly negative on the role of Presidential commissions and I want to emphasize that there have been some good commissions that met the public interest test. But these have been too rare and in too many cases, the good commissions have been rendered ineffective when their opinions were contrary to the position of the President.

Even recognizing the good commissions that have existed, it is obvious that the role of these bodies could be carried out equally well by existing branches of the Federal Government. The huge bureaucracy of the executive branch is quite capable of sending forward its recommendations to the Congress without the intervention of unelected Presidential commissions. Likewise, the elected representatives in the Congress are quite capable of carrying out studies, investigations, and hearings on these issues.

It is far superior to consider these issues in open hearings in the committees of Congress with all parties given an opportunity to appear and make their case. In all candor, it must be conceded that many of these Presidential commissions have come into being simply as an end-run around Congress. Often Presidential commissions are blatant attempts to wipe out the basic role of congressional committees and to impose the will of the executive branch on Congress.

In carrying out these functions, it is always possible for the committees and the entire Congress to make mistakes just as it is possible for the Presidential commissions to make mistakes. But when a Member of Congress makes a mistake, the people have a chance to remedy the situation. When a Member of Congress improperly deals with one of these subjects, the people have a remedy at the next election.

But this is not the case with the appointed Presidential commissions. The members of these commissions are not accountable to anyone but the industry from which they come. The American people have no recourse against the whims or the improper conduct of members of Presidential commissions.

In addition, the Presidential commissions are an easy out for public officials both in the legislative and executive branches. They are a convenient means for a President to avoid responsibility, to pass the buck, and dodge the key issues of the day. Congress, likewise, can be guilty of relying on a commission rather than facing the tough issues.

William D. Carey, senior consultant for Arthur D. Little, Inc., and a former official in the Bureau of the Budget, describes the problem in this manner:

> In my experience, nothing was simpler than to set up an advisory group. It started wheels turning, it bought time, it was a surrogate for action, and it produced a kind of structural grandeur. It implied that somebody was taking charge of a problem, and perhaps things would work out. This is the way of governments. I would point out, however, that the advisory committee system has its own laws of inertia and there exists no satisfactory mechanism of insuring its productivity or its accountability.

As I stated earlier, the very best thing that could happen would be an elimination of these commissions and advisory committees. However, I am realistic enough to realize that this isn't about to happen; the idea is too deeply ingrained in the governmental structure.

Nonetheless, I think that basic reform can be enacted which would make these commissions much more relevant and much more useful, perhaps justifying some of the expenditures.

Mr. Speaker, I recommend that steps be taken to require the following:

First. That no Presidential commission be appointed to make recommendations on issues which the Congress has under active consideration at that moment.

Second. That no Presidential commission shall become effective until approved by concurrent resolution of the Congress.

Third. That no member of a commission be appointed from a trade association, industry, or business which might fall under the jurisdiction of the studies to be carried out by the commission.

Fourth. That any member appointed to a commission agree not to become an active lobbyist for a period of 2 years on any legislation touching on the subject matter of the Commission's studies and recommendations.

Fifth. That all Presidential commissions shall be required publicly to announce the time and place of all meetings and that all such meetings shall be open to the press.

Sixth. That all Presidential commissions shall conduct public hearings with sufficient notice for all interested parties to appear. That all such commissions shall be prohibited from interviewing witnesses in closed sessions with the exception of issues involving the national security.

Seventh. That all Presidential commissions shall submit studies and recommendations no later than 12 months after their appointment.

Eighth. That no Presidential commission shall remain in effect for longer than 12 calendar months.

HEARINGS ON SAFE BANKING ACT IN 92D CONGRESS

(Mr. PATMAN asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. PATMAN. Mr. Speaker, the House Banking and Currency Committee will hold hearings early in the 92d Congress on the Safe Banking Act—H.R. 18676—a bill to outlaw a series of questionable and unsound banking practices.

The legislation would: First, prohibit brokered deposits; second, prohibit giveaways to attract deposits; third, prohibit lenders from acquiring equity participations.

The legislation is being put over until the next Congress to allow for the full hearings necessary for this type of measure.

HIGHWAY SAFETY NO. 7—CANADA'S EXAMPLE

(Mr. CLEVELAND asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. CLEVELAND. Mr. Speaker, one of the consequences of the public apathy toward the problem of highway safety is that the various agencies involved in fighting this problem often do not hear about what is being done elsewhere. This is true from State to State and from community to community. Sometimes it is true from agency to agency within a State or community. But above all there is very little communication between agencies in this country and those abroad. It often seems that we ignore what other countries are doing, in spite of the fact that many of them could give us valuable assistance.

The perfect example of this situation is to be found in Canada. As I know all too well from my experience with my own district, which borders on Canada, there is very little coordination with Canadian programs and officials. We seem to operate in a vacuum, as if our problems are unique to the United States, or as if we have all of the answers. Yet the fact is that in programs to handle the drunk driver, Canada has a generally farsighted approach which is better than most in our country.

As well detailed in the latest Christian Science Monitor article on highway safety, Canada has combined tough laws toughly enforced with alcoholic rehabilitation programs. The programs are relatively new, but already have shown that the number of deaths caused by drunk drivers can be cut. In Ontario during the

first 5 months of the year, the death toll fell from 566 to 519. How many of our States can claim that their rate is falling? I know that my own State cannot. Since the program is just getting underway and is not yet fully implemented, this is especially dramatic. As drunk drivers are further identified and isolated the death toll can be expected to fall even further.

Canada is not alone in being able to show us how to deal with this problem. The Scandinavian countries have some of the toughest laws in the world. For example, Norway has a presumptive level of 0.05 percent as the test of intoxication. Canada has a level of 0.08 percent. But most States in our country have the very loose 0.15 percent level. Some of our States even have no presumptive level. As would be expected, the death and injury toll correlates with the relative strictness of laws and enforcement. In fact, in Scandinavia the common situation is for a person not to drive after drinking even limited amounts because of the knowledge that the penalties are very severe.

There is no question that the United States has a problem. An estimated 28,000 people a year are being killed by drunk drivers. One out of every 50 cars on the highway is being driven by a drunk driver. And the problem is getting worse, not better. We should learn from countries who are dealing successfully with the problem including our neighbor Canada.

This constructive article follows:

[From the Christian Science Monitor, Aug. 6, 1970]

HOW TO STOP THE DRUNK DRIVER—IN CANADA

(By Guy Halverson)

TORONTO.—The Ontario Provincial patrolman suddenly spins his white and black patrol car out onto the nearly empty highway. Ahead, an older model automobile travels slowly, almost hesistantly, along the dark roadway.

Racing abreast of the slow-moving vehicle, the patrolman edges the car, driven by a middle-aged businessman, to the side of the road. After inspecting his driver's license and talking with him for several minutes, the officer requests the motorist to accompany him to a station house for a police breathalyzer test.

The driver's zealous overcautiousness had given him away: as the breath test indicated, he was drunk.

This incident along the MacDonald-Cartier Highway between Detroit and Toronto could, in fact, be duplicated almost any night along Canada's rapidly expanding roadway system.

Like the United States, Canada is waging a desperate, grim, yet little-publicized war against the drunk driver. Thousands of Canadians, many of them in key governmental posts at both the national and provincial levels, are involved.

DOUBLE PUNCH PROVIDED

Under way only the past year or so, the campaign carries a stiff one-two punch: effective legislation and alcohol rehabilitation.

Many U.S. specialists already believe that the program, which varies considerably from province to province, is far out in front of the U.S. in the area of legislation.

Late last year the Canadian criminal code was amended so that:

An officer who has reason to believe a driver is drunk can ask him to take a station-house breathalyzer test.

An .08 percent blood-alcohol level defines drunkenness.

Punishment applies for a refusal to take the test as well as for failing the test.

Either of the above means loss of driving privileges in Canada for up to three years.

Fines range from between $50 and $1,000 and up to six months in jail—or both.

The strict—but realistic—.08 percent blood-alcohol level provision in the national law is the steel frame upon which the excellent Ontario program is built. This provincial program could well be a model for the U.S. federal government or state governments.

The provincial program includes:

Stiff enforcement

Speedy identification of problem drinkers

A government educational campaign against drinking while driving

A well-enforced point system to record driving errors

Computerization of license and driver records (with vehicle records expected to be computerized within the next few years)

Stiff licensing reexamination for problem drivers

A well-funded rehabilitation program

Ontario provincial safety officials are admittedly delighted with the new national legislation. Prior to the law the province had no statutory definition of intoxication, although many jurists informally had settled on .10 percent blood-alcohol level as the cutoff point for defining drunkenness.

U.S. AVERAGE LOOSER

About half of the American states are at the loose .15 percent level. Only one, Utah, has adopted the realistic .08 level.

The Ontario government, however, is known to be impressed with the new alcohol countermeasures program of the U.S. Department of Transportation.

Fatalities from auto accidents throughout Ontario for the first five months of this year dropped sharply to 519 from 566 in the same period in 1969. Injuries dropped from 27,065 to 25,885. "Though we have had no definitive studies on the results of the .08 legislation, I'm personally convinced that the statute has gone far toward reducing our accident rate," says Walter B. G. Reynolds, Commissioner for Highway Safety for the province.

Mr. Reynolds, who personally would welcome even a stiffer level, such as the Norwegian .05 level, believes that there is still a tremendous public apathy toward the drunk driver in Ontario. The new legislation is as much an educational tool to alert the public, he feels, as it is a control measure itself.

WELCOMED BY POLICE

Most police agree. Inspector T. H. Craig of the traffic safety division of the Ontario Provincial Police (OPP) is also delighted with the new .08 cutoff for defining impaired driving. Any higher level, he feels, would be dangerous for safe driving.

During one classroom experiment, he related, he drank moderate amounts of liquor. He tested out a breathalyzer at .10 percent. Many officers and others who entered the classroom after he drank the liquor, however, had no idea that he was at a level considered unsafe for driving. "The liquor just wasn't observable," he says, "and yet, at that level my reflexes would have been greatly inhibited."

ACCIDENT PREDICTIONS BARRED

The Canadian Government and most provincial governments have mounted broad publicity campaigns to acquaint motorists with the new legislation. The Center for Forensic Sciences at the Ontario Department of Justice has also cooperated with several private agencies in producing a film called—appropriately enough—".08."

It shows what happens to professional racing drivers after a few drinks. "We were quite shocked at the change in attitudes of these drivers after reaching the .08 level," says David Hall of the Foresic Sciences staff. "We had assumed that being professionals, their impairment would be quite slight. It turned out to be substantial."

The film has been shown over a number of Canadian television stations.

Despite the publicity campaigns and other information programs, the province—unlike many American states and the National Safety Council in the U.S.—"flatly refuses to make accident toll predictions," says Highway Safety Commissioner Reynolds.

There is no prearrest breath testing in Ontario along the lines of the British program or the Baton Rouge, La., experiment. But many police officials with whom I talked expected such testing to eventually be legalized, despite strong constitutional doubts of some. Most departments, as is true south of the border, use intensive patrolling in their war against drinking drivers. Thus, the 3,800-man OPP heavily patrols the MacDonald-Cartier Highway in the Greater Toronto area, a high-density, high-mishap area. The Toronto police also use intensive patrols on key roadways.

The Ontario Provincial Government is one of the few jurisdictions in North America to require that medical practitioners and optometrists report to the Registrar of Motor Vehicles any patient who may be medically unfit to drive. Some safety experts believe the provincial laws have gone far toward pinpointing problem drinkers, who constitute a large percentage of liquor-related accidents.

Under medical laws, a nongovernmental advisory committee evaluates case findings on individuals believed unfit to drive. Reasons include alcoholism. The committee recommends appropriate licensing action, but the final decision, of course, is left to the registrar. The driver has the right to a hearing as well as examination by an outside physician.

POINT SYSTEM HELPS

The provincial government's point system (based on driving errors) is also quite effective in identifying the problem drinking driver. He tends to score points more regularly than most nondrinking drivers. The State of Michigan has a similar program.

In Ontario, if an individual accumulates 6 points for driving errors, he receives a warning letter from the government. At 9 points he is brought in for an interview. At 15 points he loses his license for a month.

Reduction of alcohol-related fatalities in Ontario, however, is widely attributed to a highly professional rehabilitation program. "The criminal justice system just isn't designed to handle the alcoholic, whether he be arrested for public drunkenness or driving while impaired," says one top Toronto police official.

"Fine him or jail him and he'll still be back impaired in another week."

Some 10 million Canadians are believed to drink, of which about 275,000 are classified as alcoholics. Here in Ontario, there are at least 125,000 alcoholics and another 125,000 people who are considered problem drinkers.

While social and occasional drinkers contribute a significant percentage of all liquor-related highway accidents, alcoholics and chronic drinkers with excessively high blood-alcohol levels contribute perhaps the most important share.

REHABILITATION WELL FUNDED

The main channel for alcoholism rehabilitation in the province is the Alcoholism and Drug Addiction Research Foundation (ADARF), an autonomous agency of the provincial government. Budgeted at around $9.5 million annually, the foundation undertakes clinical research and education pro-

grams and seeks to develop model pilot treatment programs that can be adopted by other nongovernmental agencies.

United States safety experts delight in comparing the foundation's $9.5 million budget to the $4 million budget of the main alcoholism program in the United States Department of Health, Education, and Welfare for the entire United States.

ADARF maintains some 26 centers throughout the province that provide counseling and clinical support ranging from detoxification to long-term treatment programs.

ADARF is now planning a new 100-bed hospital for alcoholics and drug users in the Toronto area that is expected to be completed sometime next year. At present the foundation operates a temporary 22-bed detoxification clinic, a rehabilitation farm for more intensive care, and an imaginative now industrial program at a multistory structure in one of the city's residential areas.

The latter program—dubbed the May Street program after the address of the building—has drawn special attention from many treatment experts, who believe that it clearly proves that recovery rates from alcoholism are higher when industry, labor, and other employment agencies quickly intervene in an employee's drinking patterns at an early stage.

MAY STREET CENTER VISITED

I drove out to May Street in the spring of this year. At first glance the building reminds one of the gracious decor of the type of Ivy-covered residence occupied by a diplomatic staff or a college dean. The patients represent a cross section of industry. Dressed in suits or robes, some were seated in private rooms or conference rooms reading or watching television. A special conference room—empty on my visit—utilizing a closed circuit television hook-up can be used in group therapy. As I walked through the building I didn't get the closed or confined feeling of a clinical or hospital atmosphere so common in most North American detoxification or treatment centers. The mood was low-keyed and nonthreatening.

H. David Archibald, executive director of the foundation, believes that the detoxification halfway house approach to treating alcoholism will prove to be merely a "temporary solution" and that the alcoholic must eventually be integrated into a total, comprehensive therapeutic and clinical program, such as the foundation's program.

Most jurists in Toronto and other communities throughout Ontario still have only a limited number of facilities for rehabilitation of the drunk driver. Few drinking drivers, in actual numbers, are believed to be channeled into rehabilitation programs in lieu of fines or more traditional punishments at this time, except for the most obvious cases of chronic alcoholism.

But the significant factor is that a dual approach—stiff laws and rehabilitation—is gradually being hammered into shape here.

Realists admit that it will take years to stitch together the two programs. But the final results may be among the most promising governmental-citizen experiments on the North American continent.

DR. FISHER'S LETTER TO PRESIDENT NIXON

(Mr. PEPPER asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. PEPPER. Mr. Speaker, the letter to President Nixon, which will follow my remarks, was written by Dr. John J. Fisher, a Jacksonville, Fla., physician. Dr. Fisher's comments are particularly pertinent because he is able to draw on his public experience in the Florida State Senate as well as his private practice.

I have learned as chairman of the Select Committee on Crime that "law and order" depends as much on public confidence and cooperation as it does on police power. It is for this reason that I find Dr. Fisher's commentary so germane.

I would hope that the specific incident to which Dr. Fisher refers will be fully investigated by the executive branch. More important for us and for the people we represent is the lesson to which Dr. Fisher alludes: namely, to put into real practice the tolerance in which our Nation has always believed.

[From the Miami Herald, Aug. 3, 1970]

DR. FISHER'S LETTER TO NIXON

DEAR MR. PRESIDENT: I am forty-seven years of age and, although a practicing physician, have twice been elected to the Florida Senate as a member of the Republican Party.

This summer I rented a large camper and my wife and I took off with seven of our children for a month's tour of this nation. We believed that such a trip would provide an excellent opportunity for all to see our great land from coast to coast, and would allow us to discuss together, against such a background, some of the problems which seem to be besetting it today. We hoped also to develop a better understanding between our generation and theirs . . . with many of our campfire and after dinner discussions concerning the state of law and order in our country.

Time and again we older two tried to explain to our children that laws are to be upheld until, if they are unfair, they are repealed. We pointed out that there are acceptable means embodied within our Constitution too effect the correction of any wrong within our system. We argued that law enforcement officers exist for their protection and benefit, and that the alternative to law and order is lawlessness and anarchy. Truly, Mr. President, the relation of the police to our younger generation is, to use one of their own expressions, one of their biggest "hangups."

We stopped to spend a week at Yosemite National Park. . . . Since it happened to be the week preceding the Fourth of July weekend, the choice of camping sites was limited. I admit I was dismayed to find ourselves assigned to one in which we were surrounded by those youth whom we have, in our American way, labelled "hippies."

Such apprehension was soon dispelled, however, as we found these long-haired, oddly-dressed children to be more polite than most of my youngsters' college friends who visit our home. The campground was neat and orderly, and altogether one of the most friendly and pleasant that we visited. Curfew was observed, and we were very impressed indeed by the spirit of brotherhood that abounded. . . .

We were at the extreme end, bordering a large meadow that stretched beyond. The grassy clearing was surrounded on all sides in the near distance by Yosemite's granite mountains and provided a beautiful natural gathering place for the youngsters, whose transportation and entertainment resources are necessarily limited. In the evenings before supper I would take my two-year-old son over to the meadow and we would watch them throw Frisbees, run foot races, and sing songs.

One afternoon two of my sons, aged sixteen and thirteen, and I took a playball to kick around, and subsequently found ourselves engaged in a pick-up soccer game with some of the oddest looking players on any athletic field. I have never seen the game played more cleanly or in a more friendly spirit, however, and was indeed sorry to see it end.

On Friday, July 3 I heard that the meadow was to be closed at 7 p.m., two hours before darkness comes at Yosemite, and three before park curfew. No reason for such action was given, but there were rumors that the concessioneers at the Park, such as the Curry Company, were fearful of the young people congregating. This held some ring of plausibility to me since I had observed that the stores employ uniformed guards to keep barefoot children out of their establishments.

At 7 p.m. I was taking a predinner stroll with my twenty-one-year old married daughter, who had joined us in San Francisco, when it happened. First came the trucks from one side, with bullhorns ordering all off the meadow and back to their campsites. Before one could comply with this order, mounted troops wearing helmets and brandishing clubs, some twelve to fifteen in number, rode in from the other direction.

Before my very eyes we watched these children stampeded, several being clubbed, and two thrown to the ground, handcuffed, and led off to jail. Their crime I could not see, except that one, a David Vassar who was at Yosemite making a documentary, had a camera. This was knocked from his grasp as he was beaten.

Can this be America, I thought, the America we were telling our children still existed? Where have I been? What must my teenagers think?

My daughter, who had become separated from me in the attack was led up to me roughly held by a ranger who said, "This girl has no identification on her but claims she's your daughter." If I hadn't been there, it would have been off to the enclosure with her . . .

The children were driven to the edge of the campground by the rangers, who stood menacingly on their mounts, flanked by the ground troops. The harsh expletives that resulted from the charge soon turned to song as surprisingly cooler heads among them began to prevail.

> "Come along people now,
> Smile on your brother
> Everybody get together,
> Try to love one another,
> Right now!"

I asked a nearby ranger how I might contact the superintendent of the park, since I felt a riot threatened, one which could be averted by action on his part: either a satisfactory explanation to all of us for the early curfew on the meadow, or a rescinding of his order for such. I was told that he was unavailable until Monday morning at 8:30 a.m., almost three days later.

I finally met the assistant superintendent, a Mr. Russ Olsen, as he arrived on the scene. When I asked him the reason for the police action I had witnessed, he said the hippies were littering the meadow. When I volunteered that I had been at Yosemite five days and never even seen a candy wrapper in the field, he replied that the hippies disturbed the peace. When I answered that I had camped next to this area for five days and heard no disturbance until the rangers came, and that I had elicited similar opinions from other older ones in the campground, he said it was bad for the hippies to congregate. Would he limit the size of our church edifices, Mr. President, on such reasoning?

Despite the urging, subconscious or not on their part, of the rangers for the youth to riot by such announcements over their loudspeakers as "You are a disorderly mob," the youngsters slowly returned to their campsites, the more radical ones being quieted by their friends.

The next day many of the long-haired jean-clad cult quietly departed. . . .

When we returned to our campsite late that afternoon from our daily hike, the usual meadow games were in progress, but with a few changes. There seemed to more concern with the hour as seven approached, and a national television crew was on hand. A small new sign stating the new curfew hour for the meadow had been placed by the rangers, and a curious crowd was already lining the highway that bordered the meadow.

Promptly at seven the public address warning sounded. Helmeted rangers grouped at one side, clubs and Mace at the ready. A string of armed horsemen filed in from a new direction, into the area between the meadow and the campground. . . . They took a position where they were relatively screened from view by those standing at the edge of the field. The young people in the meadow did not see them. Moreover, they had decided that their intentions would appear more peaceful if they sat, and had formed a huge circle of several hundred on the grass.

Even the veteran news crew was unprepared for what happened next. Without any warning, the horsemen suddenly burst forth in a pack, riding their iron-shod steeds directly into the midst of the seated assembly, at full gallop, scattering those who were fortunate enough not to be run over. . . . The foot troops then moved in with their clubs, while the horsemen circled about and returned swinging lariats and belts. In one moment the peaceful meadow had been changed into a sickening spectacle by these "peace" officers.

I wonder, Mr. President, if you have ever been charged by a horseman? I can tell you now by experience that it makes you want to pick up anything you can, stick or stone, to ward off his charge. I threw my cigar, the only thing I had at hand, at the one that came directly at me, his horse already out of control. Through no effort on his part, he narrowly brushed me and went riding down into the campsites before he was able to rein in. If my infant son had been playing outside the camper, he might have been trampled to death.

Their escape route purposely cut off, the young people did the only thing they could, they fought back. I found myself cheering as with their bare hands and the few missiles they were able to find in the field, they drove the rangers from the meadow. One girl planted a hastily lettered sign "People's Park" in the place of the one announcing the new curfew, and they rushed to the intersection and put up a road block at that point from which reinforcements might be expected. The park service and its rangers had the riot they wanted at last.

Even so, the large and noisy crowd refrained from taking the large store that stood unprotected nearby. The only violence I witnessed at the intersection was when a sheriff attempted to drive his car into the crowd and almost ran down a middle-aged woman on her bicycle as she tried to get out of his way. Fireworks were set off and a celebration party ensued. We noted no rangers in the campgrounds that evening as we sat eating supper. The young people had won their park, at least for the evening.

I was awakened in the middle of the night, sometime between three and four o'clock, by the blood-chilling screams of a human being beaten. I slipped out of bed and into the cab of the camper to see what was happening. At first all was quiet again, and then another shout of agony, this time nearer by. A short time later the nearest raiding party came into view.

Flashing strong electric beams, they moved quietly from campsite to campsite, waking the sleeping occupants up, thrusting them against trees for search, scattering their belongings. If any objected, even verbally, he was beaten. I subsequently learned there were ten to fifteen in these patrols, some rangers, some highway patrolmen, and some United States marshals. They carried riot guns, sidearms, and clubs. Now they enjoyed superiority in numbers as well as weapons, as they singled out each campsite.

They would have spared our camper as they were limiting their efforts to the children, except they saw me watching them. The raiding party came up to my open window, six lights in my face. I was ordered by a voice behind one of these to produce my registration. I asked if I might see their credentials, and received the reply, "I don't need credentials."

I replied that it was the middle of a black night, they had come up to my camper, on my campsite, and they should identify themselves at least. "We can take him in for delaying a peace officer," another flashlight holder growled.

Recognizing their brand of law and order, I pointed out my registration, taped to the lower left windshield as recommended.

I learned from a newspaper account later forwarded me that over one hundred of these young people were arrested "for resisting a law officer." The following morning as we left the park after a shorter stay than we had planned, I heard two rangers bragging about beating up some of their prisoners.

Imagine, over a hundred of our next generation now carry permanent emotional scars against our type of law enforcement. . . . And let's go further, if this came about in the peace of one of our national parks, how soon shall we dread the middle-of-the-night knock on the door at home?

President Nixon, tell me what words I can find to tell my own children now that will counteract the spectacle of law and order which they have personally witnessed on federal property.

Please explain to me how this, which now seems like an awful dream, can happen in our place, in our time. And tell me how you and I can make this nation the America you say it is, and until now, I thought it was.

Until you can do this, I shall be ashamed to be a Republican, and for the first time in my life, be less proud of being an American.

Sincerely,

JOHN J. FISHER, M.D.

RESOLUTION PROPOSED FOR FCC TO INVESTIGATE RULES GOVERNING CITIZENS RADIO SERVICE

(Mr. MIZELL asked and was given permission to extend his remarks at this point in the RECORD.)

Mr. MIZELL. Mr. Speaker, I rise today to introduce a resolution calling for the Federal Communications Commission to make a thorough review of the rules governing the citizens radio service, with regard to standing regulations affecting that service, distribution of radio frequencies, and the possibility of expanding that distribution, and the establishment of a personal-use division augmenting the present service.

Citizens-band radio operators have traditionally been restricted in their activities to a much greater extent than other communications media. Their effectiveness in times of crisis has been proven time and time again, yet they continue to be discriminated against in various ways.

For example, license fees were recently raised by the Federal Communications Commission from $8 to $20 for citizens-band operators. Beyond the fact that many of these operators consider this fee hike disproportionate with the increases imposed on other communications media, citizens-band operators find they are receiving no more consideration of their needs and no more outlay of funds for develoment of their system than they received before the license fee was increased. This is obviously an unacceptable arrangement for all concerned, and one that calls for extensive review.

These citizens-band operators are making no unreasonable demands. Instead, they seek only the assistance and consideration now afforded other media. They want a larger portion of time, money and consideration for their problems. This should come with the larger license fee, but apparently such considera- has not been forthcoming.

They want a change in the 1965 regulations prohibiting the long-established practice of personal use of stations in the citizens-band service, and a relaxation of stringent restrictions on interstation communication.

As I said before, these operators have proven their effectiveness and provided significant service to this Nation in some of its darkest moments.

I believe we owe them at very least an official review of their grievances.

STATEMENT BY CONGRESSMAN WAYNE ASPINALL CONCERNING USE OF MILL TAILINGS

(Mr. ASPINALL asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. ASPINALL. Mr. Speaker, I would like to make a few remarks which would be intended to bring my colleagues up to date on a situation which exists in some portions of Colorado relative to the use of uranium mill tailings for fill material and road construction purposes.

I am pleased to note that the U.S. Public Health Service has provided our Colorado State Department of Health with guidance to utilize in the assessment of any potential problems related to exposure of members of the public to radioactivity from mill pile tailings used as fill material near homes and public buildings. A press release on this matter was issued yesterday by the Colorado State Department of Health. It will be reproduced in the RECORD following these remarks. U.S. Public Health Service and AEC representatives met with Colorado Health Department people last week for detailed discussion of the recommended guides upon which agreement has been reached.

There has been uncertainty for some time now whether the mill tailings would prove to be suitable material for fill and other purposes. On a number of occasions during the past several years, I have specifically encouraged the AEC and U.S. Public Health Service to speed up their study of the potential problems associated with the use of this material and present their recommendations to

our State Health Department in order that appropriate precautions, if necessary, could be undertaken.

To review this whole situation in a little more detail:

During the late 1950's and early 1960's there had been accumulated large volumes of mill tailings in the vicinity of uranium mills operating in Colorado and other Western States. It was suggested that these tailings could be used for fill material and uses related to road construction. There was some recognition that a radiation risk might be associated with the use of these tailings, and since the Atomic Energy Commission had regulatory control over the uranium millers, the advice of the Commission was sought relative to the use of these tailings for construction and other purposes. Unfortunately, in large part, the Commission's response to inquiries was tempered by the fact that the materials technically did not contain sufficient uranium or thorium to qualify as a type of radioactive material over which the AEC had legal jurisdiction with respect to offsite uses. I have always believed that the Commission should not hide behind this technicality, but should have assumed early leadership in understanding possible public health implications since operation of these mills was clearly associated with the development of the nuclear energy industry.

I say this because it is clear that the Commission possesses the knowledge and technical expertise to analyze and understand the risks which may be associated with the use of this material where there could be long-term exposure of the general public to the emanations associated with the radium content of the tailings materials. In fairness to the Commission, it should be pointed out that as early as 1961 in a letter written to the State health officers of Colorado and the other Western States, the Commission said:

> The radium content of the tailings may be such as to warrant control by appropriate State authorities over particular uses of tailings having a significant radium content.

My earlier comment, of course, is pertinent here. Although in some sense the Commission discharged its legal responsibility by stating that it was without full jurisdiction and by recommending that potential uses of the material be scrutinized by State public health officials, in my view, the Commission should have pursued a more vigorous program and provided leadership in assessing the potential risks that are associated with the use of this material. If this had been done, it is my belief that at this point in time we, that is the Commission, the U.S. Public Health Service, and the Colorado State Health Department—would have a better understanding of what risks, if any, are connected with the continued occupancy of the residences and public buildings which have been constructed on mill tailings or have utilized mill tailings for land fill material.

I do not believe there is any present cause for alarm. On the other hand, I believe that the necessary answer should be secured as soon as humanly possible. It is my understanding that the preliminary measurements of radon concentrations and gamma exposure rates are in some cases close to or slightly in excess of guidelines for nonoccupational radiation exposure.

Although the study and disposition of this matter has not moved as rapidly as I would have hoped. I am confident that our Colorado State Health Department. headed by Dr. Cleere, now that they have obtained the sought-after guidance from the Federal authorities—and, with the promised assistance of instruments and supplemental technical manpower—will be able to define the nature of the public health problem and, where appropriate, devise necessary countermeasures or remedial action.

The press release issued by the Colorado State Department of Health on August 11, 1970, follows:

PRESS RELEASE

The Surgeon General has recommended the radon daughter and gamma radiation levels at which remedial action should be indicated in Grand Junction buildings where uranium mill tailings were used as fill during construction.

Any such remedial action, however, is at least a year away, pending completion of the Colorado Department of Health in-depth study now underway in the Western Slope City and the development of feasible control methods.

The additional exposure from this time lapse should not result in a significant health risk, according to health officials. Dr. Roy L. Cleere, State Health Director, said he has asked the Surgeon General to provide additional manpower and equipment to Colorado so that the Grand Junction study can be accelerated and, hopefully, completed within 18 months.

Dr. Jesse L. Steinfeld, Surgeon General of the United States Public Health Service (PHS) recommended to the State Health Department that corrective measures are indicated in those dwellings where external gamma radiation levels consistently exceed 0.1 milliroentgens (mR) per hour, or the indoor radon daughter products level is greater than a 0.05 working level (WL), above existing background levels.

(A milliroentgen is a term used to describe x-ray or gamma radiation from the tailings themselves. A working level is the term used to describe a radon daughter product's activities in air. Radon daughters are the solid particles into which radon gas decays. If deposited in the lungs in sufficient quantity, they can result in an increased risk of lung cancer. Excessive exposure to gamma radiation can result in an increased risk of leukemia.)

The recommendations just released were reviewed in Denver last week at a two-day session of top-level officials of the United States Public Health Service (PHS), the United States Atomic Energy Commission (AEC), and the State Health Department.

The Surgeon General noted in a covering letter to Dr. Cleere, State Health Director, that the recommendations were forwarded to the Colorado agency in advance of the receipt of the AEC's official views and comments, "because of the urgency attached to your receiving the recommendations as soon as possible."

The Surgeon General's recommendations for action were developed within the framework of existing Federal Radiation Council and International Commission on Radiological Protection guidelines for occupational exposure to airborne concentration of radon and its daughters.

Dr. Cleere said the State Health Department presently has the capability for in-depth sampling of a maximum of 170 locations per year. It has identified 534 Grand Junction locations where tailings were used and wants to screen another 3,500 locations where tailings may have been used. Each building designated for in-depth sampling will be sampled continuously for a two-week period every two months for a year. The sampling is done with a special instrument designed and fabricated at Colorado State University (CSU) at Fort Collins.

Already radiation physicists have noted considerable variations in radon levels from quarter to quarter, depending upon the amount of ventilation in the building, the movement of its occupants, climatic conditions, and other factors as yet unknown. A full year's data are considered vital before any of the recommendations is implemented.

"It is suggested that remedial action be taken only after an adequate number of measurements taken under a diversity of temporal and climatic conditions have clearly established that the average exposure is in excess of 0.1 mR/hr. or 0.05 WL," the Surgeon General wrote. As soon as more definitive information is available, Dr. Cleere said a public meeting will be held in Grand Junction to explain the findings and answer the residents' questions. "AEC and PHS officials have pledged their cooperation and presence at the public meeting," he said.

The Surgeon General recommended three levels for action—one at which remedial action is indicated, another at which remedial action may be suggested, and the third at which no action is indicated.

The levels proposed represent exposures which are in addition to the natural background levels found within Grand Junction dwellings where uranium tailings were not used. These background levels are approximately 0.01 mR/hr. and 0.004 WL.

In commenting on the 0.1 mR/hr. and 0.05 WL at which corrective measures are indicated, the Surgeon General said: "Under conditions of continuous exposure, these levels would result in minimum annual exposures of 900 mR and 2.5 cumulative working level months (CWLM). All values above these would indicate the necessity for remedial action, since at these levels the maximum annual exposure recommended by the Federal Radiation Council (FRC) and the International Commission on Radiological Protection (ICRP) for an individual member of the public is exceeded.

Of the 534 Grand Junction locations already sampled, 65 exceeded 0.05 WL in preliminary grab samples, and 30 were higher than the 0.1 mR/hr. in measurements made with portable instruments.

The Surgeon General also said remedial action may be suggested in the case of external gamma exposure rates of 0.05–0.10 mR/hr. or radon daughter products activities of 0.01–0.05 WL, "since under conditions of continuous exposure, these levels would result in a maximum annual exposures of approximately 400–900 mR and 0.5–2.5 CWLM."

Dr. Cleere said health officials in their ultimate recommendations will follow whichever level is higher—the external gamma radiation level or the radon daughter products concentration. The State Health Dept. hopes soon to have additional instrumentation available for the Grand Junction sampling. It hopes to obtain several hundred thermoluminescent dosimeters from the PHS for gamma radiation sampling. These particular units will be left in dwellings a month at a time, one in each room.

In releasing the Surgeon General's recommendations today, Dr. Cleere emphasized that the preliminary findings are not cause for anyone to become unduly alarmed over the health implications from the radiation levels in Grand Junction.

The Surgeon General pointed out that the ICRP has stated "that very low levels of risk are implied in the dose limits for members of the public, and it is likely to be of minor consequence to their health if the dose limits are marginally or even substantially exceeded."

"We have recognized the existence of a potential health problem," Dr. Cleere said, "We are evaluating it as rapidly as resources permit, and we are trying to keep the people of Grand Junction informed."

Colorado State University has started work on a $159,000 Public Health Service funded project to evaluate diffusion of radon through buildings erected on uranium tailings fill and to develop measures to reduce the indoor concentrations of radioactive gas.

The Public Health Service's Southwestern Radiological Health Laboratory, Las Vegas, Nevada, also is investigating temporary control measures.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. PRYOR of Arkansas (at the request of Mr. MILLS) for balance of week on account of illness in family.

Mr. BEVILL for Wednesday, August 12, 1970, for balance of week on account of official business.

Mr. MCCARTHY (at the request of Mr. ALBERT) for today on account of illness.

Mrs. SULLIVAN (at the request of Mr. ALBERT) for August 12, 13, and 14, on account of funeral.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. PATMAN for 30 minutes today and tomorrow, August 12 and 13, and to revise and extend his remarks and include extraneous matter.

Mr. MCCULLOCH (at the request of Mr. MCCLORY), today, for 15 minutes, and to revise and extend his remarks and to include extraneous matter.

(The following Members (at the request of Mr. SCOTT) and to revise and extend their remarks and include extraneous matter:)

Mr. HALPERN for 5 minutes today.

Mr. HOGAN for 60 minutes on August 14.

Mr. HOGAN for 15 minutes today.

Mr. MILLER of Ohio for 5 minutes today.

Mrs. HECKLER of Massachusetts for 5 minutes today.

Mr. WATSON for 10 minutes today.

(The following Members (at the request of Mr. JONES of Tennessee) and to revise and extend their remarks and include extraneous matter:)

Mr. FARBSTEIN for 20 minutes today.

Mr. DENT for 60 minutes today.

Mr. FUQUA for 10 minutes today.

Mr. CHARLES H. WILSON for 10 minutes today.

Mr. HANNA for 30 minutes today.

Mr. POWELL for 60 minutes on August 13.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the Extensions of Remarks of the RECORD, or to revise and extend remarks was granted to:

Mr. HOLIFIELD to revise and extend his remarks on his special order today and to include extraneous matter.

Mr. HAGAN and to include extraneous matter.

Mr. GUDE, during general debate on H.R. 17570 today.

(The following Members (at the request of Mr. SCOTT) and to include extraneous matter):

Mrs. HECKLER of Massachusetts in two instances.

Mr. ROBISON.

Mr. SPRINGER in two instances.

Mr. SCHADEBERG in three instances.

Mr. DUNCAN in two instances.

Mr. SCHWENGEL.

Mr. ZWACH.

Mr. STEIGER of Arizona.

Mr. SCHMITZ.

Mr. HALL.

Mr. ASHBROOK in two instances.

Mr. MATHIAS.

Mr. MCDONALD of Michigan.

Mr. PELLY in two instances.

Mr. WHALEN.

Mr. HOSMER.

Mr. ROUSSELOT.

Mr. DERWINSKI.

Mr. MORSE.

Mr. STEIGER of Wisconsin.

Mr. DELLENBACK.

Mr. TAFT in five instances.

Mr. ADAIR.

Mr. GOLDWATER in two instances.

Mr. BUSH.

Mr. HARVEY.

Mr. COUGHLIN.

Mr. MCCLOSKEY.

(The following Members (at the request of Mr. JONES of Tennessee) and to include extraneous matter:)

Mr. CELLER.

Mr. OTTINGER in two instances.

Mr. THOMPSON of New Jersey in five instances.

Mr. DADDARIO in two instances.

Mr. SIKES in six instances.

Mr. BROWN of California in two instances.

Mr. BOLAND.

Mr. MIKVA in eight instances.

Mr. CHARLES H. WILSON.

Mr. CULVER in four instances.

Mr. ROYBAL.

Mr. DINGELL.

Mr. MOORHEAD.

Mr. WOLFF.

Mr. DE LA GARZA in six instances.

Mr. GONZALEZ in three instances.

Mr. JACOBS.

Mr. CAREY.

Mr. DANIELS of New Jersey in three instances.

Mr. FOUNTAIN in two instances.

Mr. BINGHAM in two instances.

Mr. COHELAN.

Mr. BURTON of California.

Mr. ANDERSON of California.

Mr. GRIFFIN in two instances.

Mr. HAGAN in two instances.

SENATE BILLS REFERRED

Bills of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 3835. An act to provide a comprehensive Federal program for the prevention and treatment of alcohol abuse and alcoholism; to the Committee on Interstate and Foreign Commerce.

S. 4083. An act to modify and enlarge the authority of Gallaudet College to maintain and operate the Kendall School as a demonstration elementary school for the deaf to serve primarily the National Capital region, and for other purposes; to the Committee on Education and Labor.

ADJOURNMENT

Mr. PATTEN. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 7 o'clock and 51 minutes p.m.), the House adjourned until tomorrow, Thursday, August 13, 1970, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

2300. A letter from the Chairman and members, Federal Home Loan Bank Board, transmitting the 1969 annual report of the Board, pursuant to section 17(b) of the Federal Home Loan Bank Act; to the Committee on Banking and Currency.

2301. A letter from the Secretary of Health, Education, and Welfare, transmitting the third annual report of the Rochester Institute of Technology concerning the establishment and operation of the National Technical Institute for the Deaf for the year ended December 31, 1969, pursuant to section 5(b)(3) of Public Law 89-36; to the Committee on Education and Labor.

2302. A letter from the Commissioner of Social Security, Department of Health, Education, and Welfare, transmitting a report on the administration of the black lung benefit provisions of the Federal Coal Mine Health and Safety Act of 1969; to the Committee on Education and Labor.

2304. A letter from the Comptroller General of the United States, transmitting a report on the opportunity for the Coast Guard to reduce the cost of vessel construction by not requiring shipbuilders to buy insurance and performance and payment bonds; to the Committee on Government Operations.

RECEIVED FROM THE COMPTROLLER GENERAL

2303. A letter from the Comptroller General of the United States, transmitting a report on construction costs for certain federally financed housing projects increased due to inappropriate minimum wage rate determinations, Department of Labor; to the Committee on Government Operations.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. O'NEILL of Massachusetts: Committee on Rules. House Resolution 1192. Resolution for consideration of H.R. 10634, a bill to amend the Interstate Commerce Act and the Federal Aviation Act of 1958 in order to exempt certain wages and salary of employees from withholding for tax purposes under the laws of States or subdivisions thereof other than the State or subdivision of the employee's residence (Rept. No. 91–1412). Referred to the House Calendar.

Mr. DELANEY: Committee on Rules. House Resolution 1193. Resolution for consideration of H.R. 17333, a bill to amend the Investment Company Act of 1940 and the Investment Advisers Act of 1940 to define the equitable standards governing relationships between investment companies and their investment advisers and principal underwriters, and for other purposes (Rept. No. 91–1413). Referred to the House Calendar.

Mr. BOLLING: Committee on Rules. House Resolution 1194. Resolution for consideration of H.R. 17982, a bill to amend the Communications Act of 1934 to provide for a 1-year extension of financing for the Corporation for Public Broadcasting (Rept. No. 91–1414). Referred to the House Calendar.

Mr. ASPINALL: Committee of conference. Conference report on S. 3547; (Rept. No. 91–1415). Ordered to be printed.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BINGHAM:

H.R. 18920. A bill to authorize the establishment of an older worker community service program; to the Committee on Education and Labor.

By Mr. BURKE of Florida:

H.R. 18921. A bill to amend the Railroad Retirement Act of 1937 to provide a 5 percent and cost of living increases in annuities, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. BURTON of California:

H.R. 18922. A bill to establish the Juan Manuel de Ayala National Recreation Area at the Golden Gate Headlands in California; to the Committee on Armed Services.

By Mr. CELLER:

H.R. 18923. A bill to amend the Immigration and Nationality Act, and for other purposes; to the Committee on the Judiciary.

By Mr. McCULLOCH (for himself, Mr. MACGREGOR, Mr. MESKILL, Mr. DENNIS, and Mr. MAYNE):

H.R. 18924. A bill to amend the Immigration and Nationality Act, and for other purposes; to the Committee on the Judiciary.

By Mr. CORMAN (for himself and Mr. ROYBAL):

H.R. 18925. A bill to authorize special appropriations for training teachers for bilingual education programs; to the Committee on Education and Labor.

By Mr. FARBSTEIN (for himself, Mr. MOSS, and Mr. BURTON of California):

H.R. 18926. A bill to amend the Fair Packaging and Labeling Act to require a packaged perishable food to bear a label specifying the date after which it is not to be sold for consumption as food; to the Committee on Interstate and Foreign Commerce.

By Mr. FARBSTEIN:

H.R. 18927. A bill to require certain newspapers to provide a balanced and substantially complete presentation of issues of public importance; to the Committee on Interstate and Foreign Commerce.

H.R. 18928. A bill to amend section 4 of the Newspaper Preservation Act to require newspapers which are parties to joint newspaper operating arrangements to provide a balanced and substantially complete presentation of issues of public importance; to the Committee on the Judiciary.

By Mr. FARBSTEIN (for himself and Mr. CÓRDOVA):

H.R. 18929. A bill to amend title 10 to require that enlisted members of the Armed Forces be given, upon request, certain examinations in Spanish; to the Committee on Armed Services.

By Mr. LANDRUM:

H.R. 18930. A bill to amend the Social Security Act to provide for medical and hospital care through a system of voluntary health insurance financed in whole for low-income groups, through issuance of certificates, and in part for all other persons through allowance of tax credits, and to provide a system of peer review of utilization, charges and quality of medical service; to the Committee on Ways and Means.

By Mr. LOWENSTEIN:

H.R. 18931. A bill to amend title 39, United States Code, to establish a procedure by which postal patrons may be relieved of the burden of receiving commercial advertisements transmitted in the mails, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. MacGREGOR:

H.R. 18932. A bill to amend the Internal Revenue Code of 1954 to provide a tax credit for investments in certain economically lagging regions; to the Committee on Ways and Means.

By Mr. MIKVA:

H.R. 18933. A bill to establish a Commission on Fuels and Energy to recommend programs and policies intended to insure, through maximum use of indigenous resources, that the U.S. requirements for low-cost energy be met, and to reconcile environmental quality requirements with future energy needs; to the Committee on Interstate and Foreign Commerce.

By Mr. MINISH:

H.R. 18934. A bill to provide for the establishment of a Metropolitan Drug Addiction Commission to coordinate and make more effective in the New York metropolitan area the various Federal, State, and local programs for the control, treatment, and prevention of drug addiction; to the Committee on Interstate and Foreign Commerce.

By Mr. MOLLOHAN:

H.R. 18935. A bill to amend the Public Health Service Act to encourage physicians, dentists, optometrists, and other medical personnel to practice in areas where shortages of such personnel exist, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. OTTINGER:

H.R. 18936. A bill to amend the Public Health Services Act and other laws to provide increased research into, and prevention of, drug abuse and drug dependence; to provide for treatment and rehabilitation of drug abusers and drug dependent persons; and to strengthen existing law enforcement authority in the field of drug abuse; to the Committee on Interstate and Foreign Commerce.

By Mr. SPRINGER (for himself, Mr. GERALD R. FORD, Mr. MORTON, and BROYHILL of North Carolina):

H.R. 18937. A bill to amend the Communications Act of 1934 to provide for television broadcasting of certain evening proceedings of the Houses of Congress; to the Committee on Interstate and Foreign Commerce.

By Mr. STAGGERS:

H.R. 18938. A bill to limit membership on national securities exchanges; to the Committee on Interstate and Foreign Commerce.

By Mr. BOB WILSON:

H.R. 18939. A bill to amend section 7275 of the Internal Revenue Code of 1954 (as added by the Airport and Airway Revenue Act of 1970) to require that airline tickets, with respect to the transportation of persons by air which is subject to Federal tax, show the amount of such tax separately from the cost of the transportation involved; to the Committee on Ways and Means.

By Mr. YATES:

H.R. 18940. A bill to amend title 38 of the United States Code to remove the requirement that the widow of a veteran must have been married to such veteran for or within a certain period of time in order to qualify for widows' benefits; to the Committee on Veterans' Affairs.

By Mr. FEIGHAN (for himself, Mr. CARTER, Mr. COWGER, Mr. LEGGETT, Mr. NIX, Mr. POWELL, and Mr. THOMPSON of Georgia):

H.R. 18941. A bill to impose on newspapers of general circulation an obligation to afford certain members of the public an opportunity to publish editorial advertisements and to reply to editorial comment; to the Committee on Interstate and Foreign Commerce.

By Mr. BINGHAM:

H.R. 18942. A bill to amend title II of the Social Security Act to provide for the payment of widow's or widower's insurance benefits at age 50 in the case of a widow or widower whose spouse was entitled to old-age or disability insurance benefits at the time of his or her death and who had already attained such age at that time; to the Committee on Ways and Means.

By Mr. BROWN of Ohio:

H.R. 18943. A bill to authorize appropriations for the construction of economic growth center development highways, and for other purposes; to the Committee on Public Works.

By Mr. CAREY (for himself, Mr. BIAGGI, Mr. BINGHAM, Mr. HATHAWAY, Mr. HAWKINS, Mr. MURPHY of New York, Mr. O'NEILL of Massachusetts, Mr. PODELL, Mr. PUCINSKI, and Mr. CHARLES H. WILSON):

H.R. 18944. A bill National Public Employee Relations Act; to the Committee on Education and Labor.

By Mr. CONABLE (for himself and Mr. BROWN of Ohio):

H.R. 18945. A bill to provide emergency authority for the guarantee of loans to aid business enterprises to meet temporary and urgent financial needs; to the Committee on Banking and Currency.

By Mr. CRAMER (for himself, Mr. FREY, and Mr. BURKE of Florida):

H.R. 18946. A bill to amend title 18 of the United States Code to impose certain limitations on the disposal of and contracts for the acquisition of chemical, biological, and radiological warfare agents; to the Committee on the Judiciary.

By Mr. FASCELL (for himself, Mr. ANNUNZIO, Mr. AYRES, Mr. BOLAND, Mr. BRASCO, Mr. BURKE of Florida, Mr. CHAPPELL, Mr. DONOHUE, Mr. FRELINGHUYSEN, Mr. FRIEDEL, Mr. FULTON of Pennsylvania, Mr. GALIFIANAKIS, Mr. GIBBONS, Mr. HANLEY, Mr. HELSTOSKI, Mrs. MAY, Mr. MICHEL, Mr. MOORHEAD, Mr. MORSE, Mr. OTTINGER, Mr. PEPPER, Mr. PODELL, Mr. TIERNAN, Mr. TUNNEY, and Mr. ZABLOCKI):

H.R. 18947. A bill to require the Department of Defense to determine disposal dates and methods for disposing of certain military material; to the Committee on Armed Services.

By Mr. FASCELL (for himself, Mr. ANNUNZIO, Mr. AYRES, Mr. BOLAND, Mr. BRASCO, Mr. BURKE of Florida, Mr. CHAPPELL, Mr. DONOHUE, Mr. FRELINGHUYSEN, Mr. FRIEDEL, Mr. FULTON of Pennsylvania, Mr. GALIFIANAKIS, Mr. GIBBONS, Mr. HANLEY, Mr. HELSTOSKI, Mrs. MAY, Mr. MICHEL, Mr. MOORHEAD, Mr. MORSE, Mr. OTTINGER, Mr. PEPPER, Mr. PODELL, Mr. TIERNAN, Mr. TUNNEY, and Mr. ZABLOCKI):

H.R. 18948. A bill to require the Council on Environmental Quality to make a full and complete investigation and study of national

policy with respect to the discharging of material into the oceans; to the Committee on Merchant Marine and Fisheries.

By Mr. FASCELL (for himself, Mr. ANNUNZIO, Mr. AYRES, Mr. BOLAND, Mr. BRASCO, Mr. BURKE of Florida, Mr. CHAPPELL, Mr. DONOHUE, Mr. FRELINGHUYSEN, Mr. FRIEDEL, Mr. FULTON of Pennsylvania, Mr. GALIFIANAKIS, Mr. GIBBONS, Mr. HANLEY, Mr. HELSTOSKI, Mrs. MAY, Mr. MICHEL, Mr. MOORHEAD, Mr. MORSE, Mr. OTTINGER, Mr. PEPPER, Mr. PODELL, Mr. TIERNAN, Mr. TUNNEY, and Mr. ZABLOCKI):

H.R. 18949. A bill to prohibit the discharge into any of the navigable waters of the United States or into international waters of any military material without a certification by the Council on Environmental Quality approving such discharge; to the Committee on Merchant Marine and Fisheries.

By Mr. FASCELL (for himself, Mr. SIKES, and Mr. HALEY):

H.R. 18950. A bill to require the Council on Environmental Quality to make a full and complete investigation and study of national policy with respect to the discharging of material into the oceans; to the Committee on Merchant Marine and Fisheries.

By Mr. FOLEY:

H.R. 18951. A bill to authorize the naming of the reservoir to be created by the Little Goose lock and dam, Snake River, Wash., in honor of the late Dr. Enoch A. Bryan; to the Committee on Public Works.

By Mr. HAGAN:

H.R. 18952. A bill to provide a comprehensive Federal program for the prevention and treatment of alcohol abuse and alcoholism; to the Committee on Interstate and Foreign Commerce.

By Mr. HALL:

H.R. 18953. A bill to provide that an officer of the Army, Air Force, or Navy assigned to serve as Director of the Armed Forces Institute of Pathology shall hold the rank of not less than brigadier general or rear admiral, as the case may be, while so serving; to the Committee on Armed Services.

By Mr. KYL (for himself, Mr. MCCLURE, Mr. MIZELL, Mr. SAYLOR, and Mr. PIRNIE):

H.R. 18954. A bill to authorize appropriations for the construction of economic growth center development highways, and for other purposes; to the Committee on Public Works.

By Mr. MCMILLAN:

H.R. 18955. A bill to amend the Agricultural Adjustment Act of 1938 to authorize the sale of tobacco acreage allotments under certain conditions; to the Committee on Agriculture.

By Mr. O'HARA:

H.R. 18956. A bill to extend unemployment insurance coverage to employers of agricultural workers on the same basis as all other employers; to the Committee on Ways and Means.

H.R. 18957. A bill to extend unemployment insurance coverage to employers employing four or more agricultural workers for each of 20 or more weeks; to the Committee on Ways and Means.

By Mr. POLLOCK:

H.R. 18958. A bill to amend the Small Reclamation Projects Act of 1956, as amended; to the Committee on Interior and Insular Affairs.

H.R. 18959. A bill to amend the Public Health Service Act to encourage physicians, dentists, optometrists, and other medical personnel to practice in areas where shortages of such personnel exist, and for other purposes; to the Committee on Interstate and Foreign Commerce.

H.R. 18960. A bill to amend the National Environmental Policy Act of 1969 to provide a program for honoring industry and other private efforts to contribute to the maintenance and enhancement of environmental quality; to the Committee on Merchant Marine and Fisheries.

By Mr. REES:

H.R. 18961. A bill to amend the Tariff Act of 1930 respecting licensing of customs brokers; to the Committee on Ways and Means.

By Mr. TIERNAN (for himself, Mr. BURKE, of Massachusetts, Mr. EILBERG, Mr. KYROS, and Mr. ST GERMAIN):

H.R. 18962. A bill National Public Employee Relations Act; to the Committee on Education and Labor.

By Mr. FASCELL (for himself, Mr. BURTON of California, Mr. FUQUA, Mr. KLUCZYNSKI, Mr. NIX, Mr. O'NEILL of Massachusetts, Mr. RODINO, Mr. ROSENTHAL, Mr. ROYBAL, Mr. WALDIE, Mr. FINDLEY, Mr. BIAGGI, Mr. HATHAWAY, Mr. EILBERG, Mr. MCFALL, and Mr. BROOKS):

H.R. 18963. A bill to require the Department of Defense to determine disposal dates and methods for disposing of certain military material; to the Committee on Armed Services.

By Mr. FASCELL (for himself, Mr. BURTON of California, Mr. FUQUA, Mr. KLUCZYNSKI, Mr. NIX, Mr. O'NEILL of Massachusetts, Mr. RODINO, Mr. ROSENTHAL, Mr. ROYBAL, Mr. WALDIE, Mr. FINDLEY, Mr. BIAGGI, Mr. HATHAWAY, Mr. EILBERG, Mr. MCFALL, and Mr. BROOKS):

H.R. 18964. A bill to require the Council on Environmental Quality to make a full and complete investigation and study of national policy with respect to the discharging of material into the oceans; to the Committee on Merchant Marine and Fisheries.

By Mr. FASCELL (for himself, Mr. FUQUA, Mr. HANNA, Mr. KLUCZYNSKI, Mr. NIX, Mr. O'NEILL of Massachusetts, Mr. RODINO, Mr. ROSENTHAL, Mr. ROYBAL, Mr. WALDIE, Mr. FINDLEY, Mr. BIAGGI, Mr. HATHAWAY, Mr. EILBERG, Mr. MCFALL, and Mr. BROOKS):

H.R. 18965. A bill to prohibit the discharge into any of the navigable waters of the United States or into international waters of any military material without a certification by the Council on Environmental Quality approving such discharge; to the Committee on Merchant Marine and Fisheries.

By Mr. BURKE of Florida:

H.J. Res. 1351. Joint resolution authorizing the President to proclaim the third week in November of each year as "National Good Grooming Week"; to the Committee on the Judiciary.

By Mr. POLLOCK:

H.J. Res. 1352. Joint resolution in opposition to vesting title to the seabed in the United Nations or an international regime; to the Committee on Foreign Affairs.

By Mr. TUNNEY (for himself and Mr. MCFALL):

H.J. Res. 1353. Joint resolution designating the first Sunday in each month a special day of prayer; to the Committee on the Judiciary.

By Mr. FASCELL (for himself, Mr. ANNUNZIO, Mr. AYRES, Mr. BOLAND, Mr. BRASCO, Mr. BURKE of Florida, Mr. CHAPPELL, Mr. DONOHUE, Mr. FRELINGHUYSEN, Mr. FRIEDEL, Mr. FULTON of Pennsylvania, Mr. GALIFIANAKIS, Mr. GIBBONS, Mr. HANLEY, Mr. HELSTOSKI, Mrs. MAY, Mr. MICHEL, Mr. MOORHEAD, Mr. MORSE, Mr. OTTINGER, Mr. PEPPER, Mr. PODELL, Mr. TIERNAN, Mr. TUNNEY, and Mr. ZABLOCKI):

H. Con. Res. 706. Concurrent resolution expressing the sense of the Congress with respect to the pollution of waters all over the world and the necessity for coordinated international action to prevent such pollution; to the Committee on Foreign Affairs.

By Mr. HOWARD (for himself, Mr. HARRINGTON, Mr. MOSS, and Mr. PICKLE):

H. Con. Res. 707. Concurrent resolution expressing the sense of the Congress with respect to an international conference on the creation of an International Environmental Agency; to the Committee on Foreign Affairs.

By Mr. MIZELL:

H. Con. Res. 708. Current resolution relative to Citizens Radio Service; to the Committee on Interstate and Foreign Commerce.

By Mr. REES:

H. Con. Res. 709. Concurrent resolution expressing the sense of the Congress relating to the furnishing of relief assistance to persons affected by the Nigerian Civil War; to the Committee on Foreign Affairs.

By Mr. CHARLES H. WILSON:

H. Con. Res. 710. Concurrent resolution to utilize more effectively the expertise and abilities of the scientists and engineers associated with the National Aeronautics and Space Administration in the fight against environmental pollution; to the Committee on Science and Astronautics.

By Mr. FASCELL (for himself, Mr. BURTON of California, Mr. FUQUA, Mr. HANNA, Mr. KLUCZYNSKI, Mr. NIX, Mr. O'NEILL of Massachusetts, Mr. RODINO, Mr. ROSENTHAL, Mr. ROYBAL, Mr. WALDIE, Mr. FINDLEY, Mr. BIAGGI, Mr. HATHAWAY, Mr. EILBERG, Mr. MCFALL, and Mr. BROOKS):

H. Con. Res. 711. Concurrent resolution expressing the sense of the Congress with respect to the pollution of waters all over the world and the necessity for coordinated international action to prevent such pollution; to the Committee on Foreign Affairs.

By Mr. ANDERSON of Tennessee:

H. Res. 1195. Resolution to authorize the Committee on Interstate and Foreign Commerce to conduct an investigation and study of prices of coal; to the Committee on Rules.

By Mr. POLLOCK:

H. Res. 1196. Resolution relating to the protection of consumer supply of natural gas; to the Committee on Interstate and Foreign Commerce.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. FISHER:

H.R. 18966. A bill for the relief of M. Sgt. Eugene J. Mikulenka, U.S. Army (Retired); to the Committee on the Judiciary.

By Mr. PIKE:

H.R. 18967. A bill to provide for the advancement in grade of a certain officer in the U.S. Naval Reserve; to the Committee on Armed Services.

By Mr. BOB WILSON:

H.R. 18968. A bill for the relief of Mr. Hayden A. Moore; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII,

568. The SPEAKER presented a petition of the 26th Annual Convention, AMVETS Department of Massachusetts, relative to the effect of the reassessment of real estate on disabled veterans and their dependents, which was referred to the Committee on Veterans' Affairs.